



**MFS® GROWTH EQUITY**

**MFS® HERITAGE TRUST COMPANY (MHTC)**

**COLLECTIVE INVESTMENT TRUST (CIT)**

**MFS® INTERNATIONAL GROWTH FUND – CLASS 1**

Presented to

**Bay County Employees' Retirement System**

12 January 2015

## Presenters

### **Peter D. Loncto, CFA**

- Director, Investment Product Specialist
- As an Investment Product Specialist, communicates investment policy, strategy and tactics, performs portfolio analysis, and leads product development.
- Joined MFS in 2007.
- Previous experience includes 5 years as Senior Marketing Manager at Nicholas-Applegate Capital Management; 3 years as Performance Analyst at State Street Bank and Trust Company.
- Originally joined MFS in 1997 and departed the firm in 1999 to attend graduate school. Rejoined MFS in 2007.
- Affiliations include Boston Security Analysts Society, Inc., CFA Institute
- Cornell University, MBA
- Boston College, BA

### **Kimberly G. Hyland**

- Director, Relationship Management
- As a Relationship Manager, responsible for the overall client experience including communicating portfolio positioning, strategy, and performance attribution and ensuring that our clients' ongoing service needs are met.
- Joined MFS in 2007.
- Previous experience includes 3 years as Relationship Manager at Robeco Investment Management; 11 years as Institutional Equity Sales professional at Morgan Stanley and Smith Barney.
- Middlebury College, BA

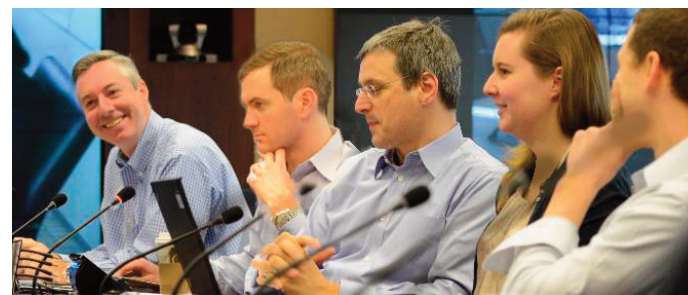
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## MFS® overview

### Integrated Research

We look at investment opportunities across the globe by integrating fundamental equity, quantitative and credit disciplines in our analysis.



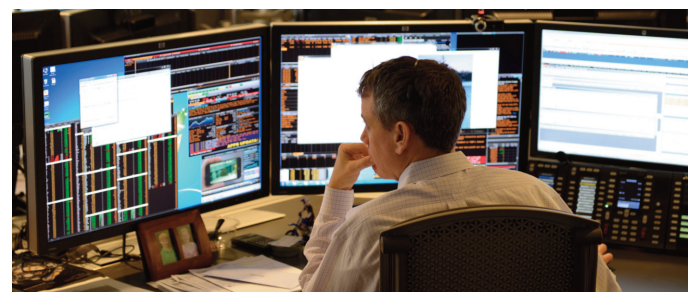
### Global Collaboration

Our team philosophy and incentive structure ensure strong collaboration across the firm.



### Active Risk Management

We take a holistic approach to actively managing risk with reviews in place at security, portfolio and firm levels and a clear focus on generating alpha for our clients.



*We apply a uniquely collaborative approach to build better insights for our clients*



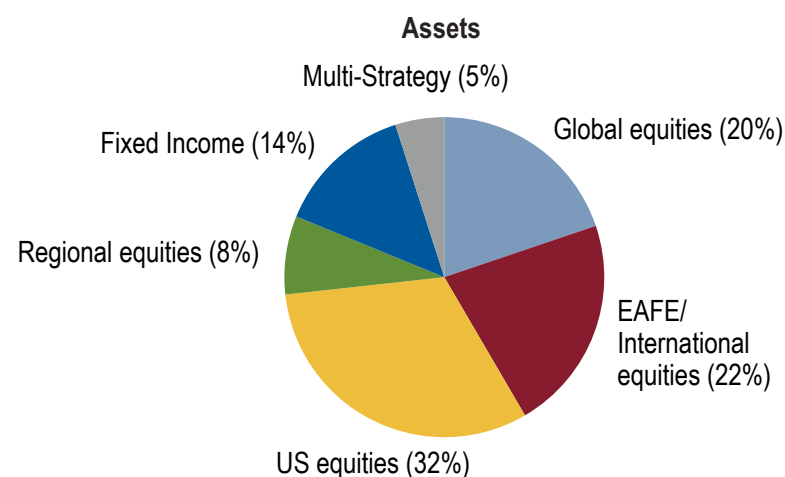
## Business profile (USD)

403 billion total MFS AUM

### Diversified client and asset base<sup>1</sup>

#### Assets

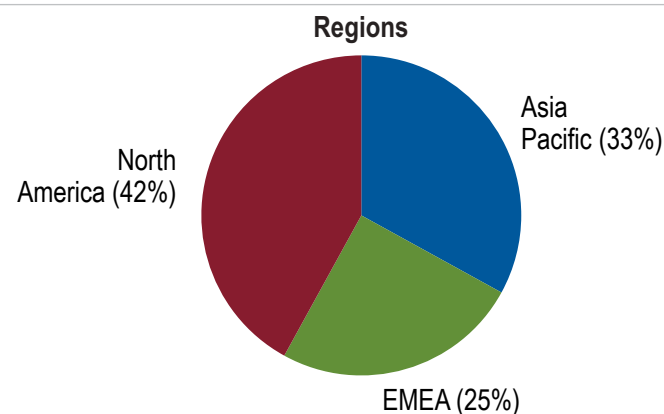
Global equities	80.3 billion
EAFE/international equities	86.9 billion
US equities	128.3 billion
Regional equities	31.7 billion
Fixed Income	54.5 billion
Multi-strategy/Other	21.3 billion



### Institutional business by client type and region<sup>2</sup>

#### Client types

- Defined benefit/defined contribution
- Endowment and foundation
- Sovereign wealth fund/government agency
- Institutional platform/insurance subadvisory



As of 30-Sep-15.

<sup>1</sup> Data is rounded to the nearest figure.

<sup>2</sup> Represents global clients in institutional vehicles only.

*Well-diversified business across clients, regions, and investment strategies*

## A collaborative global research platform

### Global research platform

- An integrated approach combining equity, fixed-income and quantitative analysis
- 93 research analysts
- 8 sector teams
- 9 investment offices worldwide

### Shared investment culture

- A philosophy centered on
  - Utilizing proprietary bottom-up research
  - Owning underappreciated-quality companies
  - Investing with a long-term horizon
- Our compensation structure rewards teamwork

### Differentiated investment perspectives

- Depth of resources and collaborative environment are difficult to replicate
- Leads to better investment decision making



*Depth and collaboration provide competitive advantages*

# Global Capabilities

## MFS investment strategies



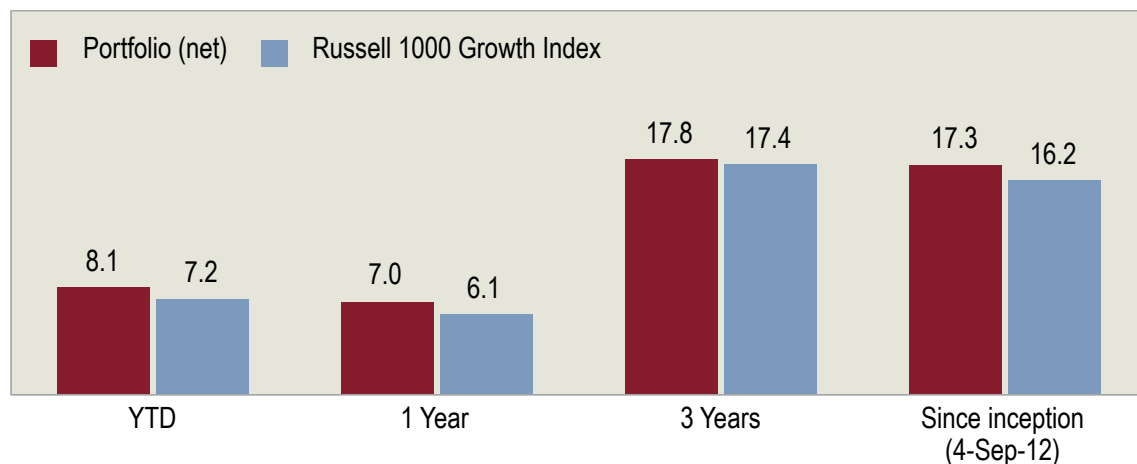
	Global Equity	Regional Equity			International Equity	Specialty/Multi-Asset
Fundamental Equity	<ul style="list-style-type: none"> <li>Global<sup>1</sup>/ Global Concentrated<sup>1</sup></li> <li>Global Research</li> <li>Global Value<sup>2</sup></li> <li>Global Growth</li> <li>Global Small Cap<sup>3</sup></li> </ul>	<b>US</b> <ul style="list-style-type: none"> <li>Core</li> <li>Research</li> <li>Value<sup>2</sup></li> <li>Growth/Growth Concentrated</li> <li>Large Cap Growth/ Large Cap Growth Concentrated</li> <li>Mid Cap Growth</li> <li>Mid Cap Value</li> <li>Small Cap Growth</li> </ul>	<b>Canadian</b> <ul style="list-style-type: none"> <li>Core</li> <li>Value</li> <li>Growth</li> <li>Dividend Income</li> </ul> <b>Emerging Markets</b> <ul style="list-style-type: none"> <li>Emerging Markets</li> <li>Latin American</li> </ul>	<b>European</b> <ul style="list-style-type: none"> <li>European Research<sup>2</sup></li> <li>European Value<sup>1</sup></li> <li>European Small Cap<sup>2</sup></li> <li>UK</li> <li>European ex UK</li> </ul> <b>Asia/Pacific</b> <ul style="list-style-type: none"> <li>Asia Pacific ex Japan</li> <li>Asia ex Japan</li> <li>Japan</li> <li>Japan Concentrated</li> </ul>	<ul style="list-style-type: none"> <li>International/International Concentrated</li> <li>International Research</li> <li>International Value<sup>1</sup></li> <li>International Growth</li> <li>International Small Cap<sup>2</sup></li> <li>International Diversification<sup>3</sup></li> </ul>	<b>Equities</b> <ul style="list-style-type: none"> <li>Global Real Estate</li> <li>Utilities</li> </ul> <b>Balanced</b> <ul style="list-style-type: none"> <li>Canadian Value</li> <li>Canadian Core</li> <li>Canadian Growth</li> <li>Global Total Return</li> <li>US Total Return</li> </ul>
Quantitative Solutions	<ul style="list-style-type: none"> <li>Blended Research Global</li> <li>Blended Research – AC Global Extension</li> <li>Blended Research Global High Dividend Equity</li> <li>Global Low Volatility</li> </ul>	<b>Regional Equity</b> <ul style="list-style-type: none"> <li>Blended Research Emerging Markets</li> <li>Blended Research US Equity                             <ul style="list-style-type: none"> <li>- US Core</li> <li>- US Core (ESG)</li> <li>- US Value</li> <li>- US Growth</li> </ul> </li> <li>Blended Research US Small Cap</li> </ul>			<ul style="list-style-type: none"> <li>Blended Research International</li> </ul>	<b>Target Date</b> <ul style="list-style-type: none"> <li>US Target Date<sup>3</sup></li> <li>Canadian Target Date<sup>3</sup></li> </ul> <b>Target Risk</b> <ul style="list-style-type: none"> <li>US Target Risk<sup>3</sup></li> <li>Canadian Target Risk<sup>3</sup></li> </ul>
Fixed Income	Government/Municipal	Core/Aggregate		Corporate	Emerging Markets	<b>Income</b> <ul style="list-style-type: none"> <li>Diversified Income</li> </ul>
	<b>Global</b> <ul style="list-style-type: none"> <li>Sovereign</li> </ul> <b>US</b> <ul style="list-style-type: none"> <li>Government/TIPS</li> <li>Mortgage-Backed Securities</li> <li>Municipal/High Yield/Limited Duration</li> </ul>	<b>Global</b> <ul style="list-style-type: none"> <li>Aggregate Core</li> <li>Aggregate Core Plus</li> <li>Aggregate Opportunistic</li> </ul> <b>US</b> <ul style="list-style-type: none"> <li>Limited Maturity</li> <li>Core</li> <li>Core Plus Research</li> </ul>	<b>Canadian</b> <ul style="list-style-type: none"> <li>Universe</li> <li>Core Plus</li> <li>Long Term</li> <li>Short Term</li> <li>Money Market</li> </ul>	<b>Global</b> <ul style="list-style-type: none"> <li>Investment-Grade Credit</li> <li>Credit</li> <li>High Yield</li> </ul> <b>US</b> <ul style="list-style-type: none"> <li>Investment-Grade Credit</li> <li>Credit</li> <li>Corporate BB</li> <li>Core High Yield</li> </ul>	<ul style="list-style-type: none"> <li>Emerging Markets Debt</li> <li>Emerging Markets Local Currency Debt</li> <li>Emerging Markets Debt (Hard and Local)</li> </ul>	

<sup>1</sup> Closed. <sup>2</sup> Soft closed. <sup>3</sup> Limited vehicle availability.

*Broad institutional capabilities meet diverse client needs*

## Executive summary

### Performance results (%) net of fees (USD) as of 30-Nov-15



### One year as of 30 November 2015

- Contributors:
  - stock selection in technology, industrial goods & services, and financial services
- Detractors:
  - stock selection in retailing and transportation

### Asset summary (USD)

Beginning value as of 4-Sep-12	25,583,212
Contributions	+5,288,091
Withdrawals	-17,500,043
Change in market value	+19,960,233
Ending value as of 30-Nov-15	33,331,493

### Sector weights (%)

As of 30-Nov-15	Portfolio	Benchmark <sup>^</sup>
<b>Top overweightings</b>		
Retailing	16.3	11.5
Financial Services	10.5	6.3
Special Products & Services	6.9	5.2
<b>Top underweightings</b>		
Consumer Staples	5.3	8.9
Leisure	7.3	10.5
Basic Materials	1.5	4.1

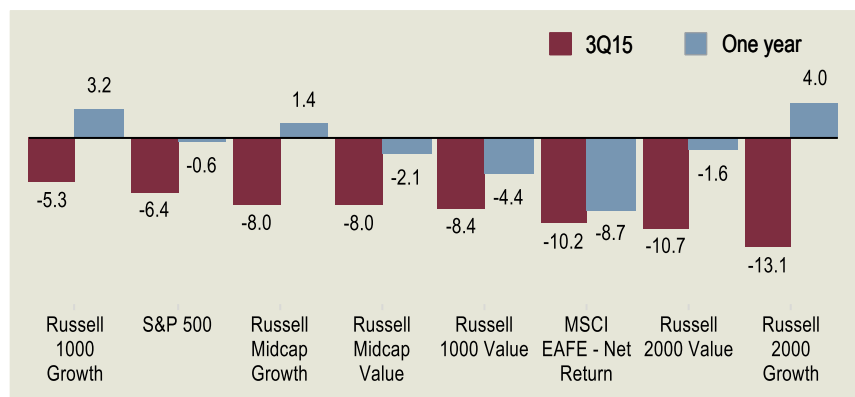
<sup>^</sup> Russell 1000 Growth Index.

Source: benchmark performance from SPAR, FactSet Research Systems Inc.

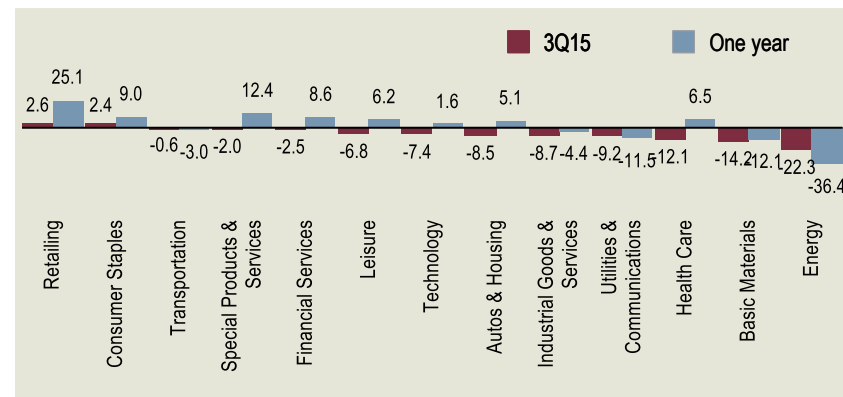
Past performance is no guarantee of future results. All periods greater than one year are annualized.

## Market overview (USD)

Style performance (%), as of 30-Nov-15



Russell 1000 Growth sector performance (%)<sup>1</sup>, as of 30-Nov-15



### Market review as of 30-Nov-15

- The U.S. market, as measured by the S&P 500 Index, fell during the quarter. Concerns regarding the slowdown in China and a lack of clarity from the Federal Reserve regarding a rise in interest rates pressured U.S. equities, especially in the latter half of the period.
- After showing very little growth during Q1 2015, the U.S. economy posted solid GDP growth of 3.9% in Q2. The general consensus is that growth will continue at a modest pace through 2015, similar to what we have seen over the last several years. Global growth remains unsynchronized as the U.S. is still the growth leader among the major economies. While the Federal Reserve may still raise interest rates by the end of 2015, other central banks (i.e. ECB, BOJ and People's Bank of China) have continued with "super easy" monetary conditions.
- In a reversal from the first six months of 2015, investors moved strongly into more defensive, higher yielding stocks (i.e. utilities and REITs) during Q3 as the U.S. market fell and volatility increased. Furthermore, energy, materials and health care were the weakest sectors within the broad market over the quarter.

<sup>1</sup> Source: FactSet. Sector performance based on MFS sector classification.

## Performance results – net of fees (USD)

As of 30-Nov-15	Period	Portfolio net (%)	Russell 1000 Growth Index (%)
<b>Quarterly returns</b>	3Q15	-4.6	-5.3
	2Q15	0.2	0.1
	1Q15	3.7	3.8
	4Q14	4.9	4.8
<b>Annual returns</b>	2015 year to date	8.1	7.2
	2014	8.9	13.0
	2013	37.5	33.5
<b>Annualized returns</b>	1 Year	7.0	6.1
	3 Years	17.8	17.4
	Since Inception (4-Sep-12)	17.3	16.2

Source for benchmark performance: SPAR, FactSet Research Systems Inc.

**Past performance is no guarantee of future results.** All periods greater than one year are annualized.

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## Performance drivers – sectors

Relative to Russell 1000 Growth Index (USD) – one year as of 30 November 2015

		Average relative weighting (%)	Sector allocation (%)	+	Stock selection (%)	+	Currency effect (%)	= Relative contribution (%)
<b>Contributors</b>	Technology	-3.5	-0.1		1.1		–	1.0
	Industrial Goods & Services	-0.8	0.1		0.5		–	0.6
	Financial Services	4.0	0.0		0.5		–	0.5
	Autos & Housing	0.2	0.0		0.2		–	0.2
	Energy	-1.1	0.2		0.0		–	0.2
	Basic Materials	-2.9	0.3		-0.2		–	0.1
	Utilities & Communications	-1.3	0.2		-0.2		–	0.0
<b>Detractors</b>	Retailing	3.7	0.4		-0.6		-0.1	-0.2
	Consumer Staples	-3.8	-0.1		0.0		-0.1	-0.2
	Transportation	-1.4	0.2		-0.4		–	-0.2
	Health Care	4.1	0.1		-0.2		–	-0.1
	Leisure	-1.6	-0.1		-0.1		–	-0.1
	Cash	3.3	-0.1		–		–	-0.1
	Special Products & Services	1.2	0.0		-0.1		–	-0.0
<b>Total</b>			<b>1.2</b>		<b>0.7</b>		<b>-0.2</b>	<b>1.6</b>

Attribution results are generated by the FactSet application utilising a methodology which is widely accepted in the investment industry. Results are based upon daily holdings using a buy and hold methodology to generate individual security returns and do not include expenses. As such, attribution results are essentially estimates and may not aggregate to the total return of the portfolio or of the benchmark which can be found elsewhere in this presentation.

## Performance drivers – stocks

Relative to Russell 1000 Growth Index (USD) – one year as of 30 November 2015

		Average Weighting		Returns		Relative contribution (%)
		Portfolio (%)	Benchmark (%)	Portfolio (%) <sup>1</sup>	Benchmark (%)	
<b>Contributors</b>	Netflix Inc	1.2	0.3	149.1	149.1	0.7
	Alphabet Inc	4.7	3.1	38.3	38.2	0.4
	Visa Inc	3.4	1.3	23.3	23.3	0.4
	Constellation Brands	1.0	0.2	46.6	46.6	0.3
	Starbucks Corp	1.4	0.7	53.1	53.1	0.3
<b>Detractors</b>	Sba Communications Corp	2.0	0.1	-13.6	-13.6	-0.5
	Home Depot	–	1.4	–	37.5	-0.4
	EMC Corp	1.0	0.0	-8.8	-15.0	-0.3
	Wynn Resorts Ltd	0.3	0.1	-57.9	-63.9	-0.3
	21st Century Fox	1.1	0.4	-19.0	-18.6	-0.3

<sup>1</sup> Represents performance for the time period stock was held in portfolio.

Attribution results are generated by the Factset application utilising a methodology which is widely accepted in the investment industry. Results are based upon daily holdings using a buy and hold methodology to generate individual security returns and do not include expenses. As such, attribution results are essentially estimates and may not aggregate to the total return of the portfolio or of the benchmark which can be found elsewhere in this presentation.



## Sector weights

As of 30-Nov-15	Portfolio (%)	Russell 1000 Growth Index (%)	Underweight/overweight (%)
Retailing	16.3	11.5	4.8
Financial Services	10.5	6.3	4.2
Special Products & Services	6.9	5.2	1.7
Autos & Housing	2.4	2.0	0.4
Health Care	16.7	16.4	0.3
Energy	0.3	0.4	-0.1
Industrial Goods & Services	5.3	5.9	-0.6
Utilities & Communications	1.9	3.0	-1.1
Technology	21.4	22.6	-1.2
Transportation	1.4	3.2	-1.8
Basic Materials	1.5	4.1	-2.6
Leisure	7.3	10.5	-3.2
Consumer Staples	5.3	8.9	-3.6

2.9% Cash & Cash Equivalents.

*Bottom-up stock selection drives sector weights*

## Top 10 portfolio holdings

As of 30-Nov-15	Sector	Portfolio (%)	Russell 1000 Growth Index (%)
Visa Inc	Financial Services	4.0	1.4
Amazon.com Inc	Retailing	3.8	2.4
Alphabet Inc Class A	Technology	3.5	2.0
Facebook Inc	Technology	3.3	2.1
MasterCard Inc	Financial Services	2.8	0.9
Apple Inc	Technology	2.7	6.3
Alphabet Inc Class C	Technology	2.7	2.0
Danaher Corp	Industrial Goods & Services	2.7	0.1
Thermo Fisher Scientific Inc	Health Care	2.4	0.2
Adobe Systems Inc	Technology	2.3	0.4

*Top holdings reflect highest conviction ideas*

## Characteristics

As of 30-Nov-15		Portfolio	Russell 1000 Growth
<b>Fundamentals<sup>1</sup></b>	IBES long-term earnings per share growth <sup>2</sup>	17.7%	14.6%
	Price/earnings (12 months forward)	23.7x	19.0x
<b>Market capitalization (USD)</b>	Weighted average	128.0 bn	143.7 bn
	Greater than 100 bn	32.8%	40.6%
	15 – 100 bn	54.2%	41.7%
	0 – 15 bn	10.1%	17.7%
<b>Portfolio construction</b>	Top 10 holdings	30%	24%
	Number of holdings	90	646
	Turnover (1 year) <sup>3</sup>	38%	–
<b>Risk/reward (USD)</b>	Historical tracking error (3 years)	3.03%	–
	Beta (3 years)	1.00	–

**Past performance is no guarantee of future results.** No forecasts can be guaranteed.

<sup>1</sup> Weighted average.

<sup>2</sup> Weighted Average IBES Long Term EPS Growth sourced from: Thomson Reuters.

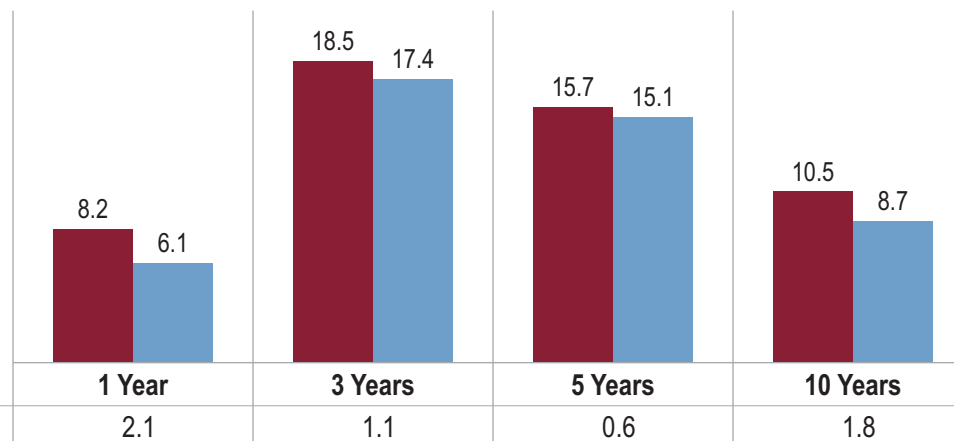
<sup>3</sup> (Lesser of purchases or sales)/average market value.

*Seeks high-quality growth with strong risk-adjusted returns*

## MFS Growth Equity Composite Performance – gross of fees (USD)

Annualized returns (%), as of 30-Nov-15

■ MFS Growth Equity Composite  
■ Russell 1000 Growth Index



Excess return (%) vs.

Russell 1000 Growth Index

	1 Year	3 Years	5 Years	10 Years
	2.1	1.1	0.6	1.8

Annual performance (%), as of 30-Nov-15

	YTD	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
■ MFS Growth Equity Composite	9.1	9.6	37.8	18.3	0.3	16.9	39.7	-36.8	22.3	8.9	10.1
■ Russell 1000 Growth Index	7.2	13.0	33.5	15.3	2.6	16.7	37.2	-38.4	11.8	9.1	5.3
<b>Excess return</b>	<b>1.9</b>	<b>-3.4</b>	<b>4.3</b>	<b>3.0</b>	<b>-2.3</b>	<b>0.2</b>	<b>2.5</b>	<b>1.6</b>	<b>10.5</b>	<b>-0.2</b>	<b>4.8</b>

Please see performance methodology and composite report in appendix for net of fee performance and other information.  
Source for benchmark performance: SPAR, FactSet Research Systems Inc. Past performance is no guarantee of future results.

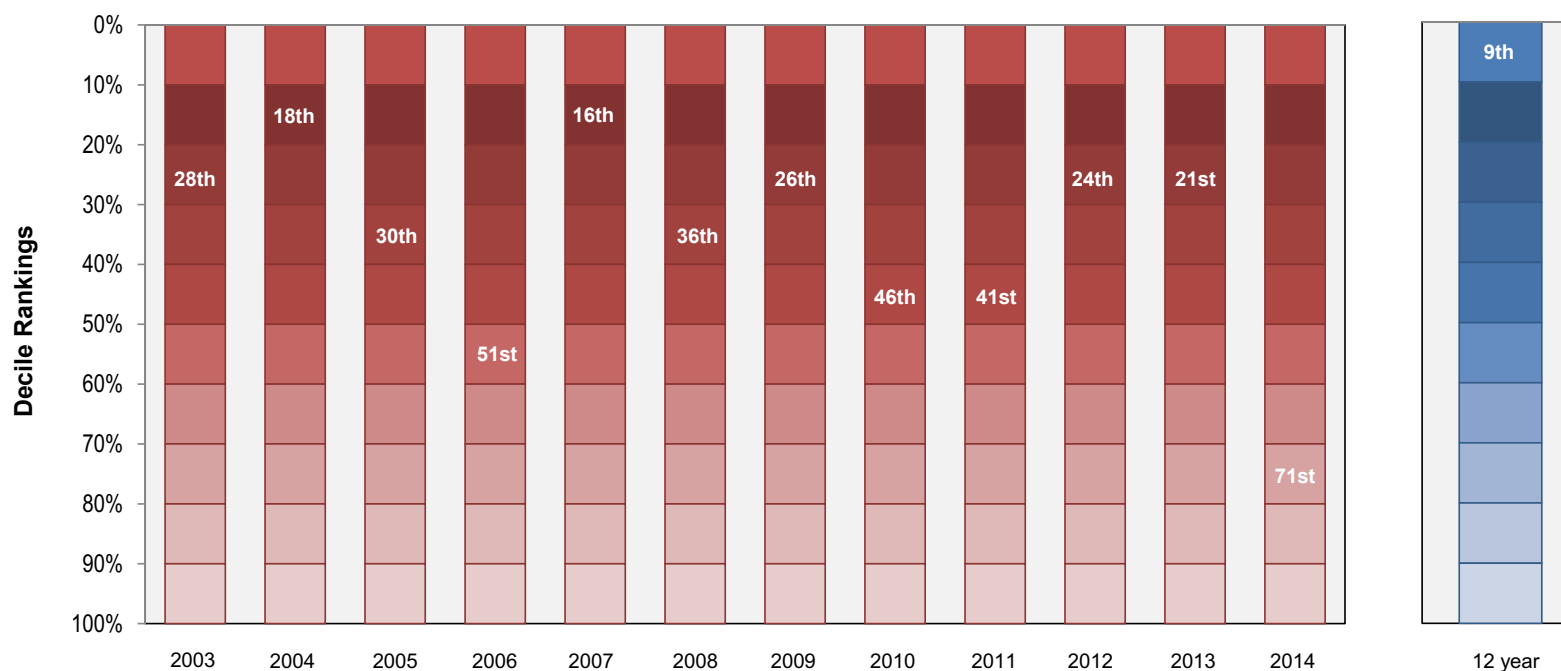
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# Historical yearly performance versus peers

## eVestment Alliance Large Growth Universe Rankings for the MFS Growth Equity Strategy

As of 31 December 2014



All peer universe rankings are based on data from the eVestment Alliance database "eA US Large Cap Growth Equity". Compiled on 22-Jan-15 with 92.1% of firms reporting. There were 344 observations for the 1-year period, 330 for the 3-year period, 316 for the 5-year period, and 259 for the 10-year period. The number of observations for 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006, 2005, 2004, and 2003 were 344, 386, 406, 437, 460, 486, 512, 521, 527, 523, 514, and 506 respectively. As of 12/31/2014, the number of observations for the 12-year period was 239.

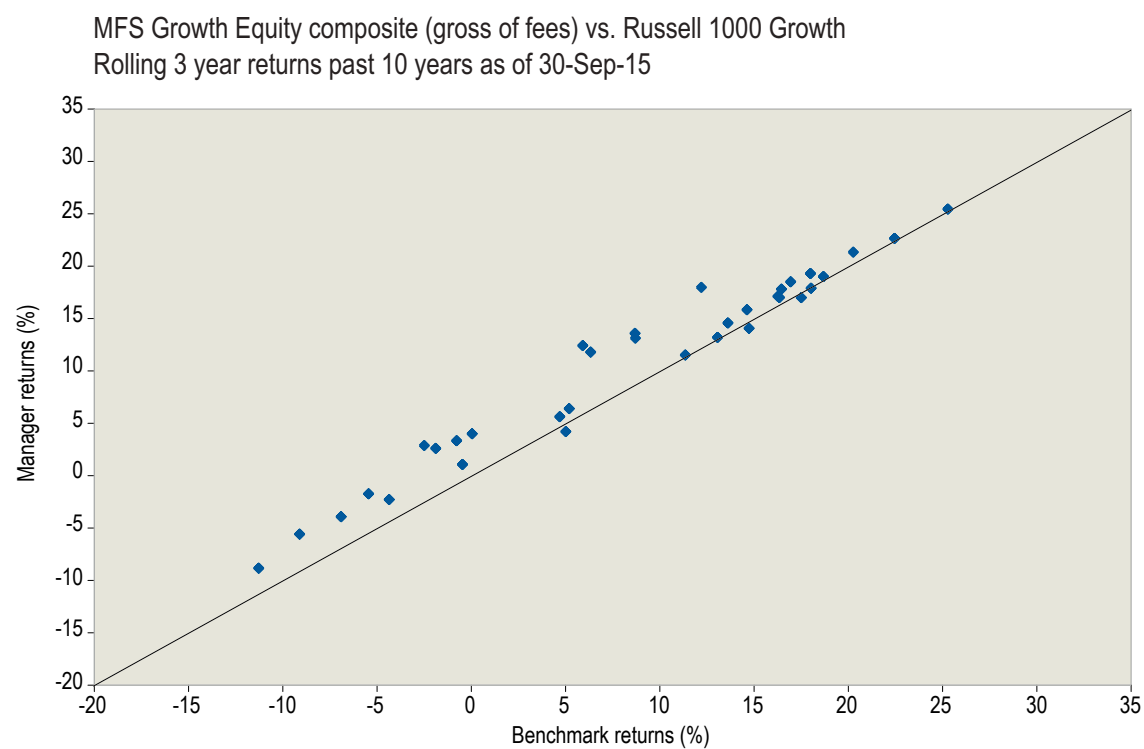
Please see performance methodology and composite report in appendix for net of fee performance and other information.

Past performance is no guarantee of future results.

Eric Fischman joined the portfolio in April 1, 2002, and assumed sole management responsibility for the entire portfolio on April 1, 2004. Matthew Sabel joined the portfolio as co-portfolio manager on April 30, 2014.

Source: eVestment Alliance.

## Historical relative performance (USD)



Rolling 3-year returns based on composite gross of fee performance.

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## MFS Growth Equity team



**Eric Fischman, CFA**  
Portfolio Manager  
25 years industry experience



**Matthew Sabel**  
Portfolio Manager  
19 years industry experience



**Rob Almeida**  
Institutional Portfolio Manager  
21 years industry experience



**Andrew Boyd**  
Institutional Portfolio Manager  
22 years industry experience

### Additional resources

**David Antonelli**  
Portfolio Manager  
28 years industry experience

**Jeffrey Constantino, CFA, CPA**  
Portfolio Manager  
18 years industry experience

**Kevin Dwan**  
Portfolio Manager  
18 years industry experience

**Paul Gordon**  
Portfolio Manager  
15 years industry experience

**Michael Grossman, CFA**  
Portfolio Manager  
16 years industry experience

**Peter Loncto, CFA**  
Investment Product Specialist  
20 years industry experience

*Experienced management, tested by markets, backed by depth*

# MFS Growth Equity

## Distinguishing characteristics

### **Consistent focus on long term growth (“out year” earnings power)**

- Seek companies whose rate and/or duration of growth is higher than the overall market
- Seek companies with pricing power
- Seek companies with high-quality, sustainable growth

### **Consistent leverage of MFS’ integrated global research platform**

- Unique, collaborative culture
- Fully integrated approach to researching companies combining equity, fixed income and quantitative analysis

### **Consistent emphasis on risk management**

- Analyze sources of risk in portfolio
- Understand risk/reward tradeoff of active positions
- Integrate risk management into portfolio construction to ensure that fundamental, bottom-up stock selection drives alpha

*High quality focus, with long-term investment horizon*



## Appendix

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## MFS active management adds value

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### Objective

Outperform the Russell 1000 Growth Index over full market cycles

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### Philosophy

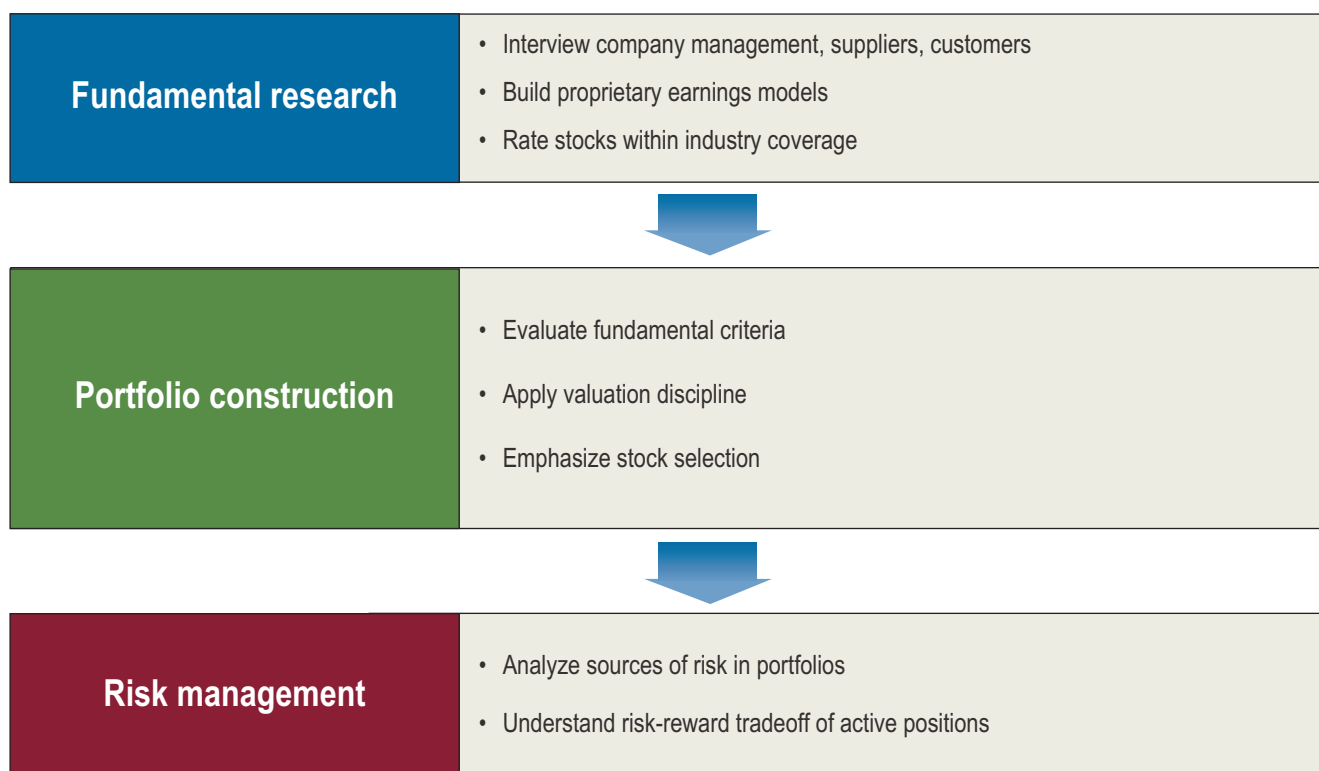
- Fundamentals drive earnings and cash flow
  - Earnings and cash flow growth drives share price performance over the long term
  - Investors often underestimate the rate and duration of growth
- 

### Approach

- We conduct proprietary fundamental research to identify companies with:
    - Higher sustainable earnings and cash flow growth rates
    - Sustainable and improving fundamentals
    - Stock valuations not fully reflecting their long-term growth prospects
- 

*Active management exploits market inefficiencies*

## Investment process overview



*Research-intensive process drives portfolio construction and risk management*

## We believe global research platform provides competitive advantages

### 93 research analysts

29 U.S. equity;  
36 non-U.S. equity;  
28 fixed-income;  
backed by 21 research/  
investment associates

### 8 global sector teams

organized by region  
and sectors with  
USD 39.2 billion AUM in  
analyst-managed  
portfolios

### Extensive integration

across equity and fixed  
income, geographies  
and asset classes

### 74 portfolio managers

with significant industry  
experience in value,  
core, growth,  
quantitative, and fixed  
income

### Quantitative research

**team:** 11 quantitative  
analysts provide  
proprietary research  
models, stock rankings,  
and scenario testing;  
backed by 14 quantitative  
research associates



As of 30-Sep-15.

*Depth and collaboration provide competitive advantages*

## Growth stock traits

Focus on out year earnings power			
<b>Strong, secular growth outlook</b> <ul style="list-style-type: none"> <li>• Revenue growth – units and price</li> <li>• Rate and duration of growth</li> <li>• Industry growth</li> </ul>	<b>Pricing power</b> <ul style="list-style-type: none"> <li>• Sustainable competitive advantage</li> <li>• High barriers to entry</li> <li>• Scale economies</li> <li>• Intellectual property</li> <li>• Differentiated product or service</li> </ul>	<b>High quality companies</b> <ul style="list-style-type: none"> <li>• Significant free cash flow</li> <li>• Low capital employed</li> <li>• Leveragable business model</li> <li>• Long duration of growth</li> <li>• Favorable economics/margins</li> <li>• Recurring revenues</li> <li>• Strong balance sheet</li> </ul>	<b>Strong management team</b> <ul style="list-style-type: none"> <li>• Proven track record</li> <li>• Clear strategy for growth</li> <li>• Insider ownership</li> <li>• Integrity</li> <li>• History of using shareholder funds wisely</li> </ul>

Valuations that do not fully reflect long term growth potential	
<b>Valuations based on out year earnings power</b> <ul style="list-style-type: none"> <li>• May look expensive on near-term estimates</li> <li>• Underappreciated growth</li> <li>• Sustainability</li> <li>• Duration</li> <li>• Focus on earnings power several years in future</li> </ul>	<b>Valuation changes depending on many factors</b> <ul style="list-style-type: none"> <li>• Growth rate</li> <li>• Sustainability</li> <li>• Returns</li> <li>• Margins</li> <li>• Free cash flow</li> </ul>

*Focus on out year earnings power and valuations not fully reflecting future growth potential*

## Exit and entry points

### Entry points

- Valuation underestimates growth potential
- Improving fundamentals
- On dips caused by temporary factors

Buy

### Portfolio

- Active portfolio management
- Focus on growth companies
- Primarily large cap companies
- Conviction, liquidity decide position size

Approximately  
90-110 holdings

### Exit points

- Valuation reflects growth prospects
- Change in thesis
- Deteriorating fundamentals

Sell

*Fundamentals and valuation drive buy and sell decisions*

# Risk management

---

## Security level

- Operational risk
  - Financial risk
  - Valuation risk
- 

## Portfolio level

- Frequently review active portfolio weightings
    - Stock/industry/sector
  - Emphasis is on stock selection rather than sector weights
  - Limit portfolio weights for diversification
    - Stock: generally has been 5%
    - Industry: generally has been 25%
- 

## Firm level

- Daily compliance review
  - Dedicated trading group
  - Semi-annual in-depth risk review
-

## Portfolio holdings

As of 30-Nov-15	Market Value (%)
<b>Autos &amp; Housing</b>	<b>2.4</b>
Sherwin-Williams Co	1.4
Vulcan Materials Co	1.0
<b>Basic Materials</b>	<b>1.5</b>
Monsanto Co	0.8
Ecolab Inc	0.7
<b>Cash &amp; Cash Equivalents</b>	<b>2.9</b>
<b>Consumer Staples</b>	<b>5.3</b>
Constellation Brands Inc	1.3
Colgate-Palmolive Co	0.9
Mondelez International Inc	0.9
Estee Lauder Cos Inc	0.9
Mead Johnson Nutrition Co	0.5
Danone SA ADR	0.5
Pernod Ricard SA ADR	0.3
<b>Energy</b>	<b>0.3</b>
Baker Hughes Inc	0.2
Anadarko Petroleum Corp	0.1
<b>Financial Services</b>	<b>10.5</b>
Visa Inc	4.0
MasterCard Inc	2.8
Intercontinental Exchange Inc	1.9
Charles Schwab Corp	0.9
BlackRock Inc	0.7
Affiliated Managers Group Inc	0.2

As of 30-Nov-15	Market Value (%)
<b>Health Care</b>	<b>16.7</b>
Thermo Fisher Scientific Inc	2.4
Allergan plc	2.0
Bristol-Myers Squibb Co	1.7
Celgene Corp	1.4
Alexion Pharmaceuticals Inc	1.2
Regeneron Pharmaceuticals Inc	1.1
Medtronic PLC	1.1
Eli Lilly & Co	1.0
Abbott Laboratories	0.9
McKesson Corp	0.9
CR Bard Inc	0.5
Biogen Inc	0.5
Gilead Sciences Inc	0.4
Vertex Pharmaceuticals Inc	0.4
Zoetis Inc	0.3
Stryker Corp	0.3
Cooper Cos Inc	0.3
VWR Corp	0.2
<b>Industrial Goods &amp; Services</b>	<b>5.3</b>
Danaher Corp	2.7
Roper Technologies Inc	1.1
AMETEK Inc	1.0
Honeywell International Inc	0.4
Rockwell Collins Inc	0.2
<b>Leisure</b>	<b>7.3</b>
Starbucks Corp	1.7
Netflix Inc	1.6



## Portfolio holdings (continued)

As of 30-Nov-15	Market Value (%)
Comcast Corp	1.3
ARAMARK Holdings Corp	1.1
Marriott International Inc	0.6
Twenty-First Century Fox Inc	0.4
Moody's Corp	0.3
Time Warner Inc	0.2
<b>Retailing</b>	<b>16.3</b>
Amazon.com Inc	3.8
Ross Stores Inc	2.0
TJX Cos Inc	1.6
Costco Wholesale Corp	1.6
CVS Health Corp	1.3
AutoZone Inc	1.2
Dollar Tree Inc	1.0
NIKE Inc	0.9
Dollar General Corp	0.8
VF Corp	0.6
Tractor Supply Co	0.5
Walgreens Boots Alliance Inc	0.5
Burlington Stores Inc	0.3
LVMH Moet Hennessy Louis Vuitton SE ADR	0.2
<b>Special Products &amp; Services</b>	<b>6.9</b>
Priceline Group Inc	1.7
Cognizant Technology Solutions Corp	1.5
Fiserv Inc	1.4
FleetCor Technologies Inc	0.8
Verisk Analytics Inc	0.6

As of 30-Nov-15	Market Value (%)
Equifax Inc	0.6
Realogy Holdings Corp	0.3
<b>Technology</b>	<b>21.4</b>
Alphabet Inc Class A	3.5
Facebook Inc	3.3
Alphabet Inc Class C	2.7
Apple Inc	2.7
Adobe Systems Inc	2.3
salesforce.com inc	1.8
LinkedIn Corp	1.2
Intuit Inc	1.0
Microsoft Corp	1.0
Avago Technologies Ltd	0.8
Sabre Corp	0.4
NVIDIA Corp	0.3
IMS Health Holdings Inc	0.2
Akamai Technologies Inc	0.1
NXP Semiconductors NV	0.1
<b>Transportation</b>	<b>1.4</b>
Canadian Pacific Railway Ltd	0.7
FedEx Corp	0.4
Union Pacific Corp	0.3
<b>Utilities &amp; Communications</b>	<b>1.9</b>
SBA Communications Corp	1.9

## MFS Growth Equity team

### **Eric B. Fischman, CFA**

- Investment Officer
- Equity Portfolio Manager
- Serves on Global Equity Management Team
- As an Equity Portfolio Manager, responsible for buy and sell decisions, portfolio construction, risk control and cash management. Participates in the research process and strategy discussions.
- Joined MFS in 2000; previous positions include Equity Research Analyst.
- Previous experience includes 1 year as Equity Analyst at State Street Research; 2 years as Attorney at Funds Distributor, Inc.; 2 years as Attorney at Federal Reserve Board; 3 years as Assistant Vice President at Securities Data Company.
- Affiliations include CFA Institute
- Columbia University, MBA, Beta Gamma Sigma
- Boston University, JD, cum laude
- Cornell University, BA

### **Matthew D. Sabel**

- Investment Officer
- Equity Research Analyst, Equity Portfolio Manager
- Joined MFS in 2009.
- Previous experience includes 9 years as Health Care Sector Leader, Portfolio Manager, Research Analyst, and Senior Research Associate at Fidelity Management and Research; 2 years as Associate Consultant at Putnam Associates; 1 year as Mutual Fund Accountant at Investors Bank and Trust.
- Tufts University, BA, cum laude

## MFS Growth Equity team (continued)

### **Robert M. Almeida**

- Investment Officer
- Institutional Equity Portfolio Manager
- As an Institutional Portfolio Manager, participates in the research process and strategy discussions. Assesses portfolio risk, customizes portfolios to client objectives and guidelines, and manages daily cash flows. Communicates investment policy, strategy, and positioning.
- Joined MFS in 1999; previous positions include Institutional Fixed Income Portfolio Manager; Fixed Income Product Manager; Product Manager - MFS Japan.
- Previous experience includes 5 years as Client Service Manager at Putnam Investments.
- Suffolk University, MS
- University of Massachusetts, BA

### **Andrew C. Boyd**

- Investment Officer
- Institutional Equity Portfolio Manager
- As an Institutional Portfolio Manager, participates in the research process and strategy discussions. Assesses portfolio risk, customizes portfolios to client objectives and guidelines, and manages daily cash flows. Communicates investment policy, strategy, and positioning.
- Joined MFS in 1998; previous positions include Investment Product Specialist.
- Previous experience includes 6 years as Senior Market Research Analyst at John Hancock Funds.
- Boston University, MBA
- University of New Hampshire, BA

## MFS Growth Equity team additional resources

### David A. Antonelli

- Vice Chairman, Investment Officer
- Equity Portfolio Manager
- Serves on Global Equity Management Team
- Joined MFS in 1991; previous positions include Chief Investment Officer (non-U.S. and global); Chief Equity Officer; Director of International Equity Research; Director of Global Equity Research; Equity Research Analyst.
- Previous experience includes 4 years as Project Manager at General Electric Company; 4 years as Senior Accountant at Ernst & Whinney.
- Manages global, international growth and international small cap equity portfolios
- University of Pennsylvania Wharton School, MBA
- Pennsylvania State University, BS

### Jeffrey C. Constantino, CFA, CPA

- Investment Officer
- Equity Portfolio Manager
- Serves on Global Equity Management Team
- As an Equity Portfolio Manager, responsible for buy and sell decisions, portfolio construction, risk control and cash management. Participates in the research process and strategy discussions.
- Joined MFS in 2000; previous positions include Equity Research Analyst.
- Previous experience includes 3 years as Financial Consultant, M&A Group at Arthur Anderson.
- Affiliations include CFA Institute, Certified Public Accountant
- The Wharton School, MBA, highest honors with distinction, Palmer Scholar
- University of Illinois, BS, highest honors, Bronze Tablet recipient

## MFS Growth Equity team additional resources (continued)

### Kevin M. Dwan

- Investment Officer
- Equity Portfolio Manager
- Joined MFS in 2005; previous positions include Director of Research - Asia; Global Equity Research Analyst.
- Previous experience includes 10 years as Investment Associate, Equity Analyst and Sector Sleeve Manager at Putnam Investments.
- Affiliations include President of Sabrina's Foundation
- Harvard University, MBA
- Harvard College, AB

### Matthew J. Gordon

- Joined MFS in 2005; previous positions include senior IT audit manager.
- Previous experience includes 10 years as senior manager of systems process and assurance at PricewaterhouseCoopers LLP.
- University of Connecticut, BS

### Michael S. Grossman, CFA

- Investment Officer
- Equity Portfolio Manager
- As an Equity Portfolio Manager, responsible for buy and sell decisions, portfolio construction, risk control and cash management. Participates in the research process and strategy discussions.
- Joined MFS in 2005; previous positions include Equity Research Analyst.
- Previous experience includes 3 years as Equity Research Analyst at Essex Investment Management Co., LLC; 3 years as Investment Associate/Global Equity Research at Putnam Investments.
- Affiliations include Boston Security Analysts Society, Inc., CFA Institute
- Boston College, MBA, Beta Gamma Sigma Society (top 10%)
- University of Pennsylvania, BA, with distinction

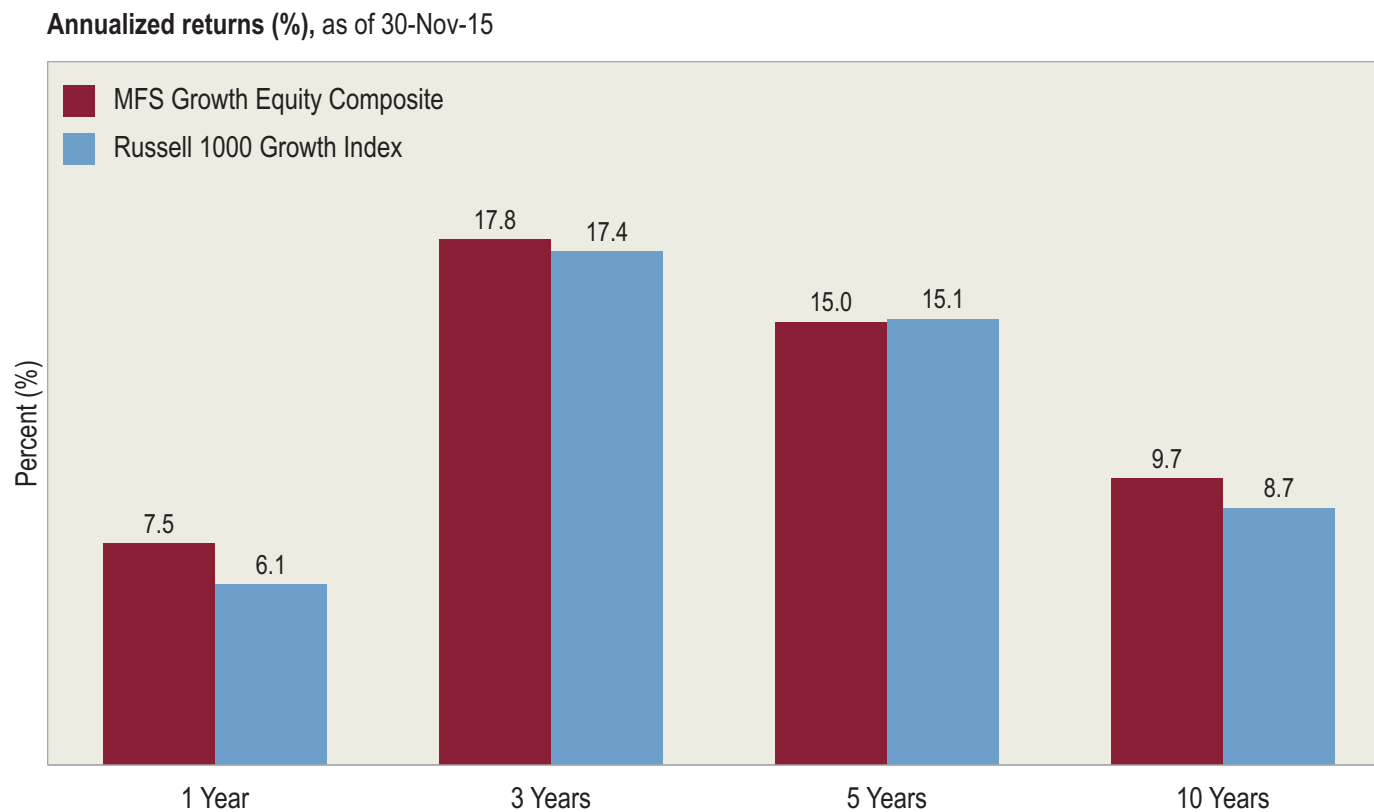
## MFS Growth Equity team additional resources (continued)

### **Peter D. Loncto, CFA**

- Director, Investment Product Specialist
- As an Investment Product Specialist, communicates investment policy, strategy and tactics, performs portfolio analysis, and leads product development.
- Joined MFS in 2007.
- Previous experience includes 5 years as Senior Marketing Manager at Nicholas-Applegate Capital Management; 3 years as Performance Analyst at State Street Bank and Trust Company.
- Originally joined MFS in 1997 and departed the firm in 1999 to attend graduate school. Rejoined MFS in 2007.
- Affiliations include Boston Security Analysts Society, Inc., CFA Institute
- Cornell University, MBA
- Boston College, BA

# MFS Growth Equity Composite

## Performance – net of fees (USD)



Source for benchmark performance: SPAR, FactSet Research Systems Inc. Past performance is no guarantee of future results.

MFS® Growth Equity

872-I-CT-GE-12Jan16.32

**Composite:** MFS Growth Equity Composite**Benchmark:** Russell 1000 Growth - Total Return**Creation Date:** 31-Dec-1997**Inception Date:** 01-Aug-1995

**Investment Objective:** To provide long-term growth of capital through investments principally in US large capitalization stocks with flexibility to invest in lower capitalization stocks. The strategy seeks companies with higher sustainable earnings and cash flow growth rates than their peers, sustainable and improving fundamentals, and whose stock valuations do not fully reflect their long-term growth prospects.

**Institutional Separate Accounts Fee Schedule**

Asset Breakpoints (USD)	Fee
For Assets Up To 50 MM	60 bp
For Assets From 50 MM To 100 MM	50 bp
For Assets Over 100 MM	45 bp

Accounts are eligible for inclusion in the composite if they have assets greater than 2 MM USD. Accounts are included as of their first full month of performance.

Period	Composite and Benchmark Return			Composite Dispersion	Accounts in Composite at End of Period	Annualized 3-Year Standard Deviation		Assets in Composite	
	Gross of fees	Net of fees	Benchmark			Composite	Benchmark	(USD million)	%Firm
2015 Q3	-4.40	-4.55	-5.29	0.14	14	10.78	10.14	\$16,296.6	4.0
2015 Q2	0.41	0.26	0.12	0.02	14	9.54	8.88	\$17,436.3	4.0
2015 Q1	3.66	3.50	3.84	0.09	15	10.61	9.87	\$17,952.2	4.1
2014	9.64	8.99	13.05	0.15	15	10.43	9.73	\$17,576.6	4.1
2013	37.78	36.97	33.48	0.12	14	12.67	12.35	\$15,329.5	3.7
2012	18.27	17.56	15.26	0.24	10	16.45	15.88	\$9,132.6	2.8
2011	0.35	-0.30	2.64	n/a	9	18.18	18.01	\$5,847.1	2.6
2010	16.86	16.11	16.71	n/a	<6	n/a	n/a	\$3,072.8	1.4
2009	39.74	38.81	37.21	n/a	<6	n/a	n/a	\$2,801.2	1.5
2008	-36.79	-37.31	-38.44	n/a	<6	n/a	n/a	\$2,046.8	1.6
2007	22.31	21.35	11.81	n/a	<6	n/a	n/a	\$3,862.4	2.0
2006	8.86	8.00	9.07	n/a	<6	n/a	n/a	\$5,627.4	3.0
2005	10.06	9.19	5.26	n/a	<6	n/a	n/a	\$6,384.0	3.9

MFS Investment Management® claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. MFS has been independently verified for the periods 1-Jan-1988 through 31-Dec-2014. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. MFS Growth Equity Composite has been examined for the periods 01-Aug-1995 through 31-Dec-2014. The verification and performance examination reports are available upon request.

Total Gross-of-fee returns in USD (includes both capital appreciation and income), are net of transaction costs, withholding taxes and direct expenses, but before management fees, custody and other indirect expenses. Certain institutional accounts hold Canadian trusts subject to custody and other indirect expenses. Certain accounts may be subject to fair valuation as conditions warrant. Typical separate accounts utilize 4:00 PM (London Time) foreign exchange rates; retail products will use rates deemed most appropriate for daily NAV per share calculations. The possibility exists for performance dispersion between otherwise similarly managed accounts and also with the benchmark.

Net composite returns are prepared by subtracting from the monthly gross returns one-twelfth of the maximum applicable annual institutional separate account fee.

Total returns of the benchmark are provided for each period depicted, expressed in USD. Source of Benchmark Performance: FACTSET®. Benchmark returns are not examined by independent accountants.

Russell 1000 Growth - Total Return - constructed to provide a comprehensive barometer for growth securities in the large-cap segment of the U.S. equity universe. Companies in this index generally have higher price-to-book ratios and higher forecasted growth values.

Composite Dispersion is measured by the asset-weighted standard deviation of account returns for all accounts in the composite for the full period. For composites containing less than six accounts, dispersion is deemed not meaningful.

Prior to 31-Mar-2009 accounts would be eligible for inclusion in the composite if they had assets greater than 5.0 MM USD and as of their third full month of performance.

From 1-Jan-1995 to 31-Mar-2009, the maximum institutional separate account fee charged for this product was 80 bps. From 1-Apr-2009 to 29-Feb-2012, the maximum institutional separate account fee charged for this product was 65 bps. The net returns depicted in this report are based upon the historical max in effect for each of the periods depicted.

For purposes of GIPS® compliance, the firm is defined as MFS Investment Management® which is comprised of Massachusetts Financial Services Company (MFS) and MFS Institutional Advisors, Inc. (MFSI), each of which is a registered investment advisor, MFS Heritage Trust Company, a New Hampshire Trust company, and MFS Investment Management Canada Limited, a registered investment advisor. Total firm assets are calculated at market value and include assets managed by MFS, MFSI, MFS Heritage Trust Company and MFS Investment Management Canada Limited as well as assets managed by MFS and MFSI in a sub-advisory capacity on behalf of affiliated investment advisors that may or may not be registered under the United States Investment Advisers Act of 1940, such as MFS International (U.K.), Ltd. (MIL UK) and MFS Investment Management K.K. (MIMKK), as well as assets managed by MFS and MFSI on behalf of unaffiliated investment advisors that may or may not be registered under the United States Investment Advisers Act of 1940. Total firm assets for GIPS purposes do not include assets of non-discretionary advisory relationships.

In November of 2011 MFS acquired McLean Budden Limited (now MFS Investment Management Canada Limited). Total firm assets from 31-Mar-2012 forward include the assets of institutional and pooled MFS Investment Management Canada Limited products. Assets from 31-Dec-2012 forward include the MFS Investment Management Canada Limited PPM product assets.

A complete list of firm composites and descriptions, along with additional information regarding policies for valuing portfolios, calculating and reporting performance, and preparing compliant presentations are available upon request.





**MFS® HERITAGE TRUST COMPANY (MHTC)  
COLLECTIVE INVESTMENT TRUST (CIT)  
MFS® INTERNATIONAL GROWTH FUND – CLASS 1**

Presented to

**Bay County Employees' Retirement System**

12 January 2015

The views expressed in this presentation are subject to change at any time.

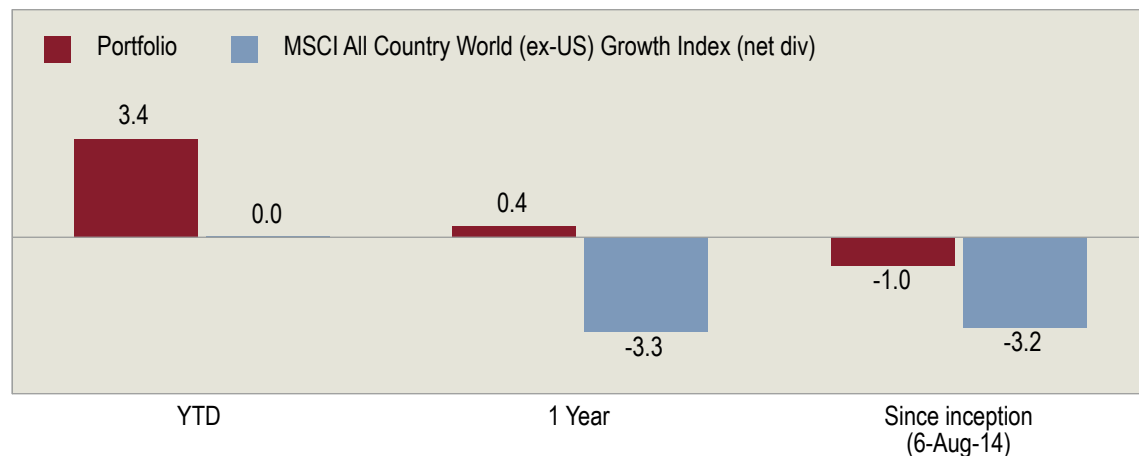
These views should not be relied upon as investment advice, as securities recommendations, or as an indication of trading intent on behalf of any other MFS investment product.

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## Executive summary

### Performance results (%) net of administrative expenses (USD), as of 30-Nov-15 (Class 1)



### One year as of 30-Nov-15

#### Contributors:

- Stock selection in special products & services and basic materials
- An underweight and stock selection in financial services

#### Detractors:

- Stock selection in consumer staples, transportation, and industrial goods & services

### Asset summary (USD)

Beginning value as of 6-Aug-14	15,700,000.00
Contributions	+9,654,527
Withdrawals	-0
Change in market value	-449,179
Ending value as of 30-Nov-15	24,905,349

### Sector weights (%)

As of 30-Nov-15	Portfolio	Benchmark <sup>^</sup>
<b>Top overweights</b>		
Consumer Staples	19.4	13.5
Special Products & Services	9.4	4.4
Health Care	15.7	12.2
<b>Top underweights</b>		
Autos & Housing	1.0	6.3
Utilities & Communications	0.7	5.8
Financial Services	12.3	16.1

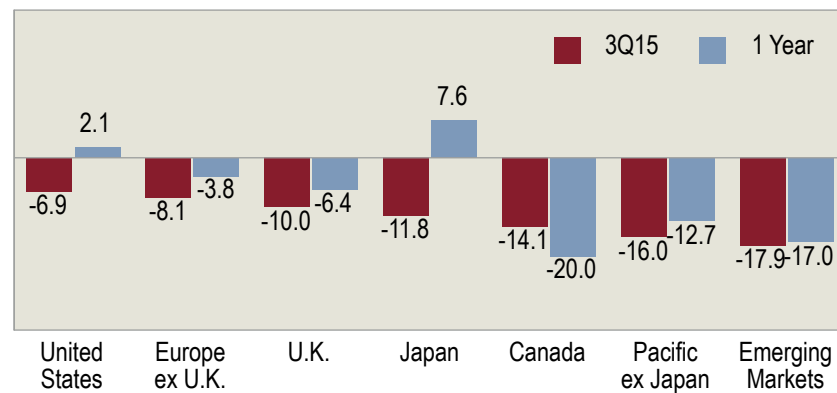
<sup>^</sup> MSCI All Country World (ex-US) Growth Index.

Source for benchmark performance: SPAR, FactSet Research Systems Inc.

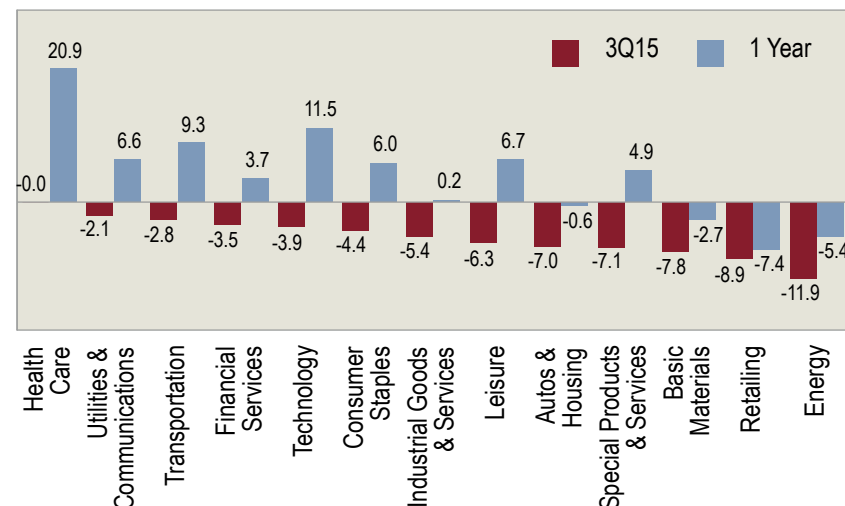
**Past performance is no guarantee of future results.** All periods greater than one year are annualized.

## Market overview (USD)

Region performance(%)<sup>1</sup>, as of 30-Nov-15



MSCI AC World (ex-US) Growth sector performance (%)<sup>2</sup>, as of 30-Nov-15



### Market review as of 30-Nov-15

- Global equity markets have pulled back in recent months on concerns about global growth, particularly the direct and indirect impact of China's slowdown.
- Equity markets remain fair to fully valued, but valuations do not seem excessive given low interest rates and recent market corrections.
- Growth and policies remain unsynchronized globally. The US Federal Reserve has indicated a desire to begin normalizing policy this year, although weaker-than-expected recent economic data may push market expectations for the first rate hike until early 2016. Policymakers in Europe and Japan continue to rely on stimulus policies to support their stagnant economies.
- Emerging markets overall continue to experience faster growth than developed markets, although their pace of growth has slowed. We believe different emerging economies are driven by different dynamics, and structural changes should lead to a long-term improvement of returns. EM currencies have adjusted substantially to reflect weakening fundamentals, which should help export-focused economies.

<sup>1</sup> Source: FactSet. Region performance based on MSCI regional/country indexes.

<sup>2</sup> Source: FactSet. Sector performance based on MFS sector classification.

## MFS International Growth Equity team



**David Antonelli**  
Portfolio Manager  
28 years industry experience



**Matthew Barrett, ASIP**  
Portfolio Manager  
20 years industry experience



**Kevin Dwan**  
Portfolio Manager  
18 years industry experience



**Brett Fleishman**  
Institutional Portfolio Manager  
19 years industry experience

### Additional resources

**Jeffrey Constantino, CFA, CPA**  
Portfolio Manager  
18 years industry experience

**Peter Fruzzetti**  
Portfolio Manager  
22 years industry experience

**Jose Luis Garcia**  
Portfolio Manager  
21 years industry experience

**Robert Lau, CFA**  
Portfolio Manager  
22 years industry experience

**Peter Loncto, CFA**  
Investment Product Specialist  
20 years industry experience

*Tested by market experience, backed by depth*

# MFS International Growth Equity

## What makes us different from other strategies?

### **Invest with long-term horizon**

- Assess investment opportunities in context of 5 –10+ year time horizon

### **Focus on high quality companies**

- Invest in “blue chip” companies with durable and sustainable business models

### **Benefit from long-term above-average growth across full market cycles**

- Seek to invest in companies that can compound above average growth at high returns

### **Maintain strong valuation discipline**

- Utilize patient and contrarian approach

### **Collaborate closely with MFS integrated global research platform**

- Benefit from the MFS global research analysts located around the world

*High-quality, conservative approach with long-term investment horizon*

## Performance drivers – sectors

Relative to MSCI All Country World (ex-US) Growth Index (USD) – one year as of 30 November 2015

		Average relative weighting (%)	Sector allocation (%)	+	Stock selection (%)	+	Currency effect (%)	= Relative contribution (%)
<b>Contributors</b>	Special Products & Services	4.9	-0.0		1.0		0.4	1.4
	Financial Services	-3.7	0.2		0.1		0.8	1.1
	Basic Materials	1.9	-0.0		1.1		-0.2	0.9
	Leisure	0.2	0.0		0.4		0.2	0.6
	Technology	-1.1	-0.1		0.5		-0.1	0.4
	Energy	0.0	-0.0		0.2		0.1	0.3
	Utilities & Communications	-4.7	0.4		-0.1		0.0	0.3
	Autos & Housing	-4.9	0.0		0.0		0.1	0.1
	Retailing	0.0	-0.0		-0.1		0.1	0.0
	Cash	1.1	-0.1		–		0.1	0.0
<b>Detractors</b>	Consumer Staples	6.3	0.5		-1.0		-0.1	-0.6
	Transportation	-1.2	-0.0		-0.8		0.4	-0.5
	Industrial Goods & Services	0.8	0.1		-0.5		0.1	-0.4
	Health Care	0.5	-0.1		0.3		-0.3	-0.2
<b>Total</b>			<b>0.9</b>		<b>1.2</b>		<b>1.5</b>	<b>3.5</b>

Attribution results are generated by the FactSet application utilising a methodology which is widely accepted in the investment industry. Results are based upon daily holdings using a buy and hold methodology to generate individual security returns and do not include expenses. As such, attribution results are essentially estimates and may not aggregate to the total return of the portfolio or of the benchmark which can be found elsewhere in this presentation.

MHTC MFS® International Growth Fund (CIT)

872-I-CT-IG-13Jan15.7

## Performance drivers – stocks

Relative to MSCI All Country World (ex-US) Growth Index (USD) – one year as of 30 November 2015

		Average Weighting		Returns		Relative contribution (%)
		Portfolio (%)	Benchmark (%)	Portfolio (%) <sup>1</sup>	Benchmark (%)	
<b>Contributors</b>	Accenture Plc	2.5	–	26.9	–	0.7
	OBIC Co Ltd	1.1	–	69.0	–	0.6
	Paddy Power Plc	0.8	–	65.6	–	0.5
	Sundrug	0.8	–	60.3	–	0.4
	Nice Systems Ltd	1.5	0.0	31.3	29.5	0.4
<b>Detractors</b>	Weir Group	0.9	0.1	-36.8	-36.8	-0.4
	Rolls-Royce Holdings Plc	1.1	–	-28.8	–	-0.3
	Mediatek Inc	0.6	0.1	-43.8	-10.1	-0.3
	Schneider Electric SA	1.6	–	-20.3	–	-0.3
	Burberry Group Plc	1.3	0.1	-25.9	-25.9	-0.3

<sup>1</sup> Represents performance for the time period stock was held in portfolio.

Attribution results are generated by the Factset application utilising a methodology which is widely accepted in the investment industry. Results are based upon daily holdings using a buy and hold methodology to generate individual security returns and do not include expenses. As such, attribution results are essentially estimates and may not aggregate to the total return of the portfolio or of the benchmark which can be found elsewhere in this presentation.

MHTC MFS® International Growth Fund (CIT)

872-I-CT-IG-13Jan15.8

## Sector weights

As of 30-Nov-15	Portfolio (%)	MSCI All Country World (ex-US) Growth Index (%)	Underweight/overweight (%)	Largest holdings
Consumer Staples	19.4	13.5	5.9	Nestle SA, Danone SA, Pernod Ricard SA
Special Products & Services	9.4	4.4	5.0	Accenture PLC, Compass Group PLC
Health Care	15.7	12.2	3.5	Roche Holding AG, Novartis AG, Bayer AG
Basic Materials	7.9	5.3	2.6	Linde AG, Akzo Nobel NV, Symrise AG
Industrial Goods & Services	7.6	7.2	0.4	Mettler-Toledo International Inc
Energy	2.5	2.3	0.2	Inpex Corp
Leisure	4.5	4.4	0.1	WPP PLC, Whitbread PLC, Paddy Power PLC
Retailing	6.7	7.2	-0.5	LVMH Moet Hennessy Louis Vuitton SE
Technology	9.0	10.9	-1.9	Taiwan Semiconductor Manufacturing Co Ltd ADR
Transportation	2.1	4.3	-2.2	Canadian National Railway Co
Financial Services	12.3	16.1	-3.8	UBS Group AG, AIA Group Ltd, HDFC Bank Ltd
Utilities & Communications	0.7	5.8	-5.1	SoftBank Group Corp
Autos & Housing	1.0	6.3	-5.3	Guangzhou Automobile Group Co Ltd

1.3% Cash & Cash Equivalents.

**Bottom-up stock selection drives sector weights**

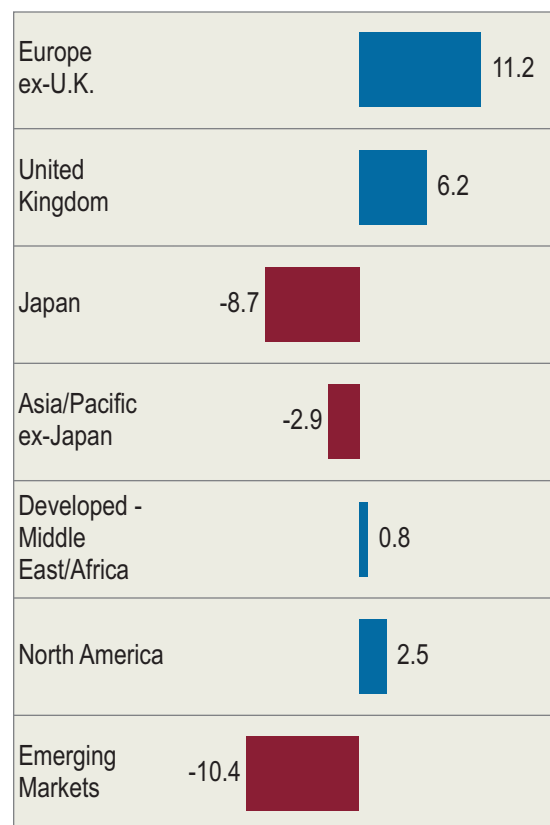
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## Region and country weights

Underweight/overweight  
as of 30-Nov-15 (%)



1.3% Cash & Cash Equivalents.

<sup>1</sup> Portfolio does not own securities in the following countries: Belgium 1.6%; South Africa 1.6%; and 19 other countries with weights less than 1.0% totaling 4.1%.

	Portfolio (%)	MSCI All Country World (ex-US) Growth Index (%)	Underweight/overweight (%)
<b>Europe ex-U.K.</b>	<b>48.0</b>	<b>36.8</b>	<b>11.2</b>
France	15.5	6.5	9.0
Switzerland	14.7	9.1	5.6
Germany	9.4	7.9	1.5
Ireland	1.1	0.3	0.8
Denmark	2.6	2.1	0.5
Italy	0.9	1.5	-0.6
Spain	0.9	1.7	-0.8
Sweden	1.6	2.5	-0.9
Netherlands	1.3	2.7	-1.4
Other Countries <sup>1</sup>	0.0	2.5	-2.5
<b>United Kingdom</b>	<b>18.4</b>	<b>12.2</b>	<b>6.2</b>
<b>Japan</b>	<b>7.9</b>	<b>16.6</b>	<b>-8.7</b>
<b>Asia/Pacific ex-Japan</b>	<b>4.8</b>	<b>7.7</b>	<b>-2.9</b>
Hong Kong	2.7	2.0	0.7
Singapore	1.0	0.9	0.1
Australia	1.1	4.8	-3.7
Other Countries <sup>1</sup>	0.0	0.1	-0.1
<b>Developed - Middle East/Africa</b>	<b>1.3</b>	<b>0.5</b>	<b>0.8</b>
Israel	1.3	0.5	0.8
<b>North America</b>	<b>8.4</b>	<b>5.9</b>	<b>2.5</b>
United States	4.7	0.0	4.7
Canada	3.7	5.9	-2.2
<b>Emerging Markets</b>	<b>9.9</b>	<b>20.3</b>	<b>-10.4</b>
India	2.2	1.6	0.6
Taiwan	3.0	2.5	0.5
Peru	0.5	0.1	0.4
Mexico	0.6	0.9	-0.3
Russia	0.4	0.9	-0.5
Brazil	0.7	1.3	-0.6
South Korea	1.1	3.3	-2.2
China	1.4	4.9	-3.5
Other Countries <sup>1</sup>	0.0	4.9	-4.9

*Bottom-up stock selection drives country weights*

## Top 10 portfolio holdings

As of 30-Nov-15	Country	Sector	Portfolio (%)	MSCI All Country World (ex-US) Growth Index (%)
Roche Holding AG	Switzerland	Health Care	3.7	2.2
Nestle SA	Switzerland	Consumer Staples	3.5	1.4
Danone SA	France	Consumer Staples	3.1	0.5
Accenture PLC	United States	Special Products & Services	3.0	–
LVMH Moet Hennessy Louis Vuitton SE	France	Retailing	2.8	0.5
Novartis AG	Switzerland	Health Care	2.8	1.4
UBS Group AG	Switzerland	Financial Services	2.6	0.8
Taiwan Semiconductor Manufacturing Co Ltd ADR	Taiwan	Technology	2.5	1.2
AIA Group Ltd	Hong Kong	Financial Services	2.5	0.8
Compass Group PLC	United Kingdom	Special Products & Services	2.3	0.3

*Top holdings reflect highest conviction ideas*

## Characteristics


As of 30-Nov-15		Portfolio	MSCI All Country World (ex-US) Growth	MSCI All Country World (ex-US)
<b>Fundamentals<sup>1</sup></b>	IBES long-term earnings per share growth <sup>2</sup>	9.7%	10.1%	8.0%
	Price/earnings (12 months forward)	18.9x	18.1x	15.6x
	Return on invested capital (3-year average)	11.6%	10.7%	8.4%
	Market capitalization (USD)	32.6 bn	27.8 bn	30.8 bn
<b>Portfolio construction</b>	Number of holdings	87	1,085	1844
	1 year turnover <sup>3</sup>	34%	–	–
<b>Risk/reward (USD)</b>	Barra predicted tracking error vs. <sup>4</sup>	–	2.9%	3.4%

No forecasts can be guaranteed.

<sup>1</sup> Weighted median.

<sup>2</sup> Source: Thomson Reuters.

<sup>3</sup> Lesser of purchase or sales/average market value.

<sup>4</sup>  Source: Barra. The Barra information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. The Barra information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. Barra, each of its affiliates and each other person involved in or related to compiling, computing or creating any Barra information (collectively, the "Barra Parties") expressly disclaims all warranties (including without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any Barra Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages.

*Seeks high-quality growth with strong risk-adjusted returns*

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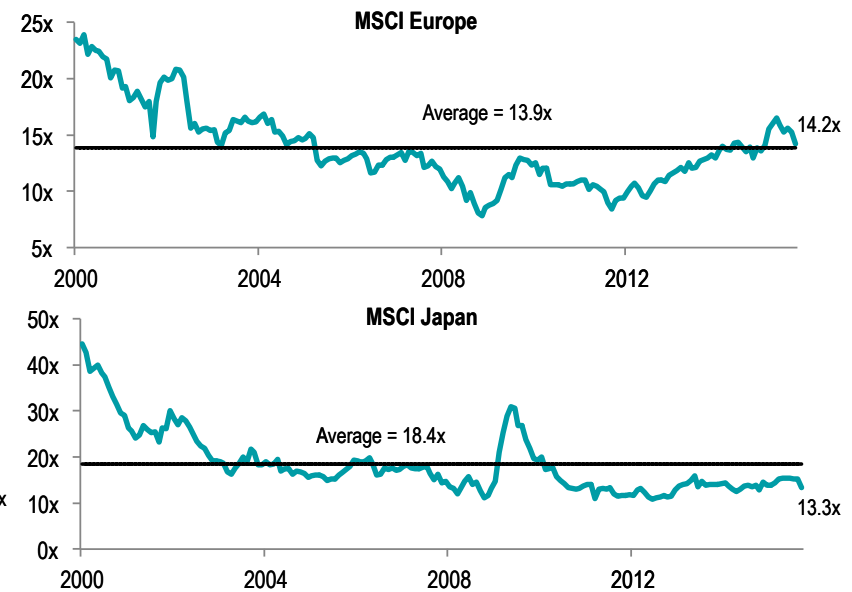
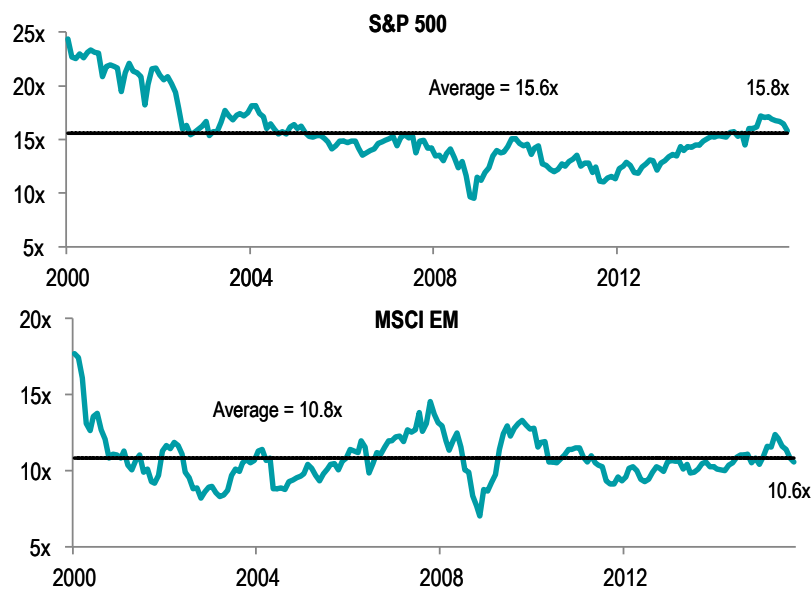
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# Appendix

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## Equity market fundamentals: valuations

### Price to next-12-months' earnings ratios



33628.1

Sources: FactSet, MSCI and IBES Aggregates as of 17-Sep-15.

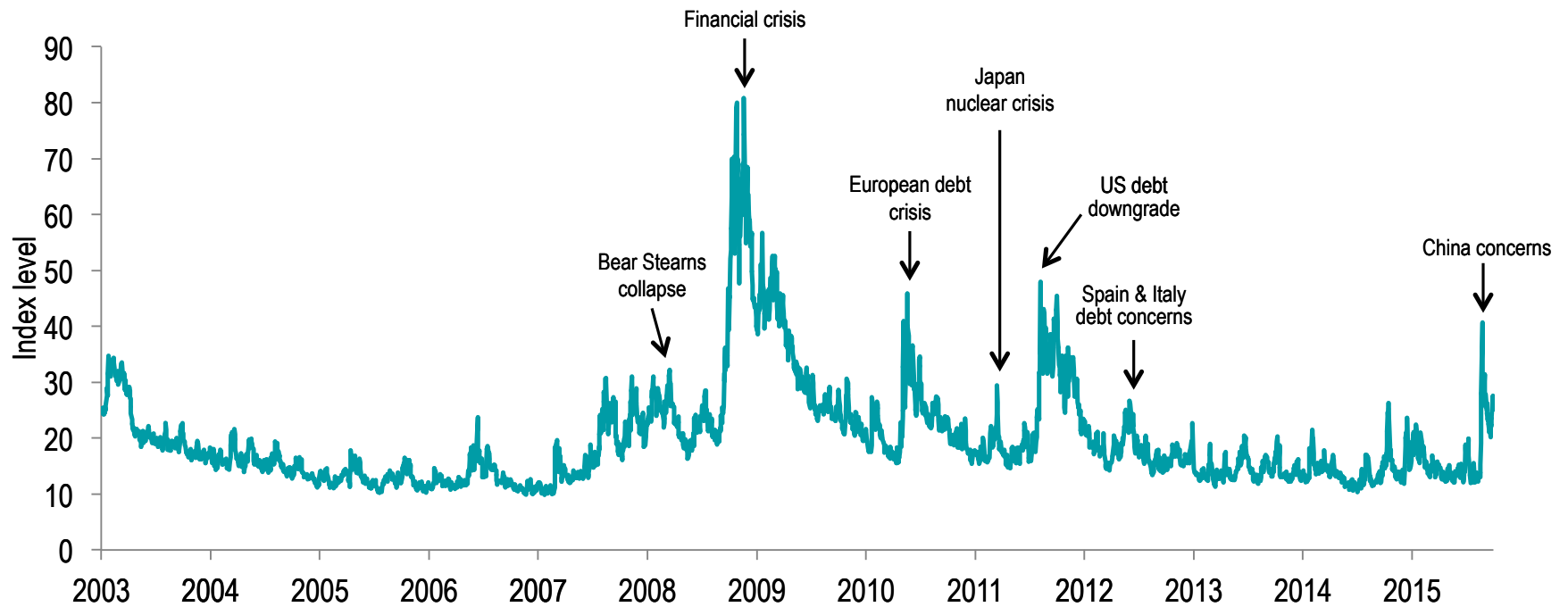
*No bubbles apparent across global equity markets*

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## Volatility spike

### VIX Index



Source: Bloomberg as of 30-Sep-15.

29023.14

**Recent VIX spike due to China concerns**

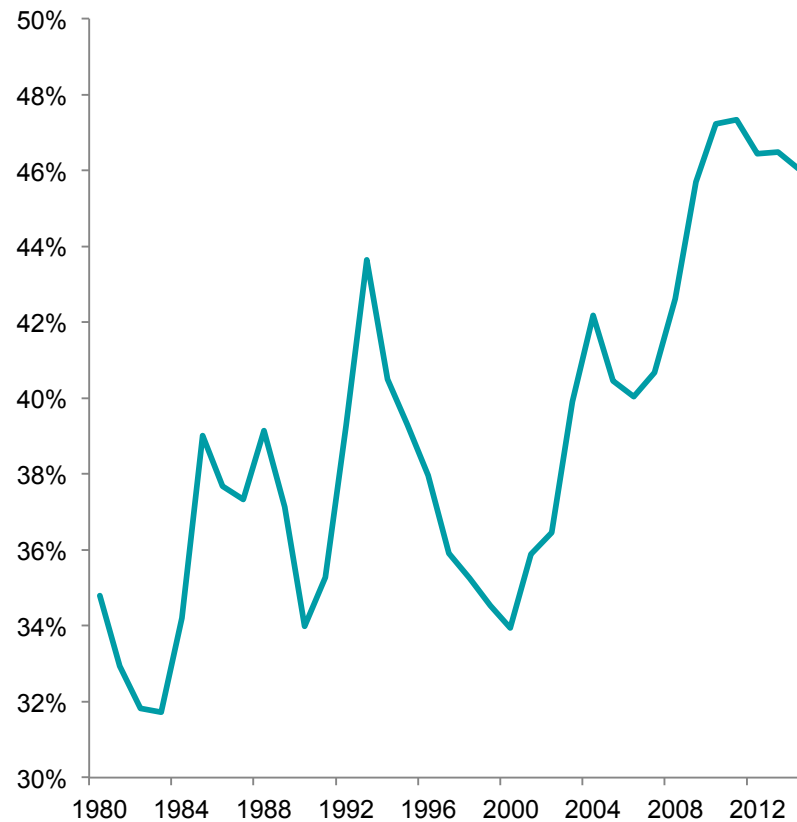
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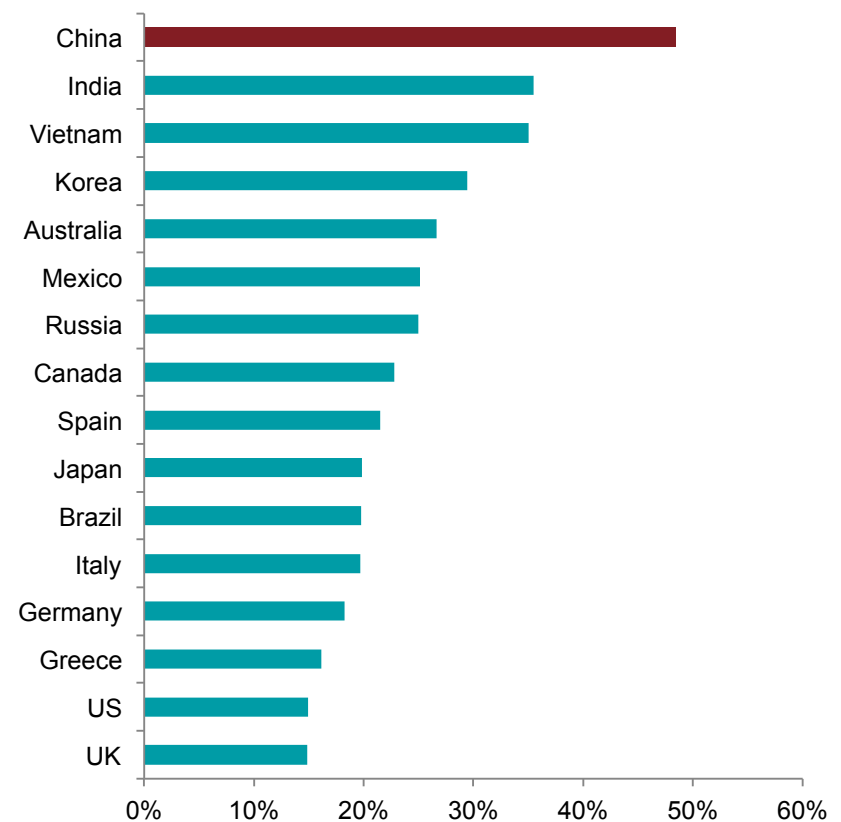
# China

Investment as a % of GDP is higher than in any other large economy

China total investment as a % of GDP



Investment as a % of GDP (2011)



Sources: Haver Analytics and Cornerstone Macro. Chart on left as of 2014; chart on right as of 2011 to show comparison when China's ratio peaked.

29023.14

***Rebalancing while keeping growth on a downward glide-path would be unprecedented***

## MFS International Growth Equity team

### David A. Antonelli

- Vice Chairman, Investment Officer
- Equity Portfolio Manager
- Serves on Global Equity Management Team
- Joined MFS in 1991; previous positions include Chief Investment Officer (non-U.S. and global); Chief Equity Officer; Director of International Equity Research; Director of Global Equity Research; Equity Research Analyst.
- Previous experience includes 4 years as Project Manager at General Electric Company; 4 years as Senior Accountant at Ernst & Whinney.
- Manages global, international growth and international small cap equity portfolios
- University of Pennsylvania Wharton School, MBA
- Pennsylvania State University, BS

### Matthew Barrett, ASIP

- Investment Officer
- Equity Portfolio Manager
- Joined MFS in 2000; previous positions include Global Equity Research Analyst.
- Previous experience includes 4 years as Associate Director at Newport Capital Ltd.
- Affiliations include Associate of the Society of Investment Professionals (ASIP), CFA Society of the U.K.
- London Business School, MBA
- University of London, BSc



## MFS International Growth Equity team (continued)

### Kevin M. Dwan

- Investment Officer
- Equity Portfolio Manager
- Joined MFS in 2005; previous positions include Director of Research - Asia; Global Equity Research Analyst.
- Previous experience includes 10 years as Investment Associate, Equity Analyst and Sector Sleeve Manager at Putnam Investments.
- Affiliations include President of Sabrina's Foundation
- Harvard University, MBA
- Harvard College, AB

### Brett A. Fleishman

- Investment Officer
- Institutional Equity Portfolio Manager
- As an Institutional Portfolio Manager, participates in the research process and strategy discussions. Assesses portfolio risk, customizes portfolios to client objectives and guidelines, and manages daily cash flows. Communicates investment policy, strategy, and positioning.
- Joined MFS in 2001; previous positions include Investment Specialist; Senior Associate Investment Specialist; Equity Research Analyst.
- Previous experience includes 2 years as Senior Consultant at Ernst & Young LLP, Economics Consulting Group; 2 years as Research Analyst at Industrial Economics, Inc.
- University of Pennsylvania, MBA
- Brandeis University, BA, Phi Beta Kappa, magna cum laude

## MFS International Growth Equity team additional resources

### **Jeffrey C. Constantino, CFA, CPA**

- Investment Officer
- Equity Portfolio Manager
- Serves on Global Equity Management Team
- As an Equity Portfolio Manager, responsible for buy and sell decisions, portfolio construction, risk control and cash management. Participates in the research process and strategy discussions.
- Joined MFS in 2000; previous positions include Equity Research Analyst.
- Previous experience includes 3 years as Financial Consultant, M&A Group at Arthur Anderson.
- Affiliations include CFA Institute, Certified Public Accountant
- The Wharton School, MBA, highest honors with distinction, Palmer Scholar
- University of Illinois, BS, highest honors, Bronze Tablet recipient

### **Peter F. Fruzzetti**

- Investment Officer
- Equity Portfolio Manager
- As a Non-U.S. Equity Portfolio Manager, responsible for final buy and sell decisions, portfolio construction, risk and cash management. Participates in the research process and strategy discussions.
- Joined MFS in 2000; previous positions include Equity Research Analyst.
- Previous experience includes 6 years as Equity Research Analyst, Select Portfolio Manager at Fidelity Management & Research.
- Boston College, BS

## MFS International Growth Equity team additional resources (continued)

### Jose Luis Garcia

- Investment Officer
- Director of Equity - Latin America, Equity Portfolio Manager, Equity Research Analyst
- Serves on Global Equity Management Team
- As an Emerging Markets Equity Portfolio Manager, responsible for final buy and sell decisions, portfolio construction, risk and cash management. Participates in the research process and strategy discussions.
- Joined MFS in 2002; previous positions include Director of Research.
- Previous experience includes 2 years as Chief Executive Officer at Telefonica B2B Mexico (Katalyx/Adquira); 2 years as Principal at Texas Pacific Group; 1 year as Financial Analyst, Investment Banking Latin America Group at Morgan Stanley & Co. Incorporated (Mexico City); 2 years as Financial Analyst, Investment Bank Strategic Finance Group at Morgan Stanley & Co. Incorporated.
- Harvard University, MBA
- Boston College, BS, magna cum laude

### Robert W. Lau, CFA

- Investment Officer
- Equity Portfolio Manager
- As an Emerging Markets Equity Portfolio Manager, responsible for final buy and sell decisions, portfolio construction, risk and cash management. Participates in the research process and strategy discussions.
- Joined MFS in 2001; previous positions include Research Analyst.
- Previous experience includes 3 years as Portfolio Manager at Goldman Sachs Asset Management; 2 years as Portfolio Manager and Security Analyst at JP Morgan Investment Management.
- Affiliations include CFA Institute
- Massachusetts Institute of Technology, BS

## MFS International Growth Equity team additional resources (continued)

### **Peter D. Loncto, CFA**

- Director, Investment Product Specialist
- As an Investment Product Specialist, communicates investment policy, strategy and tactics, performs portfolio analysis, and leads product development.
- Joined MFS in 2007.
- Previous experience includes 5 years as Senior Marketing Manager at Nicholas-Applegate Capital Management; 3 years as Performance Analyst at State Street Bank and Trust Company.
- Originally joined MFS in 1997 and departed the firm in 1999 to attend graduate school. Rejoined MFS in 2007.
- Affiliations include Boston Security Analysts Society, Inc., CFA Institute
- Cornell University, MBA
- Boston College, BA

## Portfolio holdings

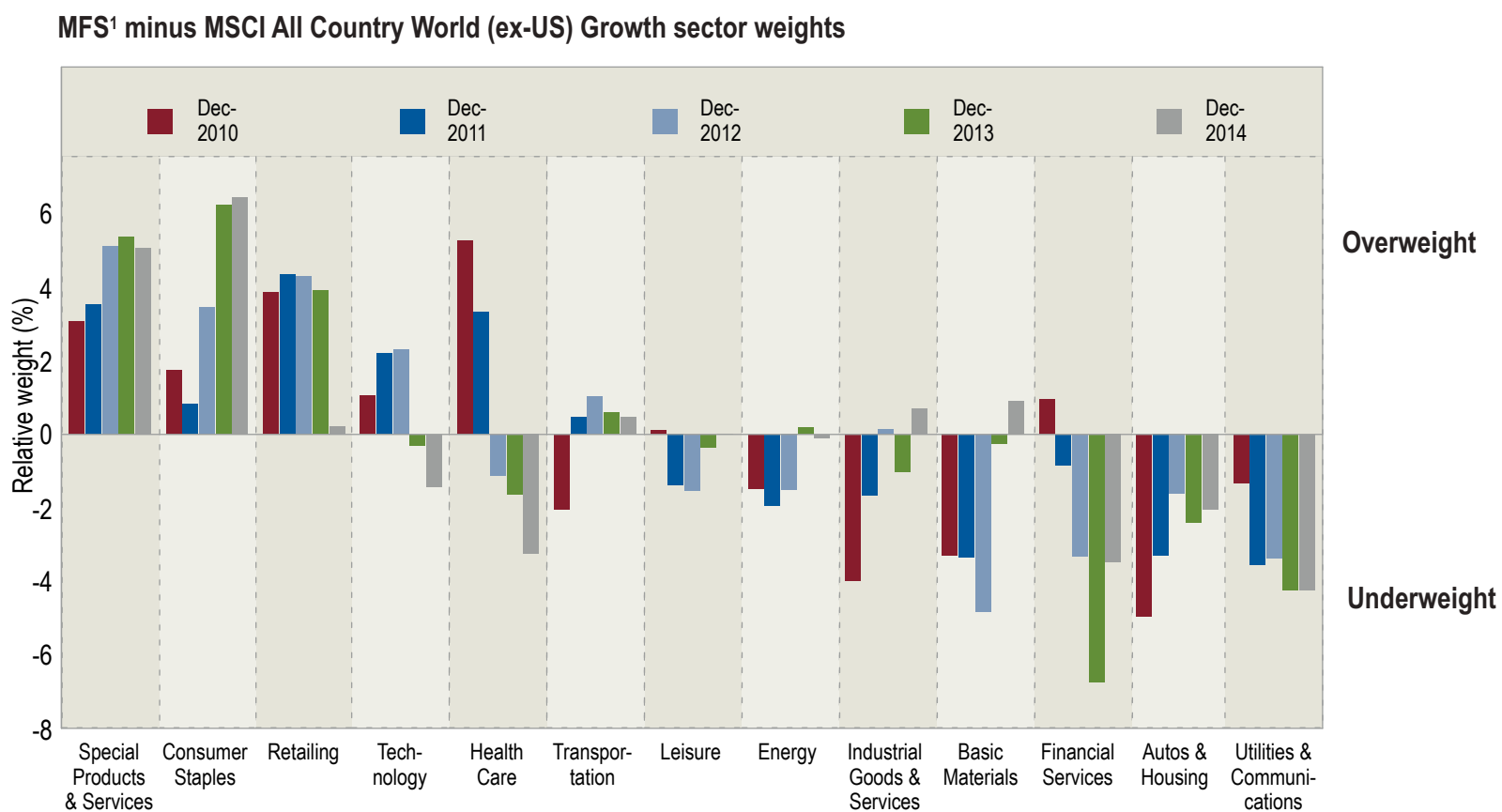
As of 30-Nov-15	Country	Market Value (%)
<b>Autos &amp; Housing</b>		<b>1.0</b>
Guangzhou Automobile Group Co Ltd	China	0.5
TOTO Ltd	Japan	0.5
<b>Basic Materials</b>		<b>7.9</b>
Linde AG	Germany	1.6
Akzo Nobel NV	Netherlands	1.3
Air Liquide SA	France	1.2
Symrise AG	Germany	1.2
Croda International PLC	United Kingdom	0.9
LG Chem Ltd	South Korea	0.7
Brambles Ltd	Australia	0.7
Nippon Paint Holdings Co Ltd	Japan	0.4
<b>Cash &amp; Cash Equivalents</b>		<b>1.3</b>
<b>Consumer Staples</b>		<b>19.4</b>
Nestle SA	Switzerland	3.5
Danone SA	France	3.1
Pernod Ricard SA	France	2.3
Reckitt Benckiser Group PLC	United Kingdom	2.0
Diageo PLC	United Kingdom	1.6
L'Oreal SA	France	1.6
Carlsberg AS	Denmark	1.1
Japan Tobacco Inc	Japan	1.0
ITC Ltd	India	0.7
Ambev SA ADR	Brazil	0.5
Want Want China Holdings Ltd	China	0.5
Unicharm Corp	Japan	0.5
Chr Hansen Holding AS	Denmark	0.4

As of 30-Nov-15	Country	Market Value (%)
Hengan International Group Co Ltd	China	0.4
M Dias Branco SA	Brazil	0.1
<b>Energy</b>		<b>2.5</b>
Inpex Corp	Japan	0.8
BG Group PLC	United Kingdom	0.6
Suncor Energy Inc	Canada	0.6
Oil Search Ltd	Australia	0.4
<b>Financial Services</b>		<b>12.3</b>
UBS Group AG	Switzerland	2.6
AIA Group Ltd	Hong Kong	2.5
HSBC Holdings PLC	United Kingdom	1.5
HDFC Bank Ltd	India	1.5
DBS Group Holdings Ltd	Singapore	1.0
Julius Baer Group Ltd	Switzerland	0.9
AEON Financial Service Co Ltd	Japan	0.8
Grupo Financiero Banorte SAB de CV	Mexico	0.6
Credicorp Ltd	Peru	0.5
Sberbank of Russia PJSC	Russia	0.4
<b>Health Care</b>		<b>15.7</b>
Roche Holding AG	Switzerland	3.7
Novartis AG	Switzerland	2.8
Bayer AG	Germany	2.3
Fresenius Medical Care		
AG & Co KGaA	Germany	1.2
Novo Nordisk AS	Denmark	1.1

## Portfolio holdings (continued)

As of 30-Nov-15	Country	Market Value (%)	As of 30-Nov-15	Country	Market Value (%)
Terumo Corp	Japan	1.0	Kering	France	0.5
Essilor International SA	France	0.9	Dairy Farm		
Shire PLC	United Kingdom	0.9	International Holdings Ltd	Hong Kong	0.2
Smith & Nephew PLC	United Kingdom	0.8	Dollarama Inc	Canada	0.2
Sonova Holding AG	Switzerland	0.6	Lojas Renner SA	Brazil	0.1
QIAGEN NV	Germany	0.4			
<b>Industrial Goods &amp; Services</b>		<b>7.6</b>	<b>Special Products &amp; Services</b>		<b>9.4</b>
Mettler-Toledo			Accenture PLC	United States	3.0
International Inc	United States	1.7	Compass Group PLC	United Kingdom	2.3
Schneider Electric SE	France	1.5	Brenntag AG	Germany	1.3
Prysmian SpA	Italy	0.9	Intertek Group PLC	United Kingdom	1.1
Rolls-Royce Holdings PLC	United Kingdom	0.8	Amadeus IT Holding SA	Spain	0.9
Weir Group PLC	United Kingdom	0.7	Experian PLC	United Kingdom	0.7
Schindler Holding AG	Switzerland	0.6			
Legrand SA	France	0.6	<b>Technology</b>		<b>9.0</b>
Atlas Copco AB	Sweden	0.5	Taiwan Semiconductor		
GEA Group AG	Germany	0.2	Manufacturing Co Ltd ADR	Taiwan	2.5
Rolls-Royce Holdings			NICE-Systems Ltd ADR	Israel	1.3
PLC Intl Preference	United Kingdom	0.0	Telefonaktiebolaget		
<b>Leisure</b>		<b>4.5</b>	LM Ericsson	Sweden	1.2
WPP PLC	United Kingdom	2.0	SAP SE	Germany	1.1
Whitbread PLC	United Kingdom	1.4	Obic Co Ltd	Japan	1.1
Paddy Power PLC	Ireland	1.1	Dassault Systemes	France	1.0
<b>Retailing</b>		<b>6.7</b>	MediaTek Inc	Taiwan	0.5
LVMH Moet Hennessy			NAVER Corp	South Korea	0.4
Louis Vuitton SE	France	2.8	<b>Transportation</b>		<b>2.1</b>
Sundrug Co Ltd	Japan	1.0	Canadian National Railway Co	Canada	2.1
Burberry Group PLC	United Kingdom	1.0	<b>Utilities &amp; Communications</b>		<b>0.7</b>
Loblaw Cos Ltd	Canada	0.8	SoftBank Group Corp	Japan	0.7

## Historical active sector weights

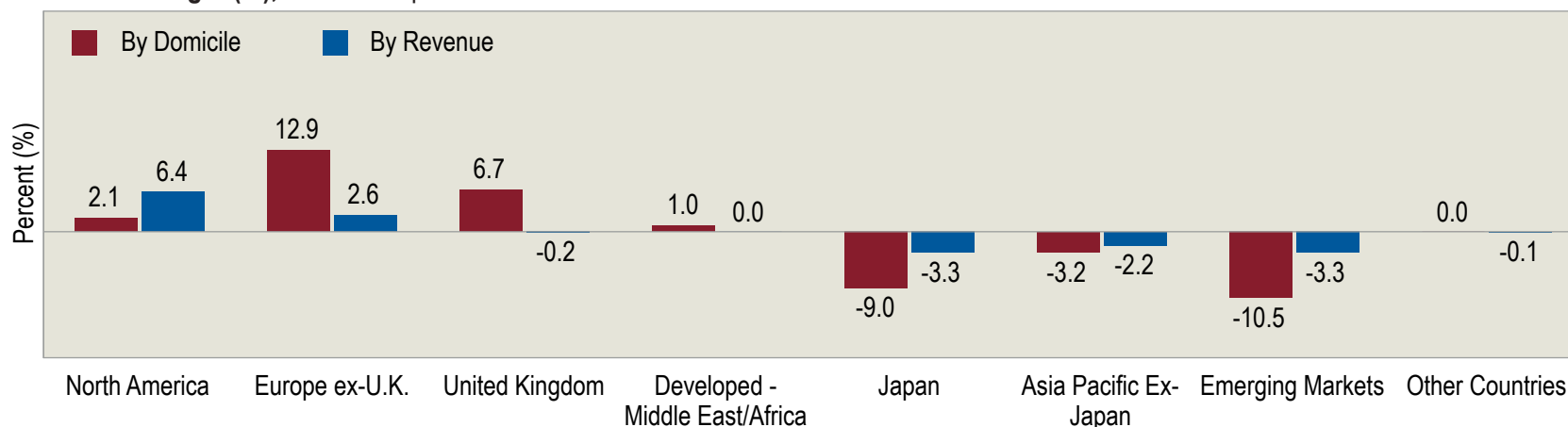


<sup>1</sup> Based on the MFS institutional representative account.

## Regional exposures – domicile vs. revenue

### MFS International Growth relative to MSCI ACWI ex US Growth Index

Relative weight (%), as of 30-Sep-15



	By Domicile			By Revenue		
	MFS International Growth (%)	MSCI ACWI ex US Growth (%)	Relative weight (%)	MFS International Growth (%)	MSCI ACWI ex US Growth (%)	Relative weight (%)
North America	8.4	6.3	2.1	28.4	21.9	6.4
Europe ex-U.K.	49.9	37.0	12.9	19.9	17.2	2.6
United Kingdom	18.9	12.2	6.7	5.9	6.1	-0.2
Developed - Middle East/Africa	1.5	0.5	1.0	0.2	0.3	0.0
Japan	6.9	15.9	-9.0	7.7	11.1	-3.3
Asia Pacific Ex-Japan	4.3	7.5	-3.2	4.3	6.4	-2.2
Emerging Markets	10.2	20.7	-10.5	31.2	34.6	-3.3
Other Countries	0.0	0.0	0.0	2.3	2.4	-0.1

Based on the MFS International Growth representative account.

Source: MSCI, FactSet. For companies not covered by the MSCI database, regional exposure was allocated based on country of domicile. All portfolio calculations exclude cash. The "Other Countries" category consists of countries not followed by MSCI.

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## Performance results – net of administrative expenses (USD) (Class 1)

As of 30-Nov-15	Period	Portfolio net (%)	MSCI AC World (ex-US) Growth (%) <sup>1</sup>	MSCI AC World (ex-US) (%) <sup>2</sup>
<b>Quarterly returns</b>	3Q15	-8.32	-10.77	-12.17
	2Q15	0.77	0.59	0.53
	1Q15	5.41	4.79	3.49
	4Q14	-1.97	-2.30	-3.87
<b>Annual returns</b>	2015 year to date	3.45	0.04	-3.85
	2014	-4.20	-2.65	-3.87
	2013	15.05	15.49	15.29
	2012	20.88	16.67	16.83
<b>Annualized returns</b>	1 Year	0.39	-3.34	-7.32
	3 Years	5.34	4.94	3.31
	5 Years	6.13	3.91	2.99
	Since client inception (6-Aug-14)	-1.00	-3.19	-7.66
	Since fund Inception (12-Jun-07)	3.28	0.77	-0.27

<sup>1</sup> MSCI All Country World (ex-US) Growth Index (net div).

<sup>2</sup> MSCI All Country World (ex-US) Index (net div).

Source: benchmark performance from SPAR, FactSet Research Systems, Inc.

Past performance is no guarantee of future results. All periods greater than one year are annualized.

MHTC MFS® International Growth Fund (CIT)

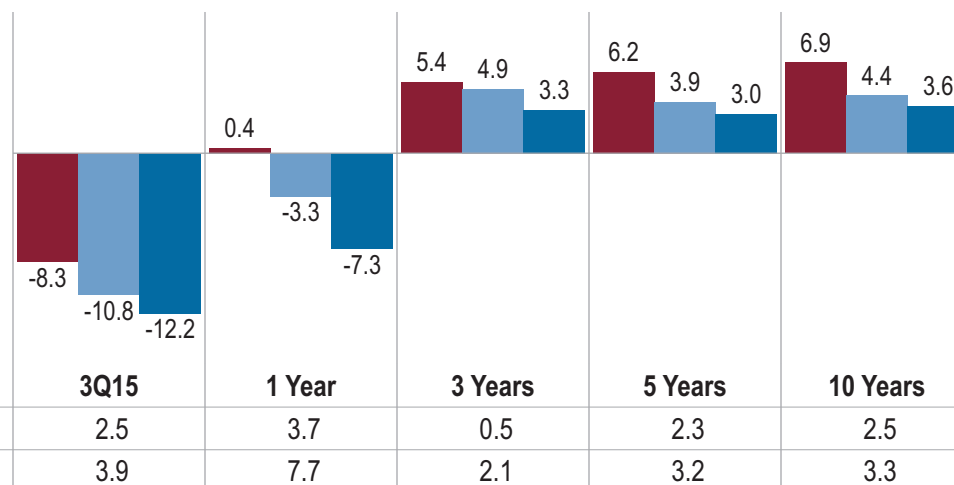
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## MFS International Growth Composite

### Performance – gross of fees (USD)

Annualized returns (%), as of 30-Nov-15

- MFS International Growth Composite
- MSCI All Country World (ex-US) Growth Index (net div)
- MSCI All Country World (ex-US) Index (net div)



Excess return (%) vs.

	3Q15	1 Year	3 Years	5 Years	10 Years
MSCI All Country World (ex-US) Growth Index (net div)	2.5	3.7	0.5	2.3	2.5
MSCI All Country World (ex-US) Index (net div)	3.9	7.7	2.1	3.2	3.3

Annual performance (%), as of 30-Nov-15

	YTD	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
■ MFS International Growth Composite	3.4	-4.1	15.1	20.9	-9.5	16.4	40.0	-39.3	17.6	27.7	15.9
■ MSCI All Country World (ex-US) Growth Index (net div)	0.0	-2.6	15.5	16.7	-14.2	14.5	38.7	-45.6	21.0	23.6	16.7
<b>Excess return</b>	<b>3.4</b>	<b>-1.5</b>	<b>-0.4</b>	<b>4.2</b>	<b>4.7</b>	<b>1.9</b>	<b>1.3</b>	<b>6.3</b>	<b>-3.4</b>	<b>4.1</b>	<b>-0.8</b>
■ MSCI All Country World (ex-US) Index (net div)	-3.9	-3.9	15.3	16.8	-13.7	11.2	41.4	-45.5	16.7	26.7	16.6
<b>Excess return</b>	<b>7.3</b>	<b>-0.2</b>	<b>-0.2</b>	<b>4.1</b>	<b>4.2</b>	<b>5.2</b>	<b>-1.4</b>	<b>6.2</b>	<b>0.9</b>	<b>1.0</b>	<b>-0.7</b>

The exhibit above is based on MFS International Growth Composite returns. This exhibit is intended to demonstrate the broader investment capabilities of our MFS International Growth portfolio management team who also manage the MHTC MFS International Growth Fund (CIT). It is not intended to represent specific results for the MHTC MFS International Growth Fund (CIT). The MHTC MFS International Growth Fund (CIT) performance will vary from composite performance.

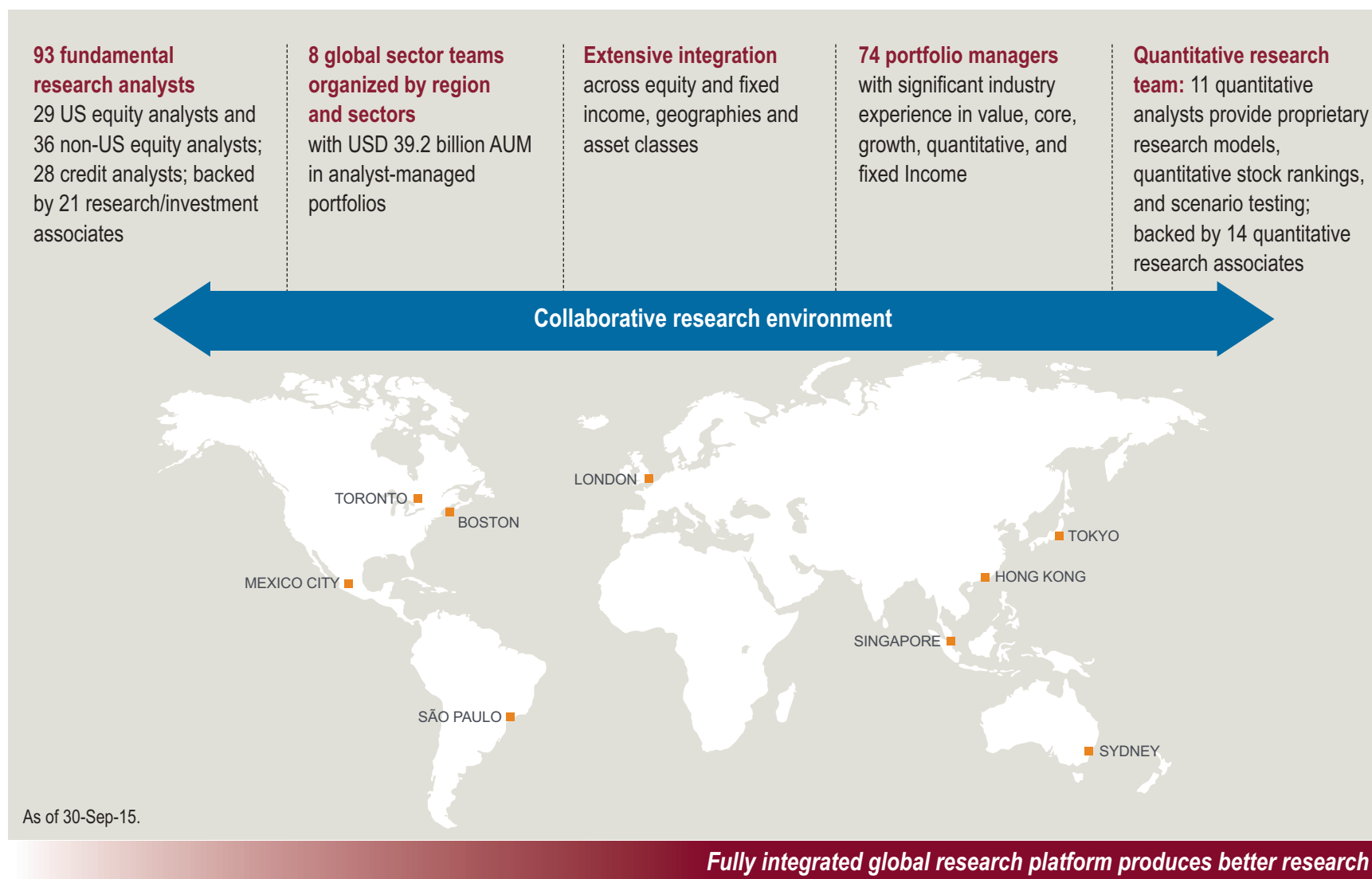
Please see performance methodology and composite report in appendix for net of fee performance and other information.

Source for benchmark performance: SPAR, FactSet Research Systems Inc. Past performance is no guarantee of future results.

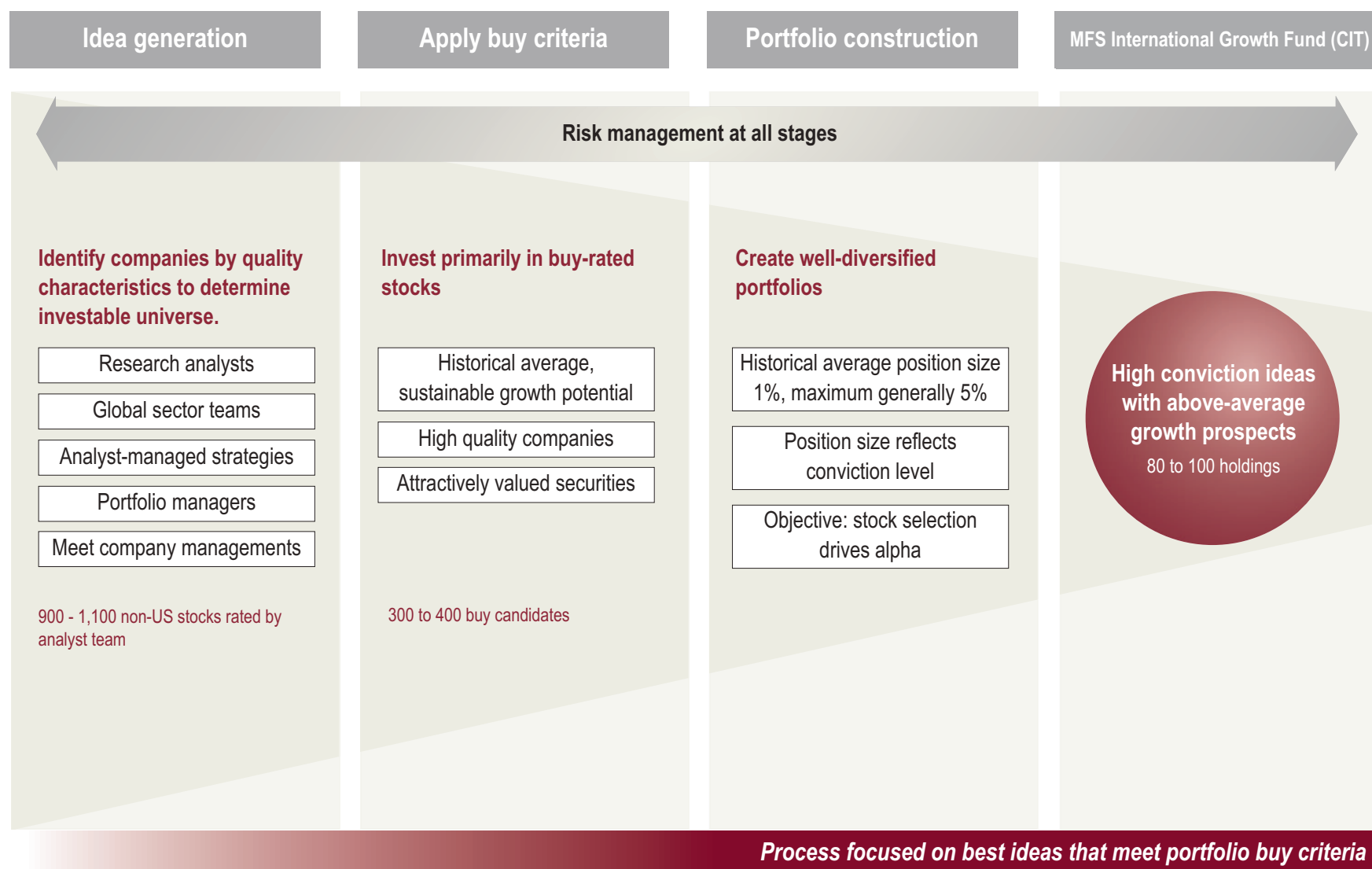
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## Global research platform provides competitive advantages



## Investment process overview

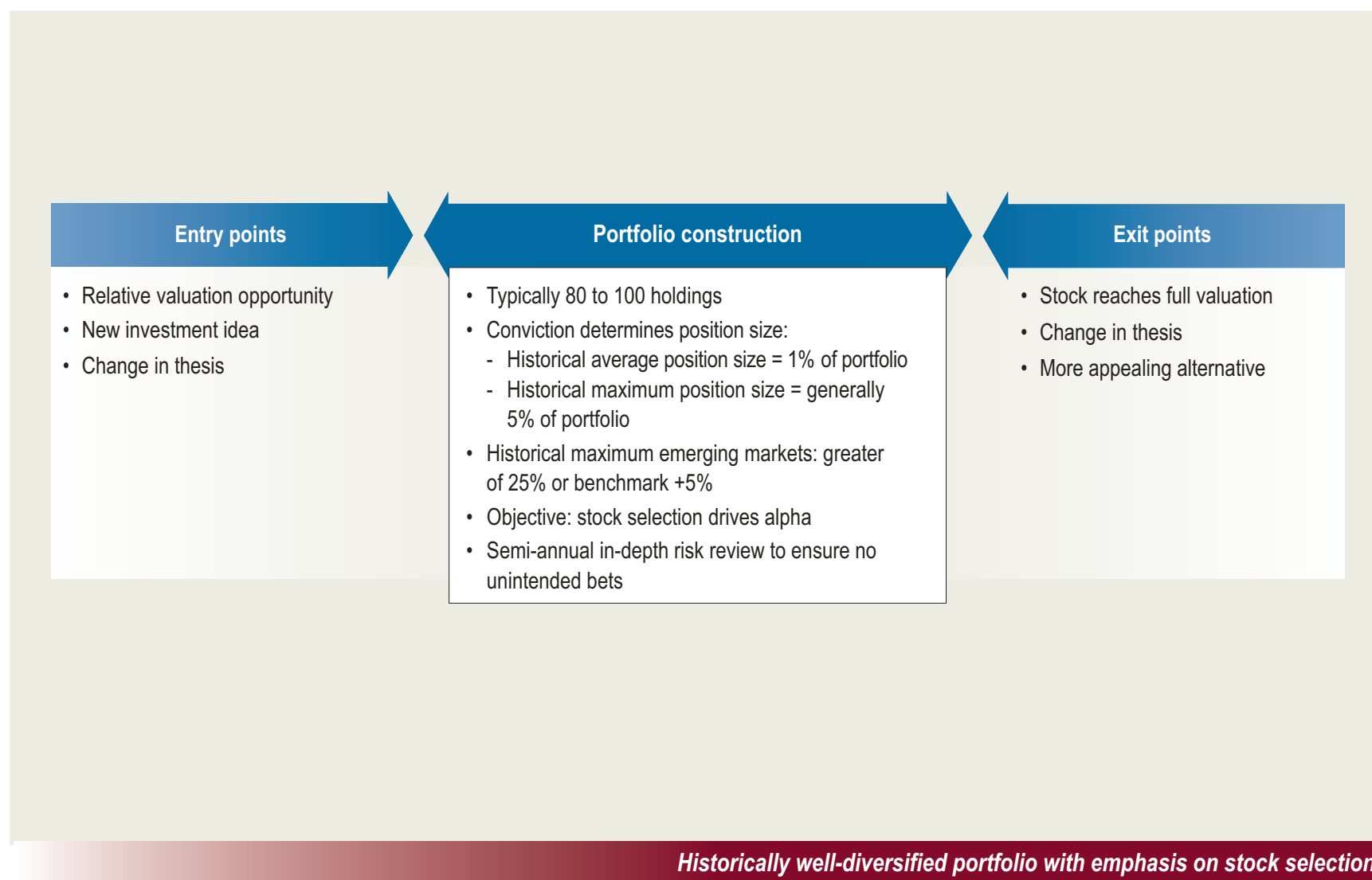


## Apply buy criteria to identify highest conviction ideas

Above average sustainable growth across full market cycles	High quality companies with durable franchises	Attractively valued securities
<ul style="list-style-type: none"><li>• Seek companies with earnings + dividend yield &gt; market</li><li>• Strong secular growth</li><li>• Large opportunity set</li></ul>	<ul style="list-style-type: none"><li>• Clear sustainable competitive advantages</li><li>• Significant free cash flow</li><li>• Solid balance sheet</li><li>• Strong management teams</li></ul>	<p><b>Multiple measures of valuation are considered:</b></p> <ul style="list-style-type: none"><li>• Valuation multiples</li><li>• Mid-cycle analysis</li><li>• Seek temporary attractive entry points and are careful not to overpay</li><li>• DCF analysis</li><li>• Sum of parts</li></ul>

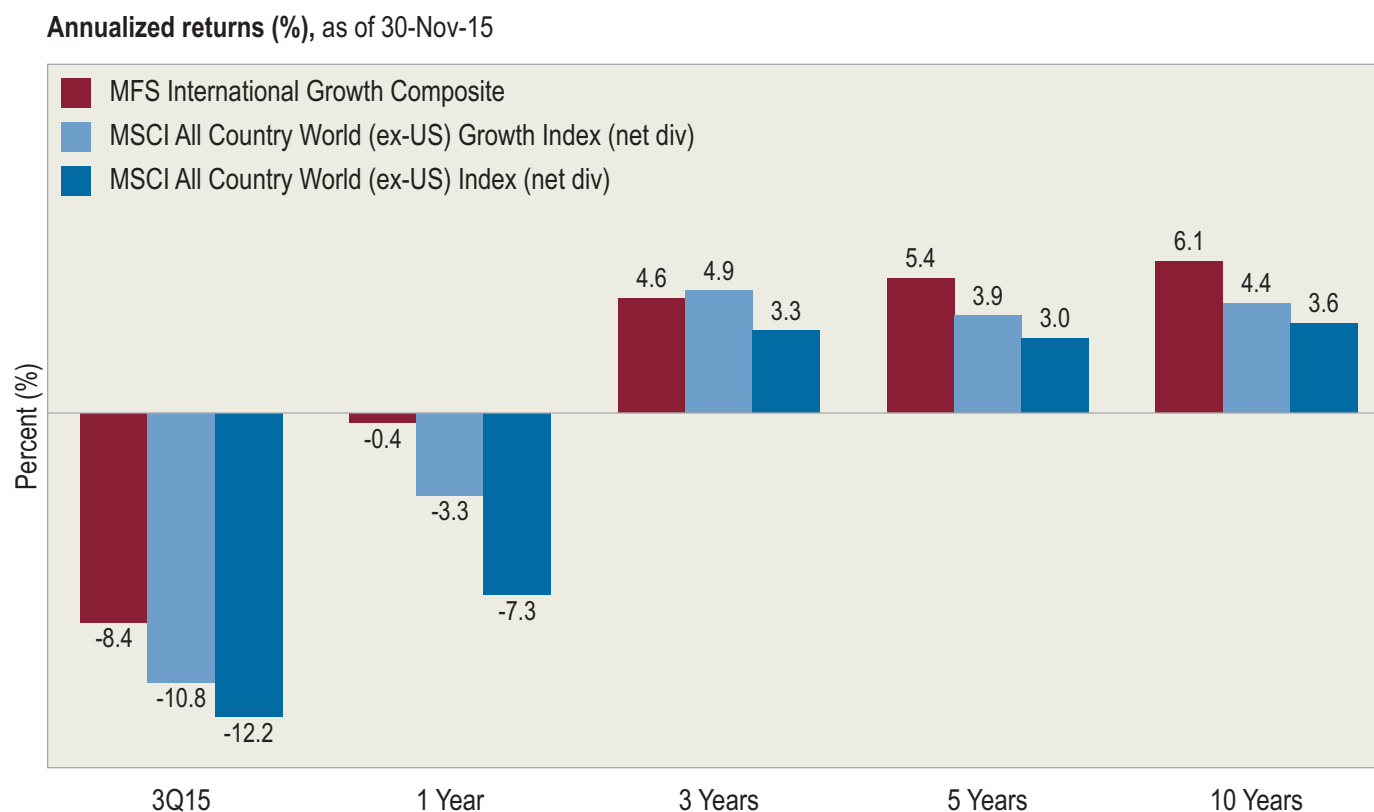
*Consistent focus on above-average long-term growth, high-quality businesses, and reasonable valuations*

## Portfolio construction



# MFS International Growth Composite

## Performance – net of fees (USD)



The exhibit above is based on MFS International Growth Composite returns. This exhibit is intended to demonstrate the broader investment capabilities of our MFS International Growth portfolio management team who also manage the MHTC MFS International Growth Fund (CIT). It is not intended to represent specific results for the MHTC International Growth Fund (CIT). The MHTC MFS International Growth Fund (CIT) performance will vary from composite performance.  
Source for benchmark performance: SPAR, FactSet Research Systems Inc. Past performance is no guarantee of future results.

MHTC MFS® International Growth Fund (CIT)

872-I-CT-IG-13Jan15.31



**Composite:** MFS International Growth Equity Composite

**Benchmark:** MSCI AC World Index ex USA Growth - Net Return

**Creation Date:** 13-Nov-2001

**Inception Date:** 01-Oct-2001

**Investment Objective:** Seeks long-term capital appreciation by investing principally in stocks of companies whose primary activities lie outside the US. Portfolios in this strategy seek companies with higher sustainable earnings growth and returns than their industry, improving fundamentals, and whose stock valuations do not fully reflect their long-term growth prospects.

## Institutional Separate Accounts Fee Schedule

Asset Breakpoints (USD)	Fee
For Assets Up To 50 MM	75 bp
For Assets From 50 MM To 100 MM	60 bp
For Assets Over 100 MM	50 bp

Accounts are eligible for inclusion in the composite if they have assets greater than 2 MM USD. Accounts are included as of their first full month of performance.

## Derivative Exposure Disclosure

Certain MFS portfolios in this composite may utilize derivative instruments to manage risk or to achieve timely and cost effective implementation of the investment strategy. As of 30-Sep-2015, the number of accounts in the composite shown below held derivatives with the following average equivalent exposure of total net assets:

	Number of Accounts	Exposure
Long Exposure	1	0.68%
Short Exposure	0	0.00%

Period	Composite and Benchmark Return			Composite Dispersion	Accounts in Composite at End of Period	Annualized 3-Year Standard Deviation		Assets in Composite	
	Gross of fees	Net of fees	Benchmark			Composite	Benchmark	(USD million)	%Firm
2015 Q3	-8.26	-8.44	-10.77	0.11	14	11.14	10.82	\$8,586.3	2.1
2015 Q2	0.70	0.51	0.59	0.06	15	9.95	9.58	\$9,459.0	2.1
2015 Q1	5.36	5.16	4.79	0.19	15	11.71	11.68	\$9,447.1	2.1
2014	-4.12	-4.84	-2.65	0.17	15	12.22	12.23	\$8,989.9	2.1
2013	15.07	14.22	15.49	0.16	13	15.76	16.26	\$9,331.2	2.3
2012	20.92	20.03	16.67	0.22	12	18.76	19.37	\$7,210.5	2.2
2011	-9.54	-10.22	-14.21	0.46	9	22.20	22.05	\$4,321.4	1.9
2010	16.43	15.57	14.45	0.28	9	n/a	n/a	\$4,187.3	1.9
2009	40.05	39.03	38.67	0.83	7	n/a	n/a	\$3,166.4	1.7
2008	-39.33	-39.80	-45.61	0.37	8	n/a	n/a	\$1,660.7	1.3
2007	17.59	16.72	21.03	n/a	<6	n/a	n/a	\$2,158.2	1.1
2006	27.72	26.78	23.61	n/a	<6	n/a	n/a	\$1,221.5	0.7
2005	15.89	15.03	16.71	n/a	<6	n/a	n/a	\$660.7	0.4

MFS Investment Management® claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. MFS has been independently verified for the periods 1-Jan-1988 through 31-Dec-2014. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. MFS International Growth Equity Composite has been examined for the periods 01-Oct-2001 through 31-Dec-2014. The verification and performance examination reports are available upon request.

Total Gross-of-fee returns in USD (includes both capital appreciation and income), are net of transaction costs, withholding taxes and direct expenses, but before management fees, custody and other indirect expenses. Certain institutional accounts hold Canadian trusts subject to custody and other indirect expenses. Certain accounts may be subject to fair valuation as conditions warrant. Typical separate accounts utilize 4:00 PM (London Time) foreign exchange rates; retail products will use rates deemed most appropriate for daily NAV per share calculations. The possibility exists for performance dispersion between otherwise similarly managed accounts and also with the benchmark.

Net composite returns are prepared by subtracting from the monthly gross returns one-twelfth of the maximum applicable annual institutional separate account fee. Returns based on actual management fees, including non-separate account fees, would be lower for the following periods - 2005: 14.87; 2006: 26.62; 2007: 16.58; 2008: -39.82. Where actual separate account fee data are not available, the highest institutional fee has been assumed.

Total returns of the benchmark are provided for each period depicted, expressed in USD. Source of Benchmark Performance: FACTSET®. Benchmark returns are not examined by independent accountants.

MSCI AC World Index ex USA Growth-Net Return - a market capitalization-weighted index that is designed to measure equity market performance for growth securities in the global developed and emerging markets, excluding the USA.

Composite Dispersion is measured by the asset-weighted standard deviation of account returns for all accounts in the composite for the full period. For composites containing less than six accounts, dispersion is deemed not meaningful.

The percentage of firm assets from 2013 and 2014 were reported in error as 2.5 and 2.3 respectively on reports prior to Q1 2015. The correct percentage of firm assets are 2.3 and 2.1 respectively.

The assets for 2013 and 2014 were reported incorrectly as 10,098.6M and 9,940.6M respectively on reports prior to Q1 2015. The correct assets are 9,331.2M and 8,989.9M respectively.

Prior to 31-Mar-2009 accounts would be eligible for inclusion in the composite if they had assets greater than 5.0 MM USD and as of their second full month of performance.

For purposes of GIPS® compliance, the firm is defined as MFS Investment Management® which is comprised of Massachusetts Financial Services Company (MFS) and MFS Institutional Advisors, Inc. (MFSI), each of which is a registered investment advisor, MFS Heritage Trust Company, a New Hampshire Trust company, and MFS Investment Management Canada Limited, a registered investment advisor. Total firm assets are calculated at market value and include assets managed by MFS, MFSI, MFS Heritage Trust Company and MFS Investment Management Canada Limited as well as assets managed by MFS and MFSI in a sub-advisory capacity on behalf of affiliated investment advisors that may or may not be registered under the United States Investment Advisers Act of 1940, such as MFS International (U.K.), Ltd. (MIL UK) and MFS Investment Management K.K. (MIMKK), as well as assets managed by MFS and MFSI on behalf of unaffiliated investment advisors that may or may not be registered under the United States Investment Advisers Act of 1940. Total firm assets for GIPS purposes do not include assets of non-discretionary advisory relationships.

In November of 2011 MFS acquired McLean Budden Limited (now MFS Investment Management Canada Limited). Total firm assets from 31-Mar-2012 forward include the assets of institutional and pooled MFS Investment Management Canada Limited products. Assets from 31-Dec-2012 forward include the MFS Investment Management Canada Limited PPM product assets.

A complete list of firm composites and descriptions, along with additional information regarding policies for valuing portfolios, calculating and reporting performance, and preparing compliant presentations are available upon request.