

FIDELITY JAPAN TRUST PLC

31 DECEMBER 2018

Investment Objective

The Company aims to achieve long term capital growth by investing predominantly in equities and their related securities of Japanese companies.

Investment Trust Facts

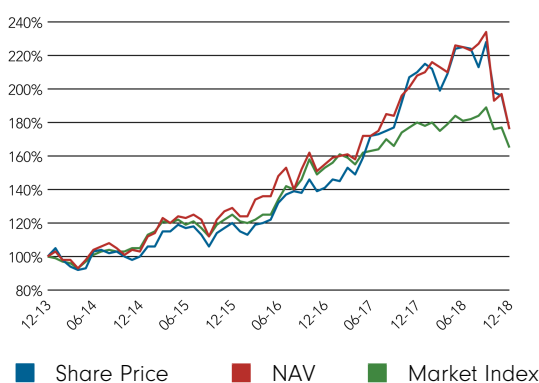
Launch date:	15.03.94
Portfolio manager:	Nicholas Price
Appointed to trust:	01.09.15
Years at Fidelity:	25
Total Net Assets (TNA):	£ 187m
Ordinary shares in Issue:	135,136,195
Share price:	127.00p
NAV:	138.74p
Premium/Discount:	8.46%
Gross Market Gearing:	15.2%
Net Market Gearing:	15.2%

Performance Comparator

Market Index: Tokyo Stock Exchange TOPIX Total Return Index

The same index is used in the positioning tables on this factsheet. Past performance is not a reliable indicator of future results. The value of investments can go down as well as up and you may get back less than you invested.

Cumulative performance in GBP (%)



Performance is shown for the last five years (or since launch for funds launched within that period).

Performance to 31.12.18 in GBP (%)

	1m	3m	YTD	1yr	3yr	5yr	Since 15.03.94*
Share Price Cumulative Growth	-9.9	-22.6	-16.2	-16.2	46.4	76.4	41.2
NAV Cumulative Growth	-10.8	-24.9	-15.5	-15.5	36.6	75.6	44.9
Index Cumulative Growth	-6.9	-12.7	-8.3	-8.3	31.4	64.8	56.7
Share Price Annualised Growth	-	-	-	-16.2	13.5	12.0	1.4
NAV Annualised Growth	-	-	-	-15.5	11.0	11.9	1.5
Index Annualised Growth	-	-	-	-8.3	9.5	10.5	1.8

Basis: bid-bid with income reinvested, in GBP, net of fees.

Market indices are sourced from RIMES and other data is sourced from third-party providers such as Morningstar.

*Performance commencement date.

Key Risks

The value of investments can go down as well as up and you may not get back the amount invested. Overseas investments may be more volatile than established markets. The shares in the investment trust are listed on the London Stock Exchange and their price is affected by supply and demand. The investment trust can gain additional exposure to the market, known as gearing, potentially increasing volatility.

Portfolio Manager Commentary

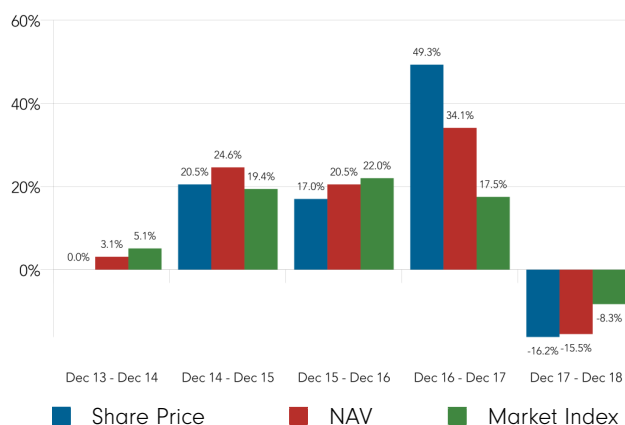
The Trust recorded NAV returns of -15.5% over the 12 months to December 2018, underperforming the reference index, which returned -8.3%. The discount to NAV widened over the same period and the Trust's share price returned -16.2%.

Stock selection in machinery-related sectors detracted from performance over the 12-month period. Escalating trade frictions and slower growth in China posed downside risks for earnings. The contribution from holdings in services companies was mixed and determined by stock-specific factors. Holdings in Japanese firms with leading global positions in musical instruments and medical equipment performed well for the Trust.

Over the past three months, the manager has increased holdings in high-quality consumer staples stocks and selectively increased positions in oversold technology and machinery-related companies. Conversely, he took some profits in strong performers in the medtech sector, and sold food and communication stocks where the risk/reward balance had deteriorated.

Global economic growth has moderated from last year's lofty levels, with a deceleration in trade volumes feeding through to production. In the case of Japan, a string of natural disasters contributed to the recent soft patch. Escalating trade frictions continue to pose downside risks. Amid the increased market volatility, post-earnings price action has been distinctly negative and in many cases, has discounted a worst-case scenario. Earnings expectations have moderated, but valuations are supportive and a further derating from current levels is unlikely.

Performance for 12 month periods in GBP (%)



FIDELITY JAPAN TRUST PLC

31 DECEMBER 2018

Equity Exposure % Total Net Assets (% TNA)

	Exposure (% TNA)
Gross Market Exposure	115.2
Net Equity	115.2
Other	0.0
Uninvested Cash	0.0

Notes on Portfolio Construction and a description of how data is calculated and presented are on page 3. Definitions of the terms used in the Equity Exposure table are in the Glossary.

Market Capitalisation Exposure (% TNA)

GBP	Net	Index	Relative
>10bn	24.9	54.1	-29.3
5-10bn	32.8	15.6	17.2
1-5bn	18.7	20.8	-2.2
0-1bn	38.8	9.4	29.4
Total Market Cap Exposure	115.2	100.0	
Other Index / Unclassified	0.0	0.0	
Total Equity Exposure	115.2	100.0	

Sector/Industry Exposure (% TNA)

TPX Sector	Net	Index	Relative
Services	19.6	4.8	14.8
Electric Appliances	16.1	12.7	3.4
Machinery	14.0	4.8	9.2
Chemicals	11.9	7.5	4.4
Information & Communication	10.6	7.5	3.1
Retail Trade	9.3	5.3	4.0
Other Products	6.7	2.1	4.6
Transportation Equipment	6.1	8.3	-2.2
Wholesale Trade	4.9	5.1	-0.2
Precision Instruments	3.4	1.9	1.5
Other Sectors	12.7	40.0	-27.4
Total Sector Exposure	115.2	100.0	
Other Index / Unclassified	0.0	0.0	
Total Equity Exposure	115.2	100.0	

Country Exposure (% TNA)

	Net	Index	Relative
Japan	115.2	100.0	15.2
Total Country Exposure	115.2	100.0	
Other Index / Unclassified	0.0	0.0	
Total Equity Exposure	115.2	100.0	

Top Net Long Positions (% TNA)

	TPX Sector	Country	Net	Index	Relative
KOSE CORP	Chemicals	Japan	6.8	0.1	6.7
RECRUIT HOLDINGS CO LTD	Services	Japan	5.8	0.9	4.9
YAMAHA CORP	Other Products	Japan	5.7	0.1	5.5
MAKITA CORP	Machinery	Japan	5.5	0.2	5.3
KEYENCE CORP	Electric Appliances	Japan	4.7	1.3	3.4
DAIKIN INDUSTRIES LTD	Machinery	Japan	3.8	0.8	3.0
MISUMI GROUP INC	Wholesale Trade	Japan	3.7	0.1	3.6
SYSMEX CORPORATION	Electric Appliances	Japan	3.4	0.2	3.2
SHIMANO INC	Transportation Equipment	Japan	3.2	0.3	2.9
M3 INC	Services	Japan	3.1	0.1	3.0

Top Overweight Positions (% TNA)

	Net	Index	Relative
KOSE CORP	6.8	0.1	6.7
YAMAHA CORP	5.7	0.1	5.5
MAKITA CORP	5.5	0.2	5.3
RECRUIT HOLDINGS CO LTD	5.8	0.9	4.9
MISUMI GROUP INC	3.7	0.1	3.6
KEYENCE CORP	4.7	1.3	3.4
SYSMEX CORPORATION	3.4	0.2	3.2
DAIKIN INDUSTRIES LTD	3.8	0.8	3.0
M3 INC	3.1	0.1	3.0
SHIMANO INC	3.2	0.3	2.9

Top Underweight Positions (% TNA)

	Net	Index	Relative
TOYOTA MOTOR CORP	0.0	3.4	-3.4
mitsubishi UFJ FIN GRP INC	0.0	1.7	-1.7
SONY CORP	0.0	1.7	-1.7
NIPPON TELEG & TEL CORP	0.0	1.4	-1.4
SUMITOMO MITSUI FINL GRP INC	0.0	1.2	-1.2
HONDA MOTOR CO LTD	0.0	1.2	-1.2
MIZUHO FINL GROUP INC	0.0	1.1	-1.1
KDDI CORP	0.0	1.1	-1.1
MITSUBISHI CORP	0.0	1.0	-1.0
CENTRAL JAPAN RAILWAY CO	0.0	1.0	-1.0

Net Long Positions Concentration (% TNA)

	Fund	Index
Top 10	45.7	15.5
Top 20	69.2	24.3
Top 50	105.0	42.0

Approach and Style

Fidelity Japan Trust PLC seeks to add value through detailed research. Fidelity's proprietary research forms the cornerstone of the investment process and drives the trust manager's bottom-up stock selection approach. He works closely with sector analysts, as well as our dedicated small-cap analysts, and is also able to call upon Fidelity's global research network.

The portfolio manager favours companies with superior mid- to long-term earnings growth potential, competent management focused on raising shareholder returns and attractive absolute and relative valuations. The manager also assesses:

- business strategies
- technical and/or operational advantages
- competitive position

While the trust is free to invest across a wide range of industries, sector allocation is a direct result of the manager's bottom-up stock selection.

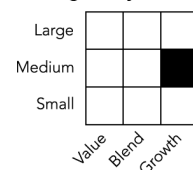
Administrative & Dealing Information

Financial Year End:	31st December
Reference currency:	UK Sterling (GBP)
Company domicile:	United Kingdom
Company legal structure:	Investment Trust
Capital guarantee:	No
ISIN:	GB0003328555
SEDOL:	0332855
Bloomberg:	FJV LN
Distribution frequency:	Annual
Charges made to income or capital:	Income
Ongoing Costs (ex- Portfolio transaction costs):	0.95%
Base and variable element of VMF:	0.70% (net assets) +/- 0.20% (based on performance relative to the Market Index)
Last VMF adjustment (+/- 0.2%) applied at month end:	-0.2%

Independent Assessment

Information in this section is the latest available at date of publication. Further details can be found in the Glossary section of this factsheet. As some ratings agencies may use past performance to produce their assessments, these are not a reliable indicator of future results.

Morningstar Style Box ©



Morningstar rating™

Portfolio Construction – Explained

This factsheet contains information about the composition of the fund at a particular point in time. It aims to help you understand how the fund manager is positioned to achieve the fund's objectives.

The Equity Exposure table provides an overall view of the fund. Net Equity represents - in percentage terms - how much of the fund is invested in the market, netting off long and short positions. The higher the figure, the more the fund will take part in any market rises (or falls). It is important to note that Net Equity can be greater than 100% (for example if the manager is using derivative contracts) and when it is, the portfolio may be described as geared.

The exposure and positioning tables on page 2 break the fund down into a number of different views, each providing a different perspective on the fund's investments.

How data is calculated and presented

Portfolio composition data has been calculated and presented according to several general principles, which are listed below.

- **Aggregation:** all investments, including derivatives, linked to a particular issuing company have been combined to form a total percentage holding for each company. The aggregate holding is referred to in this factsheet as a position. Where a company is listed in two separate countries, each listing may be classified as a separate issuing company. Exchange Traded Funds (ETFs) and derivatives on ETFs are treated as individual securities - ie not aggregated.

- **Categorisation:** for investments that have underlying securities we use the attributes of the underlying issuing company or common share to determine the appropriate sector, market capitalisation band and geographic area.

- **Derivatives:** all derivatives are included on an exposure basis and, where necessary, are delta-adjusted. Delta-adjusting expresses derivatives in terms of the equivalent number of shares that would be needed to generate the same return.

- **"Basket" securities:** securities that represent a number of company shares - like index futures or options - are allocated to categories (such as country) whenever possible. Otherwise they are included in the "Other Index / Unclassified" category.

Glossary / Additional Notes

Equity Exposure notes

GROSS MARKET EXPOSURE

Gross Market Exposure is the total of long exposures, plus the total of short exposures, and less the total of exposures hedging the portfolio, expressed as a percentage of shareholders' funds (Total Net Assets).

NET EQUITY

The net positive exposure to the market with short and hedge positions subtracted from long positions.

Glossary / Additional Notes**OTHER**

The value of any non-equity investments (excluding cash funds) expressed as a percentage of TNA.

UNINVESTED CASH

This is 100% minus the fund's Net Equity exposure and minus Other. This leaves any residual cash exposure that is not invested in shares or via derivatives.

Investment Trust Facts**NAV**

The total value of a company's assets less the total value of its liabilities is its net asset value (NAV). For valuation purposes it is common to divide net assets by the number of shares in issue to give the net assets per share. NAV calculations can include or exclude current financial year income. For the purposes of this factsheet, they are valued with assets including income and costs and with debt valued at the market.

PREMIUM

If the share price of an investment company is higher than the net asset value (NAV) per share, the company is said to be trading at a premium. The premium is shown as a percentage of the NAV.

DISCOUNT

If the share price of an investment company is lower than the net asset value (NAV) per share, the company is said to be trading at a discount. The discount is shown as a percentage of the NAV.

GEARING

Gearing is the Market Exposure figure (either gross or net) expressed in excess of Total Net Assets. It represents the additional exposure to the market above Shareholders' Funds.

FAIR VALUE

The fair value of the listed investments is measured at bid prices or last prices quoted, depending on the convention of the exchange on which they are listed. Where permitted, unlisted investments, where there is not an active market, are valued using an appropriate valuation technique so as to establish what the transaction price would have been and derivative instruments are valued at the quoted trade price for the contract.

General notes**TOTAL NET ASSETS (TNA)**

The Company's total assets minus its total liabilities - also known as Shareholders' Funds. It represents the amount by which a company is financed through common and preferred shares.

INDEX

The index used in the positioning tables on page 2 is the index defined in the Performance Comparator section on page 1.

TOP NET LONG POSITIONS

Those companies in which the largest percentages of the trust's total net assets are effectively invested. Positions in other funds - including ETFs (Exchange Traded Funds) - can appear in this table, but index derivatives form part of an "Other Index / Unclassified" category which will not appear.

TOP OVERWEIGHT & UNDERWEIGHT POSITIONS

Those positions which have the largest active weight relative to the index. Positions in other funds - including ETFs (Exchange Traded Funds) - can appear in this table, but index derivatives form part of an "Other Index / Unclassified" category which will not appear. In the underweight table, any short position names have been withheld in line with Fidelity's disclosure policy.

NET LONG POSITIONS CONCENTRATION

Illustrates the weight of the top 10, 20 and 50 positions in the trust and the weight of the top 10, 20 and 50 positions in the index. It does not attempt to show the coincidence of security ownership between fund and index. The sector/industry classification used (ie GICS, ICB, TOPIX and IPD) varies by fund. Full descriptions of GICS, ICB, TOPIX and IPD can be found in the glossary.

Glossary / Additional Notes

ONGOING CHARGES

The ongoing charges figure represents the charges taken from the fund over a year. It is calculated at the trust's financial year end and may vary from year to year. For new trusts, the ongoing charges figure is estimated until the trust's financial year end.

The types of charges included in the ongoing charges figure are management fees, administration fees, custodian and depositary fees and transaction charges, shareholder reporting costs, regulatory registration fees, Directors fees (where applicable) and bank charges.

It excludes: performance fees (where applicable); portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling units in another collective investment undertaking.

For more information about charges (including details of the fund's financial year end), please consult the charges section in the most recent Annual Report.

SECTOR INDUSTRY CLASSIFICATION

GICS: Global Industry Classification Standard (GICS) was developed by Standard & Poor's and MSCI Barra. GICS consists of 11 sectors, 24 industry groups, 68 industries and 157 sub-industries. More information is available at <http://www.standardandpoors.com/indices/gics/en/us>

ICB: The Industry Classification Benchmark (ICB) is an industry classification developed by Dow Jones and FTSE. It is used to segregate markets into sectors within the macroeconomy. The ICB uses a system of 10 industries, partitioned into 20 supersectors, which are further divided into 41 sectors, which then contain 114 subsectors. More information is available at <http://www.icbenchmark.com/>

Legal Information

Fidelity International refers to the group of companies which form the global investment management organisation that provides information on products and services in designated jurisdictions outside of North America.

Fidelity only offers information on its own products and services and does not provide investment advice based on individual circumstances.

This communication is not directed at, and must not be acted upon by persons inside the United States and is otherwise only directed at persons residing in jurisdictions where the relevant funds are authorised for distribution or where no such authorisation is required.

Unless otherwise stated, all views are those of Fidelity.

Reference in this document to specific securities or funds should not be construed as a recommendation to buy or sell them, but is included for the purposes of illustration only. Investors should also note that the views expressed may no longer be current and may have already been acted upon by Fidelity. The research and analysis used in this documentation is gathered by Fidelity for its use as an investment manager and may have already been acted upon for its own purposes.

Fidelity, Fidelity International, the Fidelity International logo and F symbol are trademarks of FIL Limited.

This fund is managed by FIL Investments International.

Morningstar annualised growth rates, total return, sector median performance and ranks - Data Source - © 2016 Morningstar, Inc. 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.

Before investing you should read the latest Annual Report and Key Features Document, which are available from www.fidelity.co.uk/its.

Issued by FIL Investment Services (UK) Limited, a firm authorised and regulated in the UK by the Financial Conduct Authority. FIL Investment Services (UK) Limited is registered in England and Wales under the company number 2016555. The registered office of the company is Oakhill House, 130 Tonbridge Road, Hildenborough, Tonbridge, Kent TN11 9DZ, United Kingdom.