

# Wasatch Frontier Emerging Small Countries Fund™

(WAFMX) Open to all investors.

December 31, 2014



The Wasatch Frontier Emerging Small Countries Fund is one of the few funds uniquely focused on frontier markets and emerging small countries.

## About The Fund

**Inception** January 31, 2012

**Objective** Long-term growth of capital

- Core Beliefs**
- Frontier markets and emerging small countries offer investment opportunities that arise from long-term trends in demographics, improving corporate governance, rapid urbanization, and a growing middle class.
  - Earnings growth drives stock prices
  - We can find undiscovered frontier market and emerging small country companies with excellent earnings growth
  - Patience and discipline lead to smart long-term investments

- Research Tenets**
- Leverage the firm's thorough, collaborative and disciplined research process
  - Find the World's Best Growth Companies™ within frontier markets and emerging small countries, specifically:
    - high-quality companies with strong financials
    - emerging leaders with a sustainable competitive advantage
    - a proven management team
    - earnings growth greater than the relevant industry or sector

**Compared to Other Wasatch Funds** Our only fund focused exclusively on frontier markets and emerging small countries

**Total Fund Assets** \$1.3 Billion

**Total Expense Ratio** Gross 2.43% / Net of reimbursement by the Advisor 2.25%

## About The Fund Manager

The Wasatch Frontier Emerging Small Countries Fund is managed by a team of Portfolio Managers led by Laura Geritz.



**Laura Geritz, CFA**  
Portfolio Manager

Ms. Geritz has been a Portfolio Manager for the Fund since inception. She also serves as a Portfolio Manager for the Emerging Markets Small Cap and International Opportunities funds. She joined Wasatch as a senior analyst in 2006.

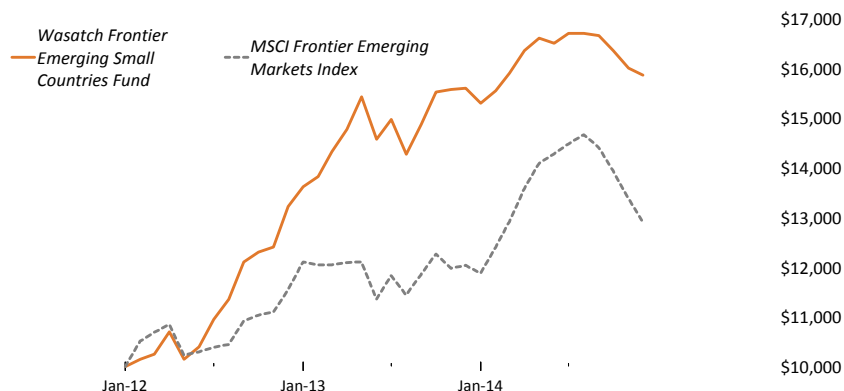
Before joining Wasatch, Ms. Geritz worked for Mellon Corporation as a senior analyst for two of the company's small cap growth funds. Prior to joining Mellon Corporation, Ms. Geritz spent four years as an analyst at American Century Investments.

Ms. Geritz graduated with honors from The University of Kansas with a Bachelor of Arts in Political Science and History. Later, she earned a masters degree in East Asian Languages and Cultures. She is a member of the Denver Society of Financial Analysts.

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## Growth of a Hypothetical \$10,000 Investment

1/31/12 through 12/31/14



## Average Annual Total Returns

Through 12/31/2014	1 Year	5 Years	Since Inception*
<b>Wasatch Frontier Emerging Small Countries Fund</b>	1.69%	n/a	17.12%
<b>MSCI Frontier Emerging Markets Index</b>	7.20%	n/a	9.12%
<b>MSCI Frontier Markets Index</b>	6.84%	n/a	13.90%

**\*Inception: 1/31/12.** 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, 2.43%; Net 2.25%**

Wasatch Funds will deduct a 2.00% redemption fee on Fund shares held 90 days or less. Performance data does not reflect this redemption fee or taxes.

Investing in small or micro cap funds will be more volatile and loss of principal could be greater than investing in large cap or more diversified funds. Investing in foreign securities, especially in frontier and emerging markets, entails special risks such as unstable currencies, highly volatile securities markets and political and social instability, which are described in more detail in the prospectus. The Fund is non-diversified, meaning it can invest a larger portion of its assets in the stocks of a limited number of companies than a diversified fund. Non-diversification increases the risk of loss to the Fund if the values of these securities decline.

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 Frontier Markets and Frontier Emerging Markets Indexes are free float-adjusted market capitalization indexes that are designed to measure equity market performance in the global frontier and emerging markets.

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## Portfolio Characteristics

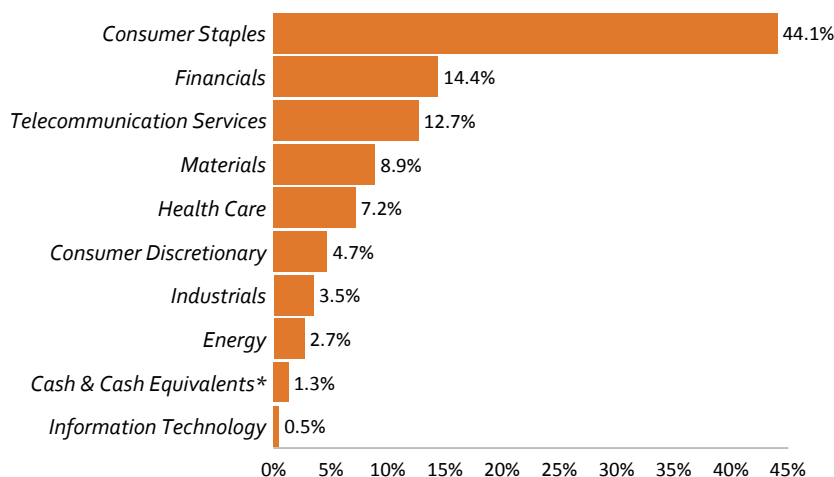
Est. 5-year EPS Growth %	14.9
Forward 12-month P/E Ratio	17.8
P/E to Growth Rate	1.2
Median Market Cap	\$1.01b
Weighted Average Market Cap	\$4.83b
Number of Holdings	146
Portfolio Turnover	30%
Alpha (since inception)	8.82
Beta (since inception)	0.67
R-Squared (since inception)	0.51

## Top 10 Equity Holdings

As of 9/30/14	% of Fund
Universal Robina Corp. (Philippines) Packaged Foods & Meats	3.1
GrameenPhone Ltd. (Bangladesh) Wireless Telecommunication Services	3.1
MTN Group Ltd. (South Africa) Wireless Telecommunication Services	3.0
Nigerian Breweries plc (Nigeria) Brewers	3.0
East African Breweries Ltd. (Kenya) Brewers	2.9
Nestlé Nigeria plc (Nigeria) Packaged Foods & Meats	2.9
Square Pharmaceuticals Ltd. (Bangladesh) Pharmaceuticals	2.2
Vietnam Dairy Products JSC (Vietnam) Packaged Foods & Meats	2.2
Safaricom Ltd. (Kenya) Wireless Telecommunication Services	2.1
Kuwait Foods Americana (Kuwait) Restaurants	2.0
<b>Total</b>	<b>26.5</b>

## Sector Allocation

\*Also includes Other Assets and Liabilities.



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.

## Region/Country Allocation of Equities

Region	% of Fund	Country	% of Fund
Asia	40.0	Kenya	9.5
Africa	35.8	Nigeria	9.5
South America	9.4	Bangladesh	8.9
Middle East	8.9	Sri Lanka	8.8
West Europe	2.3	Pakistan	8.6
North America	1.9	Vietnam	5.5
East Europe	1.7	Egypt	5.4
<b>Total</b>	<b>100.0</b>	<b>Other</b>	<b>43.8</b>
		<b>Total</b>	<b>100.0</b>

Excludes cash and cash equivalents, written options, and short sells.



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 ALPS Distributors, Inc.

**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. **Forward 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 in proportion to their percentage of net assets in the fund. **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 1.00) how closely a fund's movements are correlated with movements of its benchmark. An R-squared of 1.00 would mean that the fund's movements are completely correlated with the movements of its benchmark. WAS003413 4/20/2015