



# Artisan Developing World Fund

QUARTERLY  
Fact Sheet

Investor Class: ARTYX | Advisor Class: APDYX

As of 31 March 2017

## Investment Process Highlights

The investment team seeks to capitalize on opportunities in developing world economies by investing in companies that compound business value over a market cycle, while mitigating the volatility of returns.

### Fundamental Stock Selection—Business Value Compounding

- Enhance our opportunity set by emphasizing companies and countries that benefit from rising developing world domestic demand
- Emphasize financially sound, free cash-flow generative companies not predicated on financial leverage that are less likely to impair capital during periods of duress
- Prefer companies where changing business conditions are not disruptive to the trajectory or pace of business value creation

### Risk Management—Holistic Volatility Mitigation

- Aim to mitigate volatility inherent in the developing world by targeting multiple dimensions of risk
- Employ a flexible opportunity set to reduce correlations and transcend limitations of index construction
- Implement a repeatable framework for mitigating currency volatility

## Sector Diversification (% of total portfolio equities)

|                            | Fund          | MSCI EM <sup>1</sup> | ○ Index |
|----------------------------|---------------|----------------------|---------|
| Consumer Discretionary     | 24.0          | 10.4                 |         |
| Consumer Staples           | 13.6          | 6.9                  |         |
| Energy                     | 0.0           | 7.3                  |         |
| Financials                 | 13.9          | 24.1                 |         |
| Health Care                | 13.0          | 2.4                  |         |
| Industrials                | 7.1           | 5.9                  |         |
| Information Technology     | 26.3          | 24.5                 |         |
| Materials                  | 0.0           | 7.5                  |         |
| Real Estate                | 2.0           | 2.6                  |         |
| Telecommunication Services | 0.0           | 5.6                  |         |
| Utilities                  | 0.0           | 2.8                  |         |
| <b>TOTAL</b>               | <b>100.0%</b> | <b>100.0%</b>        |         |

Source: Artisan Partners/FactSet (GICS)/MSCI. Cash represented 8.3% of the total portfolio. <sup>1</sup>MSCI Emerging Markets Index.

## Investment Results (%)

| As of 31 March 2017         | Average Annual Total Returns |                  |       |      |      |       |           |
|-----------------------------|------------------------------|------------------|-------|------|------|-------|-----------|
|                             | QTD <sup>1</sup>             | YTD <sup>1</sup> | 1 Yr  | 3 Yr | 5 Yr | 10 Yr | Inception |
| Investor Class: ARTYX       | 11.78                        | 11.78            | 18.68 | —    | —    | —     | 5.39      |
| Advisor Class: APDYX        | 11.76                        | 11.76            | 18.97 | —    | —    | —     | 5.60      |
| MSCI Emerging Markets Index | 11.44                        | 11.44            | 17.21 | —    | —    | —     | 2.15      |

Source: Artisan Partners/MSCI. <sup>1</sup>Returns for periods less than one year are not annualized.

## Calendar Year Returns (%)

|                             | 2016  |
|-----------------------------|-------|
| Investor Class: ARTYX       | 11.74 |
| Advisor Class: APDYX        | 12.02 |
| MSCI Emerging Markets Index | 11.19 |

Past performance does not guarantee and is not a reliable indicator of future results. Investment returns and principal values will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. Call 800.344.1770 for current to most recent month-end performance.

## Portfolio Details

|  | ARTYX                  | APDYX       |
|--|------------------------|-------------|
| Net Asset Value (NAV)                  | \$10.91                | \$10.93     |
| Inception                              | 29 Jun 2015            | 29 Jun 2015 |
| Expense Ratios (% Gross/Net)           |                        |             |
| Annual Report 30 Sep 2016              | 1.52/1.50 <sup>1</sup> | 1.25/—      |
| Prospectus 30 Sep 2016 <sup>2</sup>    | 1.53/1.50 <sup>1</sup> | 1.25/—      |
| Total Fund AUM (Millions) <sup>3</sup> |                        | \$1,214     |

<sup>1</sup>Reflects a contractual Fund expense reimbursement agreement in effect through 31 Jan 2018. <sup>2</sup>See prospectus for more information. <sup>3</sup>AUM as of 31 Mar 2017.

## Portfolio Statistics

|   | Fund   | MSCI EM <sup>1</sup> |
|---|--------|----------------------|
| Median Market Cap (Billions)              | \$10.7 | \$6.1                |
| Weighted Avg. Market Cap (Billions)       | \$68.6 | \$65.1               |
| Weighted Avg. LT EPS Growth Rate (3-5 Yr) | 16.4%  | 13.9%                |
| Weighted Avg. LT Debt/Capital             | 23.0%  | 25.6%                |
| Median Price/Book Value                   | 5.1X   | 1.8X                 |
| Active Share                              | 88.9%  | —                    |
| Number of Securities                      | 49     | 830                  |
| Number of Countries                       | 23     | 23                   |

Source: Artisan Partners/FactSet (MSCI). <sup>1</sup>MSCI Emerging Markets Index.

## Top 10 Holdings (% of total portfolio)

|                                     |              |
|-------------------------------------|--------------|
| Magnit PJSC (Russia)                | 4.5          |
| Alibaba Group Holding Ltd (China)   | 4.3          |
| Kroton Educacional SA (Brazil)      | 4.3          |
| AIA Group Ltd (Hong Kong)           | 4.1          |
| Tencent Holdings Ltd (China)        | 3.7          |
| Facebook Inc (United States)        | 3.6          |
| HDFC Bank Ltd (India)               | 3.2          |
| China Biologic Products Inc (China) | 3.1          |
| Grupo Televisa SAB (Mexico)         | 2.9          |
| Hypermarcas SA (Brazil)             | 2.8          |
| <b>TOTAL</b>                        | <b>36.6%</b> |

Source: Artisan Partners. Portfolio country classifications are defined by the investment team.

## Region/Country Allocation (% of total portfolio equities)

| REGION                                | Fund          | MSCI EM <sup>1</sup> |
|---------------------------------------|---------------|----------------------|
| <b>EMERGING ASIA</b>                  | <b>46.4</b>   | <b>71.5</b>          |
| China                                 | 28.7          | 26.9                 |
| India                                 | 10.3          | 8.9                  |
| Thailand                              | 2.3           | 2.3                  |
| Indonesia                             | 2.0           | 2.5                  |
| Philippines                           | 1.1           | 1.2                  |
| Taiwan                                | 0.9           | 12.3                 |
| Korea                                 | 0.6           | 15.1                 |
| Malaysia                              | 0.4           | 2.4                  |
| <b>LATIN AMERICA</b>                  | <b>20.9</b>   | <b>13.4</b>          |
| Brazil                                | 13.8          | 7.6                  |
| Mexico                                | 3.1           | 3.7                  |
| Argentina                             | 1.6           | —                    |
| Peru                                  | 1.5           | 0.4                  |
| Panama                                | 0.9           | —                    |
| <b>DEVELOPED MARKETS</b>              | <b>19.1</b>   | <b>—</b>             |
| United States                         | 9.3           | —                    |
| Hong Kong                             | 4.5           | —                    |
| United Kingdom                        | 2.3           | —                    |
| Netherlands                           | 2.1           | —                    |
| France                                | 1.0           | —                    |
| <b>EUROPE, MIDDLE EAST AND AFRICA</b> | <b>13.6</b>   | <b>15.2</b>          |
| Russia                                | 8.3           | 3.8                  |
| South Africa                          | 2.3           | 6.6                  |
| United Arab Emirates                  | 2.0           | 0.7                  |
| Saudi Arabia                          | 0.7           | —                    |
| Egypt                                 | 0.3           | 0.1                  |
| <b>TOTAL</b>                          | <b>100.0%</b> | <b>100.0%</b>        |

Source: Artisan Partners/FactSet (MSCI). <sup>1</sup>MSCI Emerging Markets Index. Countries held in the index, but not held in the portfolio, are not listed. Portfolio country classifications are defined by the investment team and may differ substantially from MSCI classifications; Index country classifications reflect MSCI methodology. For the portfolio's country breakdown according to MSCI methodology, refer to the Fund's most recent N-Q filing at [www.sec.gov](http://www.sec.gov).

## Portfolio Construction

- High conviction in top holdings, with risk-adjusted emphasis
- Maximum position size typically 5%<sup>1,2</sup>

<sup>1</sup>Limitations apply at the time of purchase. <sup>2</sup>As to 75% of its total assets, the portfolio will not invest more than 5% of its total assets in the securities of a single issuer, nor acquire more than 10% of the voting securities of any single issuer. See prospectus for more details.

## Team Leadership



| Portfolio Manager     | Years of Investment Experience |
|-----------------------|--------------------------------|
| Lewis S. Kaufman, CFA | 18                             |

Carefully consider the Fund's investment objective, risks and charges and expenses. This and other important information is contained in the Fund's prospectus and summary prospectus, which can be obtained by calling 800.344.1770. Read carefully before investing.

International investments involve special risks, including currency fluctuation, lower liquidity, different accounting methods and economic and political systems, and higher transaction costs. These risks typically are greater in emerging markets. Such risks include new and rapidly changing political and economic structures, which may cause instability; underdeveloped securities markets; and higher likelihood of high levels of inflation, deflation or currency devaluations. Securities of small- and medium-sized companies tend to have a shorter history of operations, be more volatile and less liquid and may have underperformed securities of large companies during some periods.

MSCI Emerging Markets Index measures the performance of emerging markets. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

All information in this report includes all classes of shares, except performance and expense ratio information and as otherwise indicated, and is as of the date shown in the upper right hand corner unless otherwise indicated. Totals may not sum due to rounding.

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Sector exposure percentages reflect sector designations as currently classified by GICS.

**Median** is the data's midpoint value. **Market Cap** is the aggregate value of all of a company's outstanding equity securities. **Weighted Average** is the average of values weighted to the data set's composition. **LT EPS Growth Rate** is the average of the 3-5 year forecasted EPS growth rate of a company. **LT Debt/Capital** is the long-term debt to total capital relationship of each company within the portfolio. **Price-to-Book Ratio (P/B Ratio)** measures a company's stock price in relation to its book value (the total amount a company would be worth if it liquidated its assets and paid back all its liabilities). **Active Share** is defined as the percentage of a portfolio that differs from its benchmark index. Active Share can range from 0% for an index fund that perfectly mirrors its benchmark to 100% for a portfolio with no overlap with an index. **Free Cash Flow** is a measure of financial performance calculated as operating cash flow minus capital expenditures.

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