

Performance Total Return¹

This investment management report relates to performance figures to 31 July 2019.

Towards the end of the month, Japanese companies started reporting their quarterly earnings. Profits had been forecast to be somewhat weaker than this period last year, and this was indeed the case. Many companies are experiencing margin pressures and suffering from a general slowdown in economic activity. Our portfolio companies have not escaped the impact of the ongoing trade war between the US and China, which has been weighing on sentiment towards the Japanese stock market.

Foreign investors remain net sellers of Japanese equities and this selling pressure has weighed on markets. Fundamentally, Japanese equity valuations remain compelling. Our portfolio companies continue to generate cash-flow and are trading at remarkably low valuations.

For Sterling-based investors, the policies of the new Prime Minister towards Brexit have generated a great deal of negative sentiment towards the Pound. During the month, the Pound fell by 3.6% against the Yen helping to boost returns for AJOT.

% Return	Month	Since Inception*	2019 Calendar Yr
AJOT Share Price	0.7%	6.2%	7.8%
AJOT NAV	3.6%	7.4%	12.0%
MSCI Japan Small Cap	5.3%	5.2%	11.9%

Cumulative Return	1 mo	2 mo	3 mo	6 mo	1 yr
AJOT Share Price	0.7%	3.4%	3.6%	6.6%	-
AJOT NAV	3.6%	2.3%	3.3%	11.4%	-
MSCI Japan Small Cap	5.3%	6.8%	6.0%	9.5%	-

Investment Objective: To achieve capital growth through investing in a focussed portfolio of over-capitalised small-cap Japanese equities. Asset Value Investors will leverage its three decades of experience investing in asset-backed companies to engage with company management and help to unlock value in this under-researched area of the market.

Statistics

Share Price (pence)	107.8
NAV (pence)	105.3
Premium / (Discount)	2.4%

Fund Facts

Launch Date	23 October 2018
Net Assets	£99.1m
Investment Manager	Asset Value Investors Limited
AJOT Shares owned by the Manager***	1,106,000
Shareholder Services	Link Asset Services
Management Fee**	1.0% of lower of market cap or NAV
Website	www.ajot.co.uk
Ticker Code	AJOT.LN
ISIN	GB00BD6H5D36

1 All performance shown in GBP Total Return

* 23 October 2018 Start Date

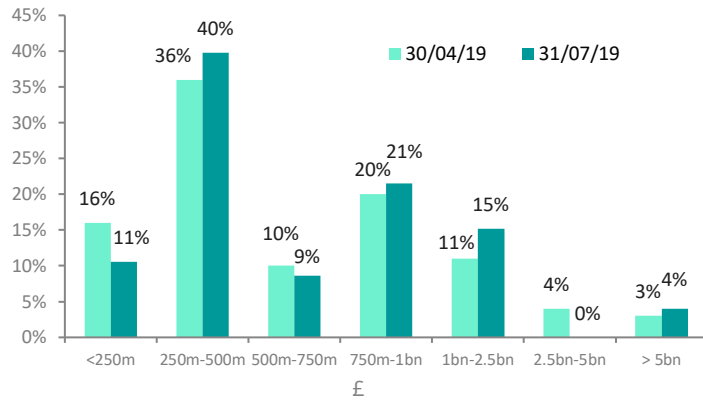
** 25% of Management Fee to be reinvested in shares of AJOT

*** Shares owned by AVI Ltd & AVI employees

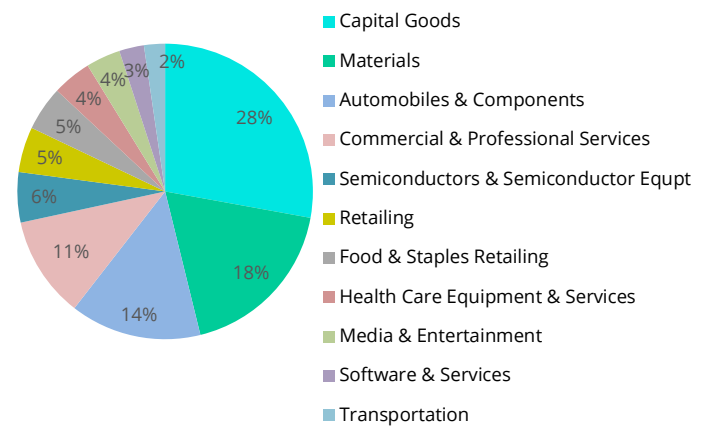
Top Ten Equity Holdings % of NAV

Holding	30/04/19	Holding	31/07/19
SK Kaken Co Ltd	6.2	Sk Kaken Co Ltd	6.7
Secom Joshinetsu	6.0	Pasona Group Inc	6.1
Pasona Group Inc	5.6	Secom Joshinetsu	6.0
C Uyemura & Co	5.3	Nuflare	5.9
Teikoku Sen-I Co	5.2	Teikoku Sen-I Co	5.7
Fujitec Co Ltd	5.0	Toshiba Plant	5.4
Toshiba Plant	4.7	Kato Sangyo Co	5.3
Kato Sangyo Co	4.7	Fujitec Co Ltd	5.0
Nuflare Technology	4.7	Toyota Industries	4.8
Daiwa Industries	4.4	Konishi Co Ltd	4.8
TOTAL	51.8	TOTAL	55.7
% Gearing	109.2	% Gearing	109.0
No. of Holdings	29	No. of Holdings	28

Market Cap Breakdown (% of Portfolio)



Sector Breakdown (% of Portfolio)



Further Information

Investment Manager – Joe Bauernfreund, AVI Ltd.
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The share price can be found under 'INVESTMENT COMPANIES' in The Financial Times.

Information may be found on the following websites.

www.ajot.co.uk

www.assetvalueinvestors.com

IMPORTANT INFORMATION

All figures are as at the period under review unless otherwise stated. All sources Asset Value Investors Ltd ("AVI") unless otherwise stated. AVI is authorised and regulated by the Financial Conduct Authority of the United Kingdom (the "FCA") and is a registered investment adviser with the Securities and Exchange Commission of the United States. While AVI is registered with the SEC as an investment adviser, it does not comply with the Advisers Act with regard to its non-U.S. clients. This document does not constitute an offer to buy or sell shares in AVI Japan Opportunity Trust plc (the "Trust"). The contents of this message are not intended to constitute, and should not be construed as, investment advice. Potential investors in the Trust should seek their own independent financial advice. AVI neither provides investment advice to, nor receives and transmits orders from, investors in the Fund.