The Baillie Gifford Japan Trust PLC

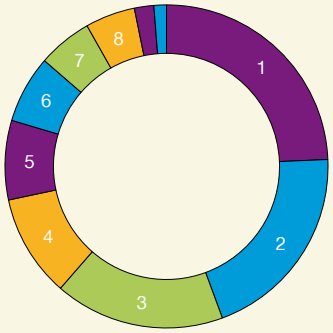
30 September 2017

Key Information

Manager			Sarah Whitley
Total Assets	£650.81m	Total Borrowings	£80.00m
Ongoing Charges	0.78%	Dividend Yield	Nil
Potential Gearing	14%	Invested Gearing	12%
Active Share			85%*
Annual Turnover (As at 31/08/2017)			6%
Net Asset Value per Share (NAV)			679.09p
Share Price			725.00p
Premium of Share Price to NAV			6.8%

*Relative to TOPIX. Source: Baillie Gifford & Co and relevant underlying index provider(s).

Sector Analysis of Total Assets



1	Commerce & Services	24.3%
2	Electricals & Electronics	20.1%
3	Manufacturing & Machinery	17.0%
4	Info, Comm and Utilities	10.3%
5	Financials	7.9%
6	Retail	6.8%
7	Real Estate & Construction	5.4%
8	Chemicals & Other Materials	5.0%
9	Pharmaceuticals & Foods	1.9%
10	Net Liquid Assets	1.3%

Total may not sum due to rounding.

Proposition

The Trust aims to pursue long-term capital growth principally through investment in medium to smaller sized Japanese companies which are believed to have above average prospects for growth.

We invest in a spread of 40–70 companies, predominantly medium and smaller sized, that we believe offer good growth opportunities.

Growth may come from innovative business models, disrupting traditional Japanese practices or market opportunities, such as growth from overseas.

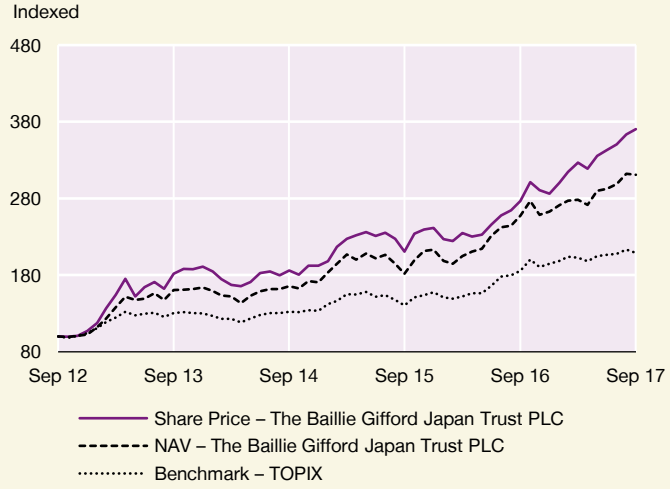
We aim to take a three to five year view and the Trust is managed by looking at the underlying investments rather than the benchmark which is TOPIX total return.

Top Ten Holdings

Holdings		% of Total Assets
1	SoftBank	3.7
2	Yaskawa Electric	3.3
3	Start Today	3.0
4	Persol Holdings	2.9
5	Misumi	2.8
6	IRISO Electronics	2.7
7	Outsourcing	2.7
8	FANUC	2.3
9	Sysmex	2.2
10	Itochu Corp.	2.1
Total		27.7

Total may not sum due to rounding.

Performance



Periodic Performance (%)

	1 Year	3 Years	5 Years	10 Years
Share Price	34.0	98.9	270.4	260.7
NAV	20.7	87.7	210.7	206.2
Index*	12.6	58.2	109.0	97.5

Discrete Performance (%)

	30/09/12-30/09/13	30/09/13-30/09/14	30/09/14-30/09/15	30/09/15-30/09/16	30/09/16-30/09/17
Share Price	81.9	2.4	13.0	31.3	34.0
NAV	60.5	3.1	9.8	41.5	20.7
Index*	30.5	1.3	6.3	32.2	12.6

Performance source: Morningstar and relevant underlying index provider(s), total return.
*TOPIX.

All data as at 30 September 2017 and source Baillie Gifford & Co Limited unless otherwise stated. Past performance is not a guide to future returns.

Risk Warnings

The investment trusts managed by Baillie Gifford & Co Limited are listed UK companies. The value of their shares, and any income from them, can fall as well as rise and investors may not get back the amount invested.

The specific risks associated with the Trust include:

— The Trust invests in overseas securities. Changes in the rates of exchange may also cause the value of your investment (and any income it may pay) to go down or up.
— The Trust can borrow money to make further investments (sometimes known as "gearing" or "leverage"). The risk is that when this money is repaid by the Trust, the value of the investments may not be enough to cover the borrowing and interest costs, and the Trust will make a loss. If the Trust's investments fall in value, any invested borrowings will increase the amount of this loss.
— The Trust can buy back its own shares. The risks from borrowing, referred to above, are increased when a trust buys back its own shares.
— Market values for securities which have become difficult to trade may not be readily available and there can be no assurance that any value assigned to such securities will accurately reflect the price the Trust might receive upon their sale.
— The Trust can make use of derivatives which may impact on its performance.
— Investment in smaller companies is generally considered higher risk as changes in their share prices may be greater and the shares may be harder to sell. Smaller companies may do less well in periods of unfavourable economic conditions.
— The Trust's exposure to a single market and currency may increase risk.
— The aim of the Trust is to achieve capital growth and it is unlikely that the Trust will provide a steady, or indeed any, income.
— The Trust is listed on the London Stock Exchange and is not authorised or regulated by the Financial Conduct Authority.

The information and opinions expressed within this factsheet are subject to change without notice.

This information has been issued and approved by Baillie Gifford & Co Limited and does not in any way constitute investment advice. This factsheet does not constitute an offer or invitation to deal in securities.

Further details of the risks associated with investing in the Trust, including how charges are applied, can be found by calling the number below or visiting the website.

Contact Us

For further information about the Trust or Baillie Gifford's range of Investment Trusts, please contact us at the below address, call our Client Relations Team on **0800 917 2112** (your call may be recorded for training or monitoring purposes), visit our website at **www.bailliegifford.com**, fax us on **0131 275 3955** or email **its@bailliegifford.com**

Additional Trust Information

The Trust is available for investment through our Investment Trust Share Plan, ISA, and Children's Savings Plan which allow for monthly and lump sum investment. The ISA is available for transfers. Full product details, including the possible effect of charges on an investment, are available on request, please see below for contact details.

In this document the NAV is calculated with borrowings deducted at fair value. In the periodic performance table borrowings are deducted at fair value for 1, 3 and 5 years and par value for 10 years.

Fair – borrowings (if any) at an estimate of their market worth.
Par – borrowings at their eventual repayment value.

All performance figures are in sterling terms, total return – that is, with any dividends reinvested. The graph represents 5 years' performance, to the date at the top of the document, and has been indexed to start at 100 (this aids comparison and is not a reflection of actual values at any given date). The discrete performance table is updated quarterly.

Gearing is calculated according to AIC guidelines. The potential gearing figure reflects the amount of borrowings drawn expressed as a percentage of shareholders' funds. The invested gearing figure reflects the amount of borrowings at par less cash and cash equivalents actively invested, expressed as a percentage of shareholders' funds.

Active share, a measure of how actively a portfolio is managed, is the percentage of the portfolio that differs from its benchmark. It is calculated by deducting from 100 the percentage of the portfolio that overlaps with the benchmark. An active share of 100 indicates no overlap with the benchmark and an active share of zero indicates a portfolio that tracks the benchmark.

Annual turnover is reported from the preceding financial year end to the date shown and is calculated by dividing sales by the average of the opening and closing investment portfolio on an annualised basis.

A negative cash position may sometimes occur due to obligations awaiting settlement.

Baillie Gifford & Co Limited's annual remuneration is calculated as 0.95% on the first £50 million net assets of the Company attributable to its shareholders, 0.65% on the next £200m and 0.55% on the remainder. This is calculated and payable on a quarterly basis.

The ongoing charges figure represents the total operating costs of the Trust divided by the average net assets (with debt at fair value) as disclosed in the most recently published Annual Report.

Further Information

This factsheet is issued by Baillie Gifford & Co (Financial Services Register 142597), Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. Baillie Gifford group provides the following services to the Trust. Baillie Gifford & Co Limited (Financial Services Register 119179) is the manager and secretary of the Trust, and it delegates portfolio management to Baillie Gifford & Co. Baillie Gifford Savings Management Limited (Financial Services Register 150233) is the manager of the Baillie Gifford Investment Trust Share Plan, Baillie Gifford Investment Trust ISA and the Baillie Gifford Children's Savings Plan. All three firms are authorised and regulated by the Financial Conduct Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS.









© 2017 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf. For disclosure and detailed information about this fund please refer to full Morningstar Global Fund Report that can be accessed here www.baillliegifford.com/globalfundreport-japantrust

This Trust is rated by Rayner Spencer Mills Research, for more information go to: **www.rsmgroup.co.uk***

This Fund is rated by FundCalibre, for more information go to: **www.fundcalibre.com**

*This rating is designed for use by professional advisers and intermediaries as part of their advice process. This rating is not a recommendation to buy. If you need further information or are in doubt then you should consult a professional adviser.

Legal Notices

No third party data provider ("Provider") makes any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herewith nor as to the results to be obtained by recipients of the data. No Provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions in the index data included in this document, regardless of cause, or for any damages (whether direct or indirect) resulting therefrom.

No Provider has any obligation to update, modify or amend the data or to otherwise notify a recipient thereof in the event that any matter stated herein changes or subsequently becomes inaccurate.

Without limiting the foregoing, no Provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or any third party, whether or not based on the content, information or materials contained herein.

Baillie Gifford & Co Limited
Calton Square, 1 Greenside Row, Edinburgh EH1 3AN
Telephone 0800 917 2112 www.baillliegifford.com

Ref: IT/F/BAGJAP/September 2017

Copyright © Baillie Gifford & Co 2009.