

LINDSELL TRAIN JAPANESE EQUITY FUND

All data at 31 August 2016

Fund Assets

¥13,216m / £97.4m

Share Price

A Yen: ¥320.66

B Yen: ¥138.85

B Yen Dist: ¥121.69

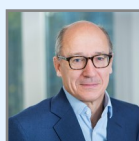
B £ Hedged—Dist: £1.8219

B £ Quoted—Dist: £1.9603

C US Dollar: \$1.2476

Source: Lindsell Train Limited and Capita Financial Administrators (Ireland) Limited.

Portfolio Manager



Michael Lindsell

Fund Objective & Policy

To increase the value of Shareholders' capital over the longer term from a focused portfolio of equities primarily quoted on stock markets in Japan. The Fund's investment performance is compared with the TOPIX (Tokyo Stock Exchange (First Section) Index) in Yen terms.

Fund Profile

The portfolio is concentrated, with the number of stocks ranging from 20-35, and has low turnover.

<i>Calendar Year Performance (%)</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
LT Japanese Equity Fund (A Yen)	-11.4	+13.3	+51.4	+8.1	+24.2
TOPIX Index	-17.2	+20.7	+54.4	+10.3	+12.1

<i>Cumulative Performance (%) 31 August 2016</i>	<i>Since Appt.</i>	<i>5yr</i>	<i>3yr</i>	<i>1yr</i>	<i>YTD</i>	<i>3m</i>	<i>1m</i>
LT Japanese Equity Fund (A Yen)	+106.9	+114.0	+52.2	-3.7	-4.7	-0.9	-2.9
TOPIX Index	+45.6	+91.7	+27.6	-11.7	-13.0	-3.5	+0.5

Source: Morningstar Direct. Fund performance is based on total return of A Class shares and is net of fees. The TOPIX performance has been changed to total return with effect from 2/11/2009 as disclosed in the Prospectus. Prior to that it was based on capital return. Past performance is not a guide to future performance.

Strategy Profile

Top 10 Holdings (% NAV)

Nintendo	10.0
Kao	9.6
Astellas Pharmaceutical	8.0
OBIC Business Consultants	6.7
Japan Exchange Group	6.0
Hogy Medical	5.3
Kirin Holdings	5.0
Ito En	4.9
Shiseido	4.8
Takeda Pharmaceutical	4.7

Sector Allocation (% NAV)

Consumer Franchises	43.2
Finance & Exchanges	6.0
Media incl. Software	24.9
Pharmaceuticals incl. Healthcare	24.1
Cash & Equivalent	1.8
Total	100.0

Lindsell Train sector definitions

*NOTE: Lindsell Train was appointed as portfolio manager to the Close Investments Japanese Equity Fund in January 2004, which we took over as Investment Manager and promoter on 2nd November 2009.

Fund Information

Type of Scheme: Dublin OEIC (UCITS)

Launch Date: 30 October 1998 (Lindsell Train appointed January 2004)

Classes: A Yen, B Yen & B Yen Dist., B £ Hedged—Dist., B £ Quoted—Dist., C US Dollar

Base Currency: Yen (¥)

Benchmark: TOPIX

Dealing & Valuation: 12 noon each Dublin & UK Business Day

Year End: 31 December

Dividend XD dates: 1 Jan, 1 Jul

Pay Dates: 31 Jan, 31 Jul

*The OCF is the Management Fee plus Additional Fund Expenses and is based on expenses and average assets for the year ending 31/12/2015. This gives an indication of annual expenses. This figure may vary over time. It excludes portfolio transaction costs.

A copy of the latest prospectus and the Key Investor Information Document for each class is available from www.lindselltrain.com

Minimum Investment:

A: ¥200,000
B: ¥10,000,000 / £100,000
C: \$250,000

Management Fees:

A: 1.15% p.a.
B & C: 0.65% p.a.

Additional Expenses: 0.26% p.a.

Ongoing Charges Figure (OCF)*:

A: 1.41% p.a.
B & C: 0.91% p.a.

ISIN :

A Yen: IE0004384180
B Yen: IE00B11DWM09
B Yen Dist: IE00B11DWS60
B £ Hedged—Dist: IE00B3MSSB95
B £ Quoted—Dist: IE00B7FGDC41
C US Dollar: IE00BK4Z4T73

SEDOL :

A Yen: 438318
B Yen: B11DWM0
B Yen Dist: B11DWS6
B £ Hedged—Dist: B3MSSB9
B £ Quoted—Dist: B7FGDC4
C US Dollar: BK4Z4T7

Company/Fund Registered Office: Lindsell Train Global Funds plc, 33 Sir John Rogerson's Quay, Dublin 2, Ireland

Investment Manager & Promoter: Lindsell Train Ltd, 66 Buckingham Gate, London, SW1E 6AU, Phone: +44 20 7808 1210 / info@lindselltrain.com

Fund Administrator, Dealing & Registration: Capita Financial Administrators (Ireland) Limited. Phone: +353 1 400 5300 / Fax: +353 1 400 5350
Regulated by the Central Bank of Ireland

Depository & Custodian: BNY Mellon Trust & Depository (Ireland) Limited *Regulated by the Central Bank of Ireland*

Issued and approved by Lindsell Train Limited. Authorised and regulated by the Financial Conduct Authority.

Portfolio Manager's Comments

The fund NAV ended the month down 2.9% which compared unfavourably to the 0.5% rise in the TOPIX index. There were some specific holdings influencing this outcome. Tsutsumi Jewelry fell 20% after some poor results whilst Taisho and Astellas Pharmaceuticals were down 16% and 8% respectively. Taisho had performed well of late so its fall could perhaps be put down to the random to and fro of markets, but Astellas should have reacted better to the acquisition of its Xtandi drug partner Medivation by Pfizer. The latter's marketing clout should further raise the drug's profile in the USA where revenues are shared with Astellas. Shiseido also was weak, down 10%, following a downward revision to near term profits on account of extra investment costs associated with its recent acquisitions of Jean Paul Gaultier fragrances in Europe and Laura Mercier skincare and make-up brands in the USA. Whilst it is argued by the company that these acquisitions will boost Shiseido's critical mass in these geographies, we instinctively think that money might be better spent burnishing Shiseido's Asian heritage, something that differentiates it from other global cosmetics companies.

Aside from these instances of weak share prices we sense that something more malign underpins this recent underperformance. And that is the increasing influence on demand and supply in the market from government purchases of shares. The two main protagonists are the Bank of Japan ('BOJ') through its direct intervention to boost economic growth and inflation; and the increased ownership of shares by the Government Pension Investment Fund ('GPIF'). The GPIF owns c.9% of the market and the BOJ c.3% and rising. At the end of July the BOJ announced its intention to almost double the pace of its purchases through Exchange Traded Funds ('ETF') linked to the market indices, which would make the BOJ the largest holder of the market in a few years' time if the programme continues. This intervention activity is already having a discernible effect on daily moves in the market, not least because traders are now trying to anticipate government intervention and as the programme goes on the effect will increase. According to Goldman Sachs, already the BOJ in effect (the BOJ holdings are through ETFs so are not direct) owns more than 10% of five companies and estimates that by this time next year it will own more than 10% of another 27. A further distortion is the BOJ's additional ownership of ETFs linked to the Nikkei index, which currently account for c.50% of its ETF holdings. The Nikkei is an arithmetic index opposed to a geometric one. This means that companies with high share prices are disproportionately represented relative to their market capitalisation or free float. For example, Fast Retailing, the clothes retailer behind the Uniqlo brand, is currently 12% indirectly owned by the BOJ today and Goldman Sachs estimate it will be 19.1% owned by them in a year's time. It is not surprising then, given our portfolio's small overlap with the index (the combined index weighting of our companies amounted to just 5.3% of the TOPIX index on 5th September), that in the various lists of companies with high indirect BOJ holdings published by commentators and brokers none of our companies feature. Although it seems that this intervention activity is distorting short-term relative performance in the market, probably to our detriment, ultimately market prices are determined by marginal buyers and sellers often in very small quantity. In other words it will be the business integrity and performance of the individual company that will matter most, rather than necessarily the intervention of a price insensitive buyer.

Date 12 September 2016

Risk Warning

Past performance is not a guide or guarantee to future performance. Investments carry a degree of risk and the value of investments and income from them as a result of market or currency fluctuations may go down as well as up and you may not get back the amount you originally invested.

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