



JPY Class S Dist | ISIN: IE00B8843R79

### NAV per Share

JPY Class S Dist      ¥433.6

### Fund Details

Fund Size      ¥35,609 m  
Base Currency      JPY  
Denominations      JPY/USD/GBP/EUR  
Fund Structure      UCITS  
Domicile      Ireland  
Launch Date      31 October 2012  
Investment Manager      Polar Capital LLP  
SFDR Classification      Article 8

### Fund Managers



**Gerard Cawley**  
Fund Manager

Gerard has managed the fund since launch, he joined Polar Capital in 2005 and has 23 years of industry experience.



**Chris Smith**  
Co-manager

Chris has managed the fund since 2018, he joined Polar Capital in 2012 and has 12 years of industry experience.



### Fund Ratings



Ratings are not a recommendation.

## Fund Profile

### Investment Objective

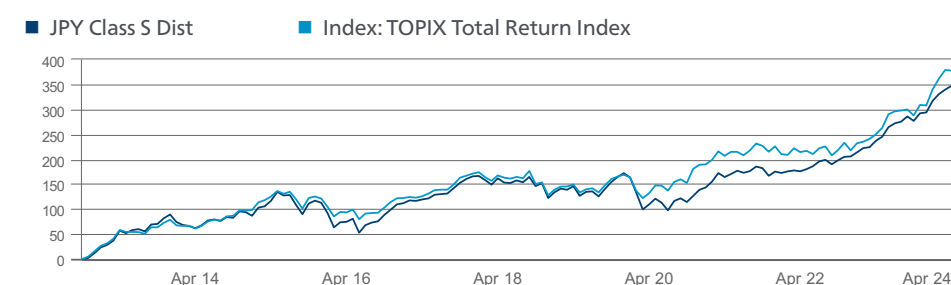
The Fund aims to generate long-term capital growth by investing in the shares of Japanese companies, or companies that generate a significant amount of their business in Japan. The Fund will apply a 'value' based stock picking approach, investing in a concentrated portfolio of large, medium and small capitalisation companies.

### Key Facts

- Team of two industry and investment specialists
- Typically 45-55 positions
- No benchmark or tracking error constraints
- Fundamentally-driven analysis and stock selection

## Share Class Performance

### Performance Since Launch (%)<sup>1 2</sup>



	Since Launch							
	1m	3m	YTD	1yr	3yrs	5yrs	10 yrs	Cum. Ann.
JPY Class S Dist	1.71	7.22	13.52	32.64	68.98	81.51	175.88	347.00 13.90
Index	-0.27	8.58	17.06	36.37	55.55	91.24	195.87	377.42 14.55

### Discrete Annual Performance (%)

12 months to	30.04.24	28.04.23	28.04.22	30.04.21	30.04.20
JPY Class S Dist	32.64	22.11	4.33	26.29	-14.95
Index	36.37	11.34	2.45	32.34	-7.10

### Calendar Year Performance (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
JPY Class S Dist	28.83	10.96	15.24	-12.23	22.40	-16.32	26.76	-1.46	9.59	2.47
Index	28.26	-2.45	12.74	7.39	18.12	-15.97	22.23	0.31	12.06	10.27

**Performance relates to past returns and is not a reliable indicator of future returns.**

Performance for the JPY Class S. The class launched on 31 October 2012. Performance data is shown in JPY **with income (dividends) reinvested**. Source: Northern Trust Institutional Fund Administration Services (Ireland) Ltd. Benchmark performance shown in JPY. Source: Bloomberg.

If this is not your local currency, exchange rate fluctuations may cause performance to increase or decrease when converted into your local currency.

Performance data takes account of fees paid by the fund but does not take account of any commissions or costs you may pay to third parties when subscribing for or redeeming shares or any taxes or securities account charges that you may pay on your investment in the fund. Such charges will reduce the performance of your investment. A 5% subscription fee can be charged at the Investment Managers discretion.

1. All Institutional share classes of the Japan Value Fund were changed to S share classes as at 29 December 2016.

2. On 12 January 2018 the Polar Capital Japan Alpha Fund was renamed the Polar Capital Japan Value Fund. The Polar Capital Japan Value strategy change occurred as at 29 July 2016. Investors can review the Fund's prospectus for further information and a full explanation of the strategy for the Fund.

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Source & Copyright: CITYWIRE. Gerard Cawley & Chris Smith have been awarded a Plus rating by Citywire for their 3 year risk-adjusted performance for the period 28/03/2021 - 28/03/2024.

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## Portfolio Exposure & Attribution

As at 30 April 2024

### Top 10 Positions (%)

Sumitomo Mitsui Financial	4.0
Mitsubishi UFJ Financial	3.3
Daiwa Industries	3.1
SK Kaken	3.0
Dai-ichi Life Insurance	2.9
Suzuki Motor	2.9
Ushio	2.7
Medikit	2.7
Paltac	2.7
Iriso Electronics	2.6

**Total** **30.0**
**Total Number of Positions** **54**
**Active Share** **92.82%**

### Market Capitalisation Exposure (%)

	Fund	Index
Large (Topix 100)	17.4	66.9
Medium (Topix mid 400)	26.3	25.1
Small (Topix small)	53.0	8.1
Cash	3.4	-

### Performance Attribution - 1 Month (%)

#### Top Contributors

	Active Weight	Attrib. Effect
Paltac	2.54	0.44
Jastec Co	1.12	0.39
Toyota Motor	-5.23	0.22
Tokyo Electron	-2.06	0.22
Ushio	2.70	0.21

#### Top Detractors

	Active Weight	Attrib. Effect
METAWATER Co	1.71	-0.18
Medikit	2.90	-0.17
Dai-ichi Life Insurance	2.58	-0.14
Daiichi Sankyo Co	-1.06	-0.13
Bleach	0.68	-0.13

Performance attribution is calculated in JPY on a relative basis over the month. Attribution effect is shown gross of fees.

### Sector Exposure - Top Overweights & Underweights Relative to Index (%)

	Fund	Relative
Services	11.5	7.1
Banks	11.2	3.6
Information & Communication	9.9	2.9
Electric Power & Gas	3.4	2.0
Air Transportation	2.4	2.0
Precision Instruments	4.2	2.0
Machinery	7.2	1.7
Glass & Ceramics Products	1.9	1.2
Transportation Equipment	8.4	-0.9
Other Financing Business	0.0	-1.2
Construction	0.0	-2.1
Real Estate	0.0	-2.1
Land Transportation	0.0	-2.4
Pharmaceutical	1.3	-3.0
Foods	0.0	-3.2
Retail Trade	0.0	-4.1

-5 0 5 10

The column headed "Fund" refers to the percentage of the Fund's assets invested in each sector. The column headed "Relative" refers to the extent to which the Fund is overweight or underweight in each sector compared (relative) to the index.

Note: Totals may not sum due to rounding. It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this document. A list of all recommendations made within the immediately preceding 12 months is available upon request.

## Fund Managers' Comments

### Market review

The rally in global equities finally suffered some profit-taking in April on concerns that sticky US inflation raised the possibility of no interest rate cuts from the US Federal Reserve in 2024. The shift in market direction also saw a change in leadership, with momentum strategies struggling in the short term following strong returns in the first quarter, while rising bond yields favoured value shares.

In Japan, a dovish market perception of the outcome of April's Bank of Japan meeting, combined with the ongoing 'higher for longer' narrative in the US, saw the yen fall to new cycle lows. With the dollar/yen rate breaking the ¥160 level, it appears the Japanese government decided to intervene in the currency markets to try to stabilise the currency. Market leadership in Japan also favoured value names, with geopolitical tensions in the Middle East supporting commodity-related stocks while domestic shares, which are unlikely to benefit from the weak yen, suffered.

### Fund performance

In yen terms, the Fund (S JPY Share Class) rose 1.7% versus a 0.3% decrease in the benchmark TOPIX Total Return Index over the period (from 28 March to 30 April due to a national holiday on 29 March). The main driver of outperformance in March was positive stock selection within small and mid-cap companies. The largest positive contributors to relative performance included Paltac, following a revision up to their full-year guidance, and Jastec, who were subject to a takeover bid. On the negative side, METAWATER reacted poorly to weaker-than-expected profit guidance, and Dai-ichi Life Insurance suffered from profit-taking after strong share price performance in Q1.

### Portfolio turnover

REZIL: we elected to participate in the initial public offering of REZIL given low valuations and the high recurring revenue nature of the underlying business. The company's main business is energy distribution, primarily for large-scale condominium developments. Although the business requires some upfront spending on installed assets, the contracts are very long term with extremely low churn rates, offering attractive long-term returns. We believe the valuation of the company will re-rate over time as more investors come to understand their business model and growth prospects.

Forum Engineering: the long-standing position in Forum Engineering was sold as it approached our fair value target after a period of strong share price performance over the past 12 months. The release of their new mid-term plan in May 2023 proved to be the catalyst for a significant valuation re-rating. With valuations now more in line with levels at larger competitors in the engineer dispatch industry, we decided to recycle the funds into higher conviction names in the portfolio.

Jastec: the small-cap system integrator was subject to a takeover bid from industry giant NTT Data at a 38% premium. It appears NTT Data's primary motivation for the acquisition is the shortage of engineering talent in Japan. We have maintained a number of holdings in the industry post-pandemic, as the need to focus limited resources on digital transformation offers a favourable tailwind. Given no counteroffer is expected, we sold our position in the market ahead of the formal closure of the tender offer.

### Outlook and strategy

The recent pullback in Japanese equities has been relatively mild considering the strong returns over the past 12 months. Investors are currently digesting full-year earnings season announcements

in Japan with profit guidance for the new fiscal year proving conservative relative to consensus expectations, a typical feature of corporate management in Japan at the start of a new fiscal year. Elsewhere, the pressure on the government, and indirectly the Bank of Japan, to halt the decline in the value of the yen is intensifying. The popularity ratings of Fumio Kishida's Liberal Democratic Party (LDP) administration remain extremely low and there is a possibility there may be a change in leadership before the end of 2024 given an internal LDP party leadership election is due in September.

Portfolio strategy was little changed in April given limited portfolio turnover. We have reinforced the strong bias to small and mid-cap (SMID) value shares over the past 12 months as large-cap value shares have handsomely outperformed their SMID-cap peers. One notable change in sector positioning since the summer of 2023 is the gradual increase in weighting to technology shares. The takeover of Jastec was an unexpected positive surprise this month and is the 10<sup>th</sup> takeover the portfolio has enjoyed since shifting to the current value strategy in 2016. We are optimistic there is substantial room for more value to be unlocked within the portfolio going forward as reforms in Japan continue to accelerate.

Gerard Cawley & Chris Smith

7 May 2024

*It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this document. A list of all recommendations made within the immediately preceding 12 months is available upon request.*

## Share Class Information

Share Class	Bloomberg	ISIN	SEDOL	Minimum Investment	OCF <sup>†</sup>	Ann. Fee	Perf. Fee <sup>††</sup>
USD R Dist	PCJARUI ID	IE00B3KK5164	B3KK516	-	1.44%	1.35%	10%
JPY R Dist	PCJARJI ID	IE00B8857N36	B8857N3	-	1.44%	1.35%	10%
GBP R Dist	POJVLRS ID	IE00BK63S973	BK63S97	-	1.44%	1.35%	10%
EUR R Dist	POJVLRE ID	IE00BK63S866	BK63S86	-	1.44%	1.35%	10%
USD R Dist Hdg	PCJARUH ID	IE00B88DDG32	B88DDG3	-	1.44%	1.35%	10%
GBP R Dist Hdg	PCJARBH ID	IE00B4WY8142	B4WY814	-	1.44%	1.35%	10%
EUR R Dist Hdg	PCJAREH ID	IE00B7G7VV19	B7G7VV1	-	1.44%	1.35%	10%
CHF R Dist Hdg	POJVRHC ID	IE00BK63DD68	BK63DD6	-	1.44%	1.35%	10%
USD I Dist	POJAVIU ID	IE00BYW63S21	BYW63S2	-	1.09%	1.00%	10%
JPY I Dist	PCJAIJY ID	IE00BYMD0W65	BYMD0W6	-	1.09%	1.00%	10%
GBP I Dist	POJAVIG ID	IE00BYW63T38	BYW63T3	-	1.09%	1.00%	10%
EUR I Dist	POJAVIE ID	IE00BYW63V59	BYW63V5	-	1.09%	1.00%	10%
USD I Dist Hdg	POJAIUH ID	IE00BFX4HR96	BFX4HR9	-	1.09%	1.00%	10%
GBP I Dist Hdg	POJAIGH ID	IE00BFX4HT11	BFX4HT1	-	1.09%	1.00%	10%
EUR I Dist Hdg	POJAIEH ID	IE00BFX4HW40	BFX4HW4	-	1.09%	1.00%	10%
CHF I Dist Hdg	POJVIHC ID	IE00BK63DF82	BK63DF8	-	1.09%	1.00%	10%
USD S Dist	POJVLSE ID	IE00BK63DB45	BK63DB4	USD 1m	0.69%	0.60%	10%
JPY S Dist*	PCJAIJI ID	IE00B8843R79	B8843R7	USD 1m	0.69%	0.60%	10%
GBP S Dist*	PCJAIIB ID	IE00B6TBKM73	B6TBKM7	USD 1m	0.69%	0.60%	10%
EUR S Dist	POJVLSE ID	IE00BK63DC51	BK63DC5	USD 1m	0.69%	0.60%	10%
USD S Dist Hdg*	PCJAIUH ID	IE00B7JYM942	B7JYM94	USD 1m	0.69%	0.60%	10%
GBP S Dist Hdg*	PCJAIIBH ID	IE00B8C0M523	B8C0M52	USD 1m	0.69%	0.60%	10%
EUR S Dist Hdg*	PCJAIEH ID	IE00B8C1QM02	B8C1QM0	USD 1m	0.69%	0.60%	10%
CHF S Dist Hdg	PJPVSHC ID	IE00BKPWG137	BKPWG13	USD 1m	0.69%	0.60%	10%
USD I Acc	PCJAIUS ID	IE000KLS6DQ2	BNG26N5	-	1.09%	1.00%	10%
USD I Acc Hedged	PCJIUHA ID	IE000VBA67C9	BNG26R9	-	1.09%	1.00%	10%
EUR I Acc	PCJAIEA ID	IE00B4WLVUJ3	BNG26P7	-	1.09%	1.00%	10%
EUR I Acc Hedged	PCJIEHD ID	IE0001XAJEX3	BNG26S0	-	1.09%	1.00%	10%
JPY I Acc	PCJAIJP ID	IE0006XBIGM0	BNG26M4	-	1.09%	1.00%	10%

\*These share classes are closed to new investors.

<sup>†</sup>Ongoing Charges Figure (OCF) is the latest available, as per the date of this factsheet. The Ongoing Charges Figure is based upon the expenses incurred by the Fund for the previous 12 month period. The OCF incorporates the Annual Fee charged by the Fund.

<sup>††</sup>Performance Fee 10% of outperformance of Topix Index TR.

## Risks

- **Capital is at risk and there is no guarantee the Fund will achieve its objective. Investors should make sure their attitude towards risk is aligned with the risk profile of the Fund before investing.**
- **Past performance is not a reliable guide to future performance. The value of investments may go down as well as up and you might get back less than you originally invested as there is no guarantee in place.**
- The value of a fund's assets may be affected by uncertainties such as international political developments, market sentiment, economic conditions, changes in government policies, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Please see the Fund's Prospectus for details of all risks.
- The Fund invests in the shares of companies, and share prices can rise or fall due to several factors affecting global stock markets.
- The Fund uses derivatives which carry the risk of reduced liquidity, substantial loss, and increased volatility in adverse market conditions, such as failure amongst market participants.
- The Fund invests in assets denominated in currencies other than the Fund's base currency. Changes in exchange rates may

## Administrator Details

Northern Trust International Fund  
Administration Services (Ireland) Ltd

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Dealing Daily  
Cut-off 15:00 Irish time

- have a negative impact on the Fund's investments. If the share class currency is different from the currency of the country in which you reside, exchange rate fluctuations may affect your returns when converted into your local currency. Hedged share classes may have associated costs which may impact the performance of your investment.
- The Fund invests in a relatively concentrated number of companies and industries based in one country. This focused strategy can produce high gains but can also lead to significant losses. The Fund may be less diversified than other investment funds.

## Important Information

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A decision may be taken at any time to terminate the marketing of the Fund in any EEA Member State in which it is currently marketed. Shareholders in the affected EEA Member State will be given notification of any decision and provided the opportunity to redeem their interests in the Fund, free of any charges or deductions, for at least 30 working days from the date of the notification.

Investment in the Fund is an investment in the shares of the Fund and not in the underlying investments of the Fund. Further information about fund characteristics and any associated risks can be found in the Fund's Key Investor Document or Key Investor Information Document ("KID" or "KIID"), the Prospectus (and relevant Fund Supplement), the Articles of Association and the Annual and Semi-Annual Reports. Please refer to these documents before making any final investment decisions. These documents are available free of charge at Polar Capital Funds plc, Georges



## Important Information (contd.)

Court, 54-62 Townsend Street, Dublin 2, Ireland, via email by contacting Investor-Relations@polarcapitalfunds.com or at www.polarcapital.co.uk. The KID is available in the languages of all EEA member states in which the Fund is registered for sale; the Prospectus, Annual and Semi-Annual Reports and KIID are available in English.

The Fund promotes, among other characteristics, environmental or social characteristics and is classified as an Article 8 fund under the EU's Sustainable Finance Disclosure Regulation (SFDR). For more information, please see the Prospectus and relevant Fund Supplement.

ESG and sustainability characteristics are further detailed on the investment manager's website: (<https://www.polarcapital.co.uk/ESG-and-Sustainability/Responsible-Investing/>).

A summary of investor rights associated with investment in the Fund is available online at the above website, or by contacting the above email address. This document is provided and approved by both Polar Capital LLP and Polar Capital (Europe) SAS.

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**Benchmark** The Fund is actively managed and uses the TOPIX Total Return Index as a performance target and to calculate the performance fee. The benchmark has been chosen as it is generally considered to be representative of the investment universe in which the Fund invests. The performance of the Fund is likely to differ from the performance of the benchmark as the holdings, weightings and asset allocation will be different. Investors should carefully consider these differences when making comparisons. Further information about the benchmark can be found <http://www.jpjx.co.jp/>

english/markets/indices/topix. The benchmark is provided by an administrator on the European Securities and Markets Authority (ESMA) register of benchmarks which includes details of all authorised, registered, recognised and endorsed EU and third country benchmark administrators together with their national competent authorities.

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**Spain** The Fund is registered in Spain with the Comisión Nacional del Mercado de Valores ("CNMV") under registration number 771.

**Switzerland** The principal fund documents (the prospectus, KID/KIIDs, memorandum and articles of association, annual report and semi-annual report) of the Fund may be obtained free of charge from the Swiss Representative. The Fund is domiciled in Ireland. The Swiss representative and paying agent is BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich, Switzerland.

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