

December 31, 2018

# WASATCH INTERNATIONAL OPPORTUNITIES FUND<sup>®</sup>



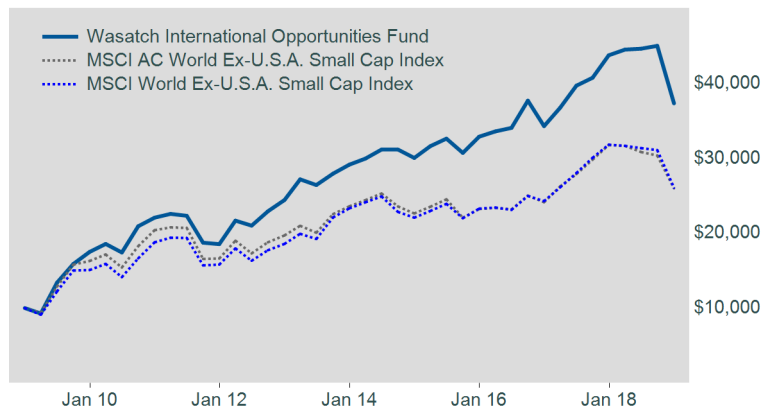
(WAIOX) Open to existing shareholders. Open to new shareholders investing directly with Wasatch Funds.

## ABOUT THE FUND

<b>Inception</b>	1/27/2005
<b>Total Fund Assets<sup>^</sup></b>	\$421 Million
<b>Morningstar Category</b>	Foreign Small/Mid Growth
<b>Objective</b>	Long-term growth of capital
<b>Core Beliefs</b>	<ul style="list-style-type: none"> <li>Earnings drive stock prices</li> <li>Small companies can grow faster than large ones</li> <li>Patience and discipline lead to smart long-term investments</li> </ul>
<b>Research Tenets</b>	<ul style="list-style-type: none"> <li>Leverage the firm's thorough, collaborative and disciplined research process</li> <li>Purchase broad holdings across countries and sectors</li> <li>Find undiscovered micro cap growth companies at good values</li> <li>Find the World's Best Growth Companies™ outside of the U.S., specifically:                             <ul style="list-style-type: none"> <li>high-quality companies with strong financials</li> <li>a proven management team</li> <li>a sustainable competitive advantage</li> <li>earnings growth greater than the relevant sector or industry</li> <li>a price-to-earnings multiple around our expected 5-year earnings growth rate for the company</li> </ul> </li> </ul>
<b>Compared to Other Wasatch Funds</b>	Our smallest cap international fund
<b>Total Expense Ratio</b>	Gross 2.09% / Net 2.09%

## GROWTH OF A HYPOTHETICAL \$10,000 INVESTMENT

12/31/2008 through 12/31/2018



<sup>^</sup>All share classes combined.

Data shows past performance. Past performance is not indicative of future performance and current performance may be lower or higher than the data quoted. For the most recent month-end performance data, visit [www.WasatchFunds.com](http://www.WasatchFunds.com). Investment returns and principal value will fluctuate and shares, when redeemed, may be worth more or less than their original cost. The Advisor may absorb certain Fund expenses, leading to higher total shareholder returns. **Total Expense Ratio: Gross 2.09%; Net 2.09%**. The Advisor has contractually agreed to reimburse Total Annual Fund Operating Expenses in excess of 2.25% until at least 1/31/2020.

Wasatch Funds will deduct a 2.00% redemption fee on Fund shares held 60 days or less. Performance data does not reflect this redemption fee or taxes.

Investing in foreign securities, especially in emerging markets, entails special risks, such as currency fluctuations and political uncertainties, which are described in more detail in the prospectus. Investing in small cap funds will be more volatile and loss of principal could be greater than investing in large cap or more diversified funds.

An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contains this and other information, visit [www.wasatchfunds.com](http://www.wasatchfunds.com) or call 800.551.1700. Please read the prospectus carefully before investing.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. The MSCI AC World Ex-U.S.A. Small Cap Index is an unmanaged index representing developed and emerging markets, excluding securities of U.S. issuers. The MSCI World Ex-U.S.A. Small Cap Index is an unmanaged index representing 22 developed markets, excluding the United States. You cannot invest directly in any index.

## ABOUT THE FUND MANAGERS

The Wasatch International Opportunities Fund is managed by a team of portfolio managers led by Linda Lasater, Jared Whatcott and Allison He.



**Linda Lasater, CFA** *Lead Portfolio Manager*  
Ms. Lasater has been a Lead Portfolio Manager for the Fund since January 2019. She was a Portfolio Manager for the Fund from January 2016 to January 2019. She is also a Portfolio Manager for the International Growth Fund. She joined Wasatch Advisors in 2006 as a Senior Equities Analyst.

Prior to joining Wasatch, Ms. Lasater worked as a project lead and systems analyst in the portfolio analytics group at AIM Investments.



**Jared Whatcott, CFA** *Portfolio Manager*  
Mr. Whatcott has been a Portfolio Manager for the Fund since 2014. He is also a Portfolio Manager for the Frontier Emerging Small Countries Fund. He joined Wasatch in 2005 as a Senior Equities Analyst. Prior to joining Wasatch, Mr. Whatcott was a Captain in the United States Air Force, serving as a contracting officer.

Mr. Whatcott earned an MBA from the University of Virginia.



**Allison He, CFA** *Associate Portfolio Manager*  
Ms. He has been an Associate Portfolio Manager for the Fund since 2018. She joined Wasatch in 2013 as a Senior Research Analyst on the international research team. She has over 12 years of experience in the investment management industry and a background in data engineering and analytics. Prior to joining Wasatch, she was a vice president and associate portfolio manager at Western Investment LLC, a multi-strategy hedge fund.

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## AVERAGE ANNUAL TOTAL RETURNS

Through 12/31/2018	1 Year	5 Years	10 Years
Wasatch International Opportunities Fund	-14.66%	5.08%	14.08%
MSCI AC World Ex-U.S.A. Small Cap Index	-18.20%	1.96%	10.02%
MSCI World Ex-U.S.A. Small Cap Index	-18.07%	2.25%	10.06%

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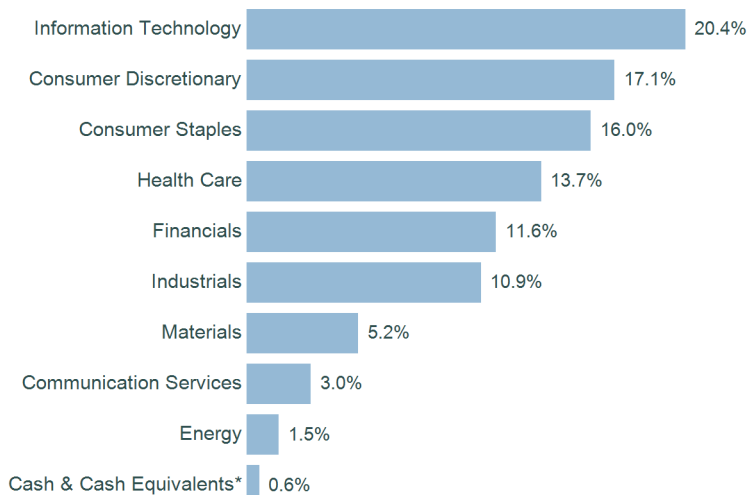


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## PORTFOLIO CHARACTERISTICS

Est. 5-year EPS Growth	24.3
Forward 12-month P/E Ratio	21.5
P/E to Growth Rate	0.9
Median Market Cap	\$651m
Weighted Average Market Cap	\$987m
Number of Holdings	109
Portfolio Turnover	38%
Alpha (5 year)	3.46
Beta (5 year)	0.79
R-Squared (5 year)	0.62

## SECTOR ALLOCATION



\* includes other assets and liabilities

## REGION/COUNTRY ALLOCATION OF EQUITIES

Region	Fund	Country	Fund
Asia	57.2%	Japan	22.8%
West Europe	25.8%	India	10.4%
Pacific	7.6%	United Kingdom	8.9%
North America	5.4%	Australia	7.4%
Africa	1.8%	Taiwan	6.4%
East Europe	1.2%	Sweden	4.7%
Middle East	1.0%	Germany	4.6%
Total	100.0%	Other	34.8%
		Total	100.0%

Excludes cash and cash equivalents.

## TOP 10 EQUITY HOLDINGS

As of 12/31/2018	% of Fund
Pro Medicus Ltd. (Australia) <i>Health Care Technology</i>	3.1%
Philippine Seven Corp. (Philippines) <i>Food Retail</i>	2.6%
V-Mart Retail Ltd. (India) <i>Department Stores</i>	2.2%
Hypoport AG (Germany) <i>Other Diversified Financial Services</i>	2.1%
Gulf Oil Lubricants India Ltd. (India) <i>Commodity Chemicals</i>	2.1%
Vitasoy International Holdings Ltd. (China) <i>Packaged Foods &amp; Meats</i>	2.1%
Webjet Ltd. (Australia) <i>Internet &amp; Direct Marketing Retail</i>	1.7%
Open Door, Inc. (Japan) <i>Internet &amp; Direct Marketing Retail</i>	1.7%
Gruppo MutuiOnline S.p.A. (Italy) <i>Consumer Finance</i>	1.6%
TCI Co. Ltd. (Taiwan) <i>Personal Products</i>	1.6%
<b>Total</b>	<b>20.7%</b>

Current and future portfolio holdings are subject to risks and may change at any time. References to specific securities should not be construed as recommendations by the Fund or its Advisor.



To invest in this fund, please visit  
[www.WasatchFunds.com](http://www.WasatchFunds.com)  
or call 800.551.1700

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Wasatch Funds are distributed by  
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**Est. 5-year EPS Growth %:** Estimated percentage increase in earnings per share (EPS) per year of the fund's holdings over the next 5 years. These returns are not guaranteed and may be higher or lower. Source: Wasatch and FactSet. **Forward 12-mo. P/E Ratio:** The sum of the stock prices of the fund's holdings divided by the aggregate earnings per share of those holdings for the next 12 months, calculated as a weighted harmonic average. **P/E to Growth Rate:** The forward 12-month P/E ratio divided by the estimated 5-year EPS growth rate. Portfolios with a number less than 1.0 would be considered undervalued, around 1.0 would be considered fair valued and significantly greater than 1.0 would be considered overvalued. **Weighted Average Market Cap:** The average market capitalization of companies held by the fund, weighted by their percentage of fund net assets. **Portfolio Turnover:** A measure of trading activity in a fund's portfolio over the past 12 months expressed as a percentage of the fund's average total assets. **Alpha** measures a fund's risk/reward potential. A positive alpha means the fund outperformed the index. A negative alpha means the fund underperformed the index. **Beta** measures a fund's risk in relation to the market. A beta of 0.8 means the fund's total return is likely to move up or down 80% of the market change; 1.25 means total return is likely to move up or down 25% more than the market. **R-Squared** measures (from 0 to 1.0) how closely a fund's movements are correlated with movements of its benchmark. An R-squared of 1.0 would mean that the fund's movements are completely correlated with the movements of its benchmark.

WAS004925 4/20/2019