

# AMUNDI FUNDS EQUITY JAPAN VALUE - SJ

FACTSHEET

31/12/2017

## EQUITY

### Key information (source : Amundi)

Net Asset Value (NAV) : 13,116.00 ( JPY )  
 NAV and AUM as at : 29/12/2017  
 Assets Under Management (AUM) :  
 22,920 ( million JPY )  
 ISIN code : LU0248702358  
 Benchmark : TOPIX TOKYO SE

### Investment Objective

The objective of the Sub-Fund is to seek long-term capital growth, by investing at least two thirds of its assets in shares of Japanese companies selected following a value strategy (based on the analysis of divergence between share prices and improving firm values, in order to benefit from out performances resulting from a future correction of the stock prices evolution).

### Information

Fund structure : UCITS  
 Sub-fund launch date : 15/06/2006  
 Share-class inception date : 15/06/2006  
 Eligibility : -  
 Type of shares : Accumulation  
 Minimum first subscription / subsequent :  
 1 thousandth(s) of (a) share(s) / 1  
 thousandth(s) of (a) share(s)  
 Entry charge (maximum) : 3.00%  
 Ongoing charge : 2.40% ( realized 30/06/2017 )  
 Exit charge (maximum) : 0%  
 Minimum recommended investment period : 5 years  
 Performance fees : No

### Returns

#### Performance evolution (rebased to 100) from 31/12/2007 to 29/12/2017\*



#### Cumulative returns \*

Since	YTD 30/12/2016	1 month 30/11/2017	3 months 29/09/2017	1 year 30/12/2016	3 years 31/12/2014	5 years 31/12/2012	Since 19/06/2006
Portfolio	18.62%	0.40%	7.35%	18.62%	34.43%	106.52%	31.37%
Benchmark	22.23%	1.57%	8.69%	22.23%	37.40%	133.96%	48.93%
Spread	-3.61%	-1.17%	-1.34%	-3.61%	-2.98%	-27.44%	-17.56%

#### Calendar year performance \*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Portfolio	18.62%	4.88%	8.06%	5.47%	45.66%	21.97%	-18.18%	0.57%	13.47%	-41.34%
Benchmark	22.23%	0.31%	12.06%	10.27%	54.41%	20.86%	-17.00%	0.96%	7.62%	-40.62%
Spread	-3.61%	4.56%	-4.01%	-4.80%	-8.75%	1.11%	-1.18%	-0.39%	5.85%	-0.72%

\* Source : Amundi. The above results pertain to full 12-month period per calendar year. All performances are calculated net income reinvested and net of all charges taken by the Sub-Fund and expressed with the round-off superior. Past performance is not a reliable indicator of future performance. The value of investments may vary upwards or downwards according to market conditions.

#### Risk & Reward Profile (SRII)



Lower risk, potentially lower rewards

Higher risk, potentially higher rewards

The SRII represents the risk and return profile as presented in the Key Investor Information Document (KIID). The lowest category does not imply that there is no risk. The SRII is not guaranteed and may change over time.

#### Top ten holdings (% assets)

	Weight
NIPPON TELEGRAPH & TELEPHONE CORP.	2.79%
FUJITSU LTD.	2.75%
COCA-COLA BOTTLERS JAPAN INC.	2.54%
MITSUBISHI UFJ FINANCIAL GROUP. INC.	2.52%
HIROSE ELECTRIC CO.. LTD.	2.51%
SANWA HOLDINGS CORP.	2.51%
KURITA WATER INDUSTRIES LTD.	2.50%
MIRACA HOLDINGS INC.	2.50%
COMSYS HOLDINGS CORP.	2.48%
TOAGOSEI CO.. LTD.	2.47%

## EQUITY ■

## Management commentary

The fund underperformed the benchmark in December.

The Nikkei 225 and TOPIX rose for a fourth straight month by 0.18% to JPY22764.94 and 1.42% to 1817.56, respectively.

The December Tokyo market started with risk-off tone due to the geopolitical risk in the Middle East. However, Japanese equities rebounded from mid-December to late December on the back of solid macro data points and tax reform in the US.

By sector, Oil & Coal, Mining, Wholesale Trade, Pulp & Paper, Air Transportation sectors outperformed, while Information & Communication, Other Products, Electric Power & Gas, Other Financing, Electric Appliances sectors underperformed. Commodity stocks outperformed supported by the solid oil market.

As to the stock attributions to the fund performance, Tsugami, a manufacturer of precision machine tools, added value to the portfolio. It outperformed as the orders of auto-related products hit the bottom and have been positive on a year-on-year basis since the 2H of 2016. Tsugami's corporate value is expected to improve as its efforts to increase orders of auto-related products rather than those of electrical parts can improve its earnings stability.

On the other hand, DeNA, an operator of SNS game services, detracted value most from the portfolio. Its stock price had been weak as the revenue from its SNS game service had been declining. But DeNA has been trying to start new businesses in addition to its SNS game services and the joint business with Nintendo is one of them. Its stock price plunged in December as WSJ reported that Nintendo had been discussing with several companies about development of the smartphone games. However, as DeNA is a Nintendo's partner for games development and they have formed a capital alliance, we think their partnership will continue.

In December, we sold off Tomy and Teijin, while we increased active weights of Miraca Holdings and Nikon.

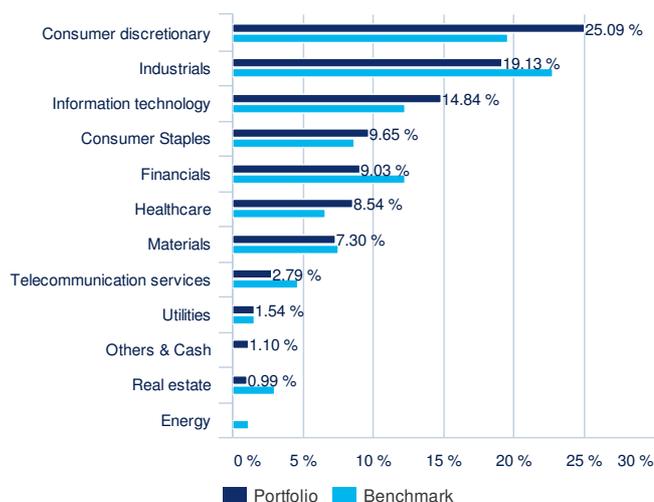
We had decreased the active weight of Tomy in the previous month after the sudden announcement of President Meiji's resignation. As we had highly valued his leadership for Tomy's structural reform and the leadership of new president is unknown, we decided to sell it off.

We held Teijin as we had expected its production facilities of underperforming polycarbonate resin, high performance fibers and film businesses to be efficiently reorganized. We sold it off as we confirmed that its structural reform had been mostly completed.

We increased Miraca Holdings, which was established from the business integration of Fujirebio (one of the largest manufacturers of clinical reagent) and SRL (the largest outsourcer of clinical test). At the outset of its integration, each organization was independently managed, but the new CEO started to exchange each personnel in 2016 in order to realize the synergy effects from the integration. We had more solid convictions for its structural reforms after our deep discussion with the CEO on its organization reforms and its growth strategy.

We hold Nikon due to its low ROE from its low profitability of main businesses such as its imaging products business. We observed that its new CFO had started to transform it into ROIC focused company and had proceeded to work on improving the profitability of its imaging products business by decreasing the number of its products or increasing high value-added products. We increased its active weight as we had stronger convictions for its future success of its structural reforms after our engagement with its CFO.

## Sector breakdown



## Portfolio breakdown

## Legal information

Amundi Funds is a UCITS organised as an open-ended investment company (société d'investissement à capital variable, "SICAV") under the laws of the Grand Duchy of Luxembourg, and is regulated by the Commission de Surveillance du Secteur Financier ("CSSF"). Number of registration RCS B68.806. UK retail investors will not have any protection under the UK Financial Services Compensation Scheme. There will be no right to cancel an agreement to purchase fund units under section 15 of the UK Financial Services Conduct of Business Sourcebook. AMUNDI FUNDS EQUITY JAPAN VALUE, which is a sub-fund of Amundi Funds, has been recognised for public marketing in United Kingdom by the Financial Conduct Authority (FCA). The issuer of this document is Amundi, 90 Boulevard Pasteur, 75730 Cedex 15 - France, registered in France under number GP 04000036, authorised and regulated by the Autorité des Marchés Financiers. This document is not a Prospectus. The offering of shares in Amundi Funds can only be made using the official Prospectus. The latest prospectus, the key investor information document ("KIID"), the articles of incorporation as well as the annual and semi-annual reports are available free of charge from the facilitating agent (Amundi London Branch, 41 Lothbury, London EC2R 7HF, United-Kingdom) and on our website [www.amundi.com](http://www.amundi.com). The latest available prospectus, more specifically on risk factors, as well as the KIID should be consulted before considering any investment. The data source of this document is Amundi except otherwise mentioned. The date of these data is indicated under the mention MONTHLY REPORT at the top of the document except otherwise mentioned. Warnings: Please read the Prospectus carefully before you invest. Remember that the capital value and the income from investments may go down as well as up and that changes in rates of exchange between currencies may have a separate effect also causing the value of the investments to decrease or to increase. Past performance is not necessarily a guide to future performance. Investors may not get back the amount they originally invested. Investors should note that the securities and financial instruments contained herein may not be suitable for their investment objectives.