

# MFS Meridian® Funds European Value Fund<sup>S1</sup>



30 APRIL 2017

## A fund aimed to invest in undervalued stocks

The fund's investment objective is to seek capital appreciation, measured in euros.

Key points:

- Focuses on undervalued European companies of any size
- Rigorous valuation discipline is expressed through a patient, contrarian approach and a focus on downside risk management
- Maintains an outlook to analyze rather than forecast by evaluating the long-term quality, sustainability, improvement potential, and intrinsic value of business

**S1** Effective 20 April 2015 this fund is closed to new investors, with very limited exceptions.

### PORTFOLIO MANAGEMENT

#### Benjamin Stone

21 years in industry

#### Pablo de la Mata

13 years in industry

#### Ben Kottler\*\*

28 years in industry

#### Gabrielle Gourgey\*\*

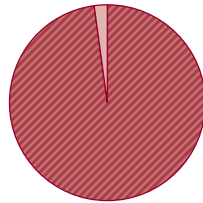
22 years in industry

\*\* Advises and communicates on the management of the portfolio, but is not responsible for day-to-day management.

Portfolio characteristics data are based on the equivalent exposure of unaudited net assets as of 30-Apr-17. Equivalent exposure measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. The portfolio is actively managed, and current holdings may be different.

Top ten holdings, portfolio characteristics and weightings do not reflect the effect of exposure/weightings for hedging of hedged share classes. Full holdings and net assets do reflect this hedging.

### PORTFOLIO STRUCTURE



Stocks 98.27%  
Cash & Cash Equivalents 2.17%  
Other -0.45%

Other consists of: (i) currency derivatives and/or (ii) any derivative offsets.

### TOP 10 EQUITY HOLDINGS

Nestle SA
Reckitt Benckiser Group PLC
Henkel AG & Co KGaA IPS
Compass Group PLC
Pernod Ricard SA
Danone SA
Deutsche Wohnen AG
Amadeus IT Holding SA
Givaudan SA
Legrand SA

34.2% of total net assets

### TOP CURRENCY WEIGHTINGS

Euro	43.5%
British Pound	
Sterling	33.4%
Swiss Franc	18.7%
Swedish Krona	1.6%
Danish Krone	1.6%
United States Dollar	0.8%
Hong Kong Dollar	0.5%

### EQUITY SECTORS

### portfolio vs benchmark

Consumer Staples	27.5%	13.0%
Financial Services	18.4%	21.7%
Special Products & Services	13.3%	3.8%
Industrial Goods & Services	13.0%	7.7%
Technology	11.7%	4.1%
Basic Materials	5.7%	7.1%
Leisure	3.3%	2.8%
Health Care	2.6%	13.0%
Retailing	1.7%	5.2%
Autos & Housing	0.4%	5.5%
Energy	0.3%	6.5%
Cash & Cash Equivalents	2.2%	N/A

Portfolio and benchmark data shown is based on MFS' sector/industry classification methodology, which differs from the benchmark's.

### TOP 5 COUNTRIES

### portfolio vs benchmark

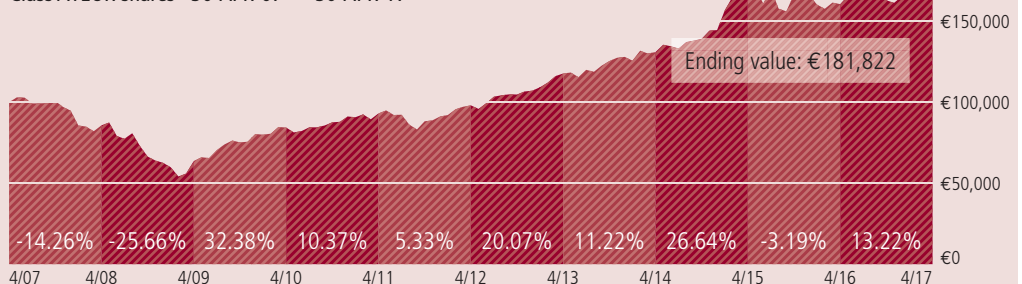
United Kingdom	31.1%	27.9%
Switzerland	18.7%	13.7%
Germany	18.5%	14.9%
France	12.8%	16.4%
Netherlands	4.8%	5.4%

### PORTFOLIO FACTS

Net assets (EUR)	5361.3 million
Number of holdings	62

### Growth of a €100,000 investment and 12-month returns at NAV

Class A1EUR shares 30-APR-07 — 30-APR-17



Fund returns for the representative share class shown assume the reinvestment of dividends and capital gain distributions but do not include a sales charge. Results would have been less favorable if the sales charge were included. This example is for illustrative purposes only and is not intended to represent the future performance of any MFS product. **Past performance is not a reliable indicator for future results.**

### CALENDAR-YEAR TOTAL RETURNS, NOT INCLUDING SALES CHARGE A1EUR<sup>^</sup>

'07	'08	'09	'10	'11	'12	'13	'14	'15	'16
-1.05%	-33.97%	28.46%	13.43%	0.00%	17.48%	19.47%	12.92%	14.75%	-0.33%

Please see reverse for complete performance information and important disclosure.

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MFS Investment Management Company (Lux) S.à.r.l

**MAY LOSE VALUE  
NOT GUARANTEED**

ANNUALIZED RETURNS AT NAV (%)^							SHARE CLASS INFORMATION				
Class	Start of class perf. record	YTD^^	1 yr.	3 yrs.	5 yrs.	10 yrs.	Sedol	WKN	ISIN	CUSIP	Bloomberg
A1EUR	01-OCT-02	9.98	13.22	11.55	13.14	6.16	7046591	657059	LU0125951151	L63652884	MFSEVA1 LX
A1USD	27-SEP-05	14.15	7.64	2.90	8.79	3.78	B08NBZ2	A0ESAU	LU0219440764	L6365J341	MFEVAU1 LX
AH1USD <sup>2</sup>	19-AUG-13	10.89	15.21	11.75	—	—	BBPR886	A1W1C1	LU0947761044	L6366J258	MEVAH1U LX
I1EUR	27-SEP-05	10.35	14.37	12.66	14.27	7.28	B08NC26	A0ESAX	LU0219424487	L6365J838	MFEVIE1 LX
I1USD <sup>1</sup>	17-MAY-13	14.47	8.66	3.91	9.81	4.43	B94R6B2	A1T9S8	LU0925702077	L6365X449	MFENI1U LX
IH1USD <sup>2</sup>	19-AUG-13	11.29	16.38	13.17	—	—	BBPR887	A1W1C2	LU0947761630	L6366J266	MEVIH1U LX
N1EUR <sup>1</sup>	19-FEB-13	9.82	12.67	11.01	12.67	5.94	B8RJFN3	A1KA10	LU0870261327	L6365X308	MFEN1AE LX
N1USD <sup>1</sup>	19-FEB-13	13.98	7.10	2.40	8.21	3.11	B86ZRG9	A1KA1Z	LU0870261160	L6365X290	MFEN1AU LX
W1EUR <sup>1</sup>	19-AUG-13	10.24	14.07	12.38	13.77	6.46	BBL4TF5	A1W0LQ	LU0944408821	L6366J175	MEVW1EU LX
W1USD <sup>1</sup>	08-FEB-10	14.47	8.44	3.68	9.61	4.34	B50X791	A0YCTR	LU0458495545	L63667726	MFSEW1U LX
WH1USD <sup>1,2</sup>	15-DEC-16	11.41	15.39	11.80	—	—	BD8N5Q2	A2DHBFB	LU1529512482	L6366H658	MFEWH1U LX

**Benchmark:** MSCI Europe Index (net div)

EUR	7.74	16.67	7.11	11.11	2.72
USD	11.24	10.93	-1.18	6.86	0.42

**Other share classes are available for which performance and expenses will differ.**

The source for all fund data is MFS. Source: Benchmark performance from SPAR, FactSet Research Systems Inc.

Fund inception date: 01 October 2002

^ Results represent the percent change in NAV.

^^ Periods less than one year are actual not annualized.

**1** The MFS Meridian Funds offer several share classes each with different expenses.

Performance reflects the performance of a relevant older class with the same currency until the actual start of class performance record of the class detailed. Performance for periods prior to that date may have been higher or lower had the actual share class fees and expenses been reflected.

**2** Hedged share classes aim to reduce exchange rate and return fluctuations between the applicable non-base currency hedged share class and the unhedged base currency class of the fund. The gains/losses associated with the hedging process will accrue solely to the relevant hedged share classes.

**Returns would have been lower had sales charges, of up to 6% of the net asset value (NAV), or any commissions, fees or other charges that your financial intermediary may charge been reflected.**

Class I shares are only available to certain qualifying institutional investors.

Class W shares are available to fee-based wrap accounts, clients of financial intermediaries prohibited from receiving compensation from the Fund, and to employees of MFS and its affiliates.

MSCI Europe Index measures stocks in European developed markets.

It is not possible to invest directly in an index.

#### TRAILING 3 YR RISK MEASURES VS. BENCHMARK (A1EUR)

<b>Beta</b>	0.82
<b>Standard Deviation</b>	11.75 vs 13.00

**Beta** is a measure of the volatility of a portfolio relative to the overall market. A beta less than 1.0 indicates lower risk than the market; a beta greater than 1.0 indicates higher risk than the market. It is most reliable as a risk measure when the return fluctuations of the portfolio are highly correlated with the return fluctuations of the index chosen to represent the market.

**Standard deviation** is an indicator of the portfolio's total return volatility, which is based on a minimum of 36 monthly returns. The larger the portfolio's standard deviation, the greater the portfolio's volatility.

Performance results reflect ongoing charges and any applicable expense subsidies and waivers in effect during the periods shown. All historic results assume the reinvestment of dividends and capital gains.

**Past performance is not a reliable indicator for future results. All financial investments involve an element of risk. The value of investments may rise and fall so you may get back less than originally invested.**

Investors should consider the risks, including lower returns, related to currency movements between their investing currency and the fund's base currency, if different.

**See the fund's offering documents for more details, including information on fund risks and expenses.**

The offering documents (sales prospectus and Key Investor Information Documents (KIIDs), articles of incorporation and financial reports are available to investors at no cost in paper form or electronically at meridian.mfs.com, at the offices of the paying agent or representative in each jurisdiction or from your financial intermediary. KIIDs are available in the following languages; Danish, Dutch, English, French, German, Italian, Norwegian, Portuguese, Spanish and Swedish. The sales prospectus and other documents are available in English. For additional information, call 416.506.8418 in Toronto or 352.464.010.600 in Luxembourg or your local paying agent or representative.

MFS Meridian Funds is an investment company with a variable capital established under Luxembourg law. MFS Investment Management Company (Lux) S.à.r.l. is the management company of the Funds, having its registered office at 35, Boulevard du Prince Henri, L-1724, Luxembourg, Grand Duchy of Luxembourg (Company No. B.76.467). The Management Company and the Funds have been duly authorised by the CSSF (Commission de Surveillance du Secteur Financier) in Luxembourg.

#### IMPORTANT RISK CONSIDERATIONS

The fund may not achieve its objective and/or you could lose money on your investment in the fund. Stock markets and investments in individual stocks are volatile and can decline significantly in response to issuer, market, economic, industry, political, regulatory, geopolitical, and other conditions. Investments in value companies can continue to be undervalued for long periods of time, not realize their expected value, and be more volatile than the stock market in general. Because the portfolio may invest a substantial amount of its assets in issuers located in a single country or in a limited number of countries, it may be more volatile than a portfolio that is more geographically diversified. Please see the prospectus for further information on these and other risk considerations.

#### RISK AND REWARD PROFILE CLASS A1EUR

< Lower risk (typically lower rewards) Higher risk (typically higher rewards) >

1	2	3	4	5	6	7
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The rating is based on past volatility of returns and may be different in the future or for other classes of the fund.