

RMB Japan Fund

Portfolio Update: Third Quarter 2019

For the second quarter of 2019, the RMB Japan Fund (the "Fund") was up +2.84% net of fees. During the same period, the MSCI Japan Total Return Index was up +3.13%.

	3 Months	YTD	1 Year	Since Inception
RMBPX	+2.84%	+9.67%	-6.52%	-3.21%
MSCI Japan Index	+3.13%	+11.12%	-4.69%	-1.90%

Inception date: 12/27/17. Performance over one year is annualized. The performance data quoted represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so that those shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. To obtain performance as of the most recent month end, please call 855-280-6423. The Fund's expense ratio is 1.31%.

RMB Capital Management, LLC (the "Adviser" or "RMB") has contractually agreed to reduce its compensation due from and/or assume expenses of the Fund to the extent necessary to ensure that the Fund's operating expenses (excluding interest, taxes, brokerage commissions and other transaction costs, expenditures that are capitalized in accordance with generally accepted accounting principles, acquired fund fees and expenses, short sale dividends, and extraordinary expenses not incurred in the ordinary course of business) do not exceed 1.55% and 1.30% of the average daily net assets of the Fund's Investor Class and Class I shares, respectively (the "Expense Cap"). The Expense Cap is in effect until May 1, 2020 and cannot be terminated prior thereto without the approval of the Fund's Board of Trustees.

Overview of Third Quarter

During the third quarter, Japanese equities experienced volatility as the U.S.-China tariff disputes continued, but, overall, they managed to rebound from the selloffs observed in the previous quarter. The country's stock market outperformed U.S. and international equities, partially narrowing the massive valuation gap between Japan and the rest of the developed world. The Japanese market had a strong start to the quarter in July, buoyed by expectations for further monetary easing in the U.S., but it quickly gave up its gains in August on weak earnings and President Trump introducing another round of tariffs on Chinese goods. The market recovered its losses in the last month of the quarter and further extended its growth rally, supported by the Fed's second rate cut for the quarter and news of a resumption of U.S.-China trade talks despite rising skepticism around the effectiveness of monetary easing, increased tensions in the Middle East, and a temporary style rotation from growth to value.

Contributors and Detractors

SMC Corp. and Daiichi Sankyo Co. were two major contributors during the quarter.

SMC is a global leading manufacturer of pneumatic equipment, such as air cylinders, grippers, rotary actuators, directional control valves, and air preparation equipment. The company has about a 65% share of the domestic pneumatic equipment market and 36% share globally. The company's stock performed well during the quarter on the back of resilient earnings relative to its peers amidst the tough market environment for factory automation and machine tool makers. Toward the end of the quarter, the stock price was further supported by the retirement of former representative director Yoshiyuki Takada, and the appointment of his son Yoshiki Takada as the new leader. The announcement was followed by a series of analyst upgrades as street analysts view the overdue leadership change as a positive catalyst.

Daiichi Sankyo is one of the leading pharmaceutical companies in Japan that has focused on cardiovascular-metabolic diseases and the primary care physician. It is looking to transform itself into a company with a competitive advantage in oncology based on its antibody drug conjugation (ADC) franchise. The stock saw a strong rally during the quarter on the back of solid progress in its ADC franchise observed by investors. In particular, DS-1062's Phase I preliminary data presented at the American Society of Clinical Oncology (ASCO) in June beat investors' expectations by a wide margin, showcasing the potential

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expandability of the franchise's use cases. Consensus-beating quarterly earnings also helped, highlighting the expanding sales of major existing drugs, such as anticoagulant Lixiana and ulcer treatment drug Nexium. While we remain bullish on the ADC franchise's progress going forward, which was reaffirmed by further updates at the World Conference of Lung Cancer (WCLC) in September, we now view that the stock is gradually approaching its fair value.

Softbank Group Corp. and Recruit Holdings Co. Ltd. were two major detractors during the quarter.

SoftBank Group is a major IT conglomerate in Japan, providing various internet and telecommunication services, such as a mobile carrier, high-speed internet, e-commerce, and internet-based advertising services. The company holds a diversified portfolio of investments, primarily in the IT and telecommunication spaces, using its own balance sheet and through the SoftBank Vision Fund and Delta Fund. Most notable holdings include Alibaba, Yahoo Japan, ARM, and Sprint. As we mentioned in our previous letters, the company has a sizable exposure to the technology sector through its investments and is highly sensitive to the sector movement and growing skepticism around unicorn valuations across the world. In particular, the weak post-IPO performance of Uber and concerns around WeWork's business model triggered investors to start questioning the true value of Softbank Group's portfolio companies. The company's opaque governance and decision-making process does not provide comfort to investors during the time of uncertainty, and remaining obstacles on the way to the sale of Sprint adds to volatility.

Recruit Holdings provides integrated human resource services through its HR Technology, Media & Solutions, and Staffing businesses. HR Technology deals with overseas HR recruitment through job search engine sites, such as Indeed and Glassdoor. Media & Solutions includes sales promotion and HR-related media. Staffing handles both domestic and overseas dispatch of personnel. In August, the company announced a secondary offering of 122 million shares, or 7.2% of outstanding shares by 13 strategic shareholders, making it the largest secondary share sale of the year in Japan. While the company also announced a plan to buy back 1.4% of the shares in order to mitigate the impact of the selloffs, the net release of 5.8% of shares certainly put downward pressure on the share price in the short term.

Portfolio Activity

During the quarter, we initiated positions in Comsys Holdings Corp., a subcontractor specialized in telecommunication infrastructure construction; Horiba Ltd., a manufacturer of testing and analytic equipment, such as emission gas testing equipment; Nomura Real Estate Holdings Inc., a developer of residential and office buildings; Toei Co. Ltd., a producer and distributor of movies and TV programs; and TS Tech Co. Ltd., an auto component manufacturer primarily manufacturing car seats for Honda.

We liquidated our positions in Daikyo Nishikawa Corp., a manufacturer of automobile plastic parts, such as instrument panels, door trims, and bumpers; JXTG Holdings Inc., an integrated oil and gas holding company; Mitsui Fudosan Co. Ltd., a

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THIRD QUARTER 2019 CONTRIBUTION REPORT (in USD)

Ranked by Basis Point Contribution

	Basis Point Contribution	Total Return
Top Contributors		
SMC Corp.	+53	+14.53%
Shin-Etsu Chemical Co. Ltd.	+46	+14.86%
Daiichi Sankyo Co. Ltd.	+43	+19.72%
Oracle Corp.	+42	+20.46%
Sony Corp.	+41	+12.20%
Bottom Detractors		
SoftBank Group Corp.	-43	-18.14%
DaikyoNishikawa Corp.	-30	-14.84%
Recruit Holdings Co. Ltd.	-30	-8.81%
Takuma Co. Ltd.	-28	-8.64%
Kubota Corp.	-21	-9.13%

The performance presented above is sourced through Factset Research Systems Inc. Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. The above does not represent all holdings in the Fund. Holdings listed might not have been held for the full period. To obtain a copy RMB's calculation methodology and a list of all holdings with contribution analysis, please contact your client service team.

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developer and real estate service provider; and Nippon Gas Co. Ltd., a distributor of liquefied petroleum gas, as part of our portfolio strategy review exercise to further balance the overall portfolio factor exposures and quality distribution.

Outlook

While Japanese equities outperformed their developed-market peers during the quarter, the valuation gap between the country and its developed-market peers remains wide. On the other hand, we continue to see Corporate Japan making major changes around their governance structure, based on which we remain confident that the current market discount is not justified. For instance, in their annual updates on Japan's committee systems, the Tokyo Stock Exchange (TSE) reported that the share of TSE first-listed companies that have both nomination and compensation committees has reached 50% this year, up from 14% back in 2016. Now that those who have adopted the committee system have become the majority, we believe that we are at an inflection point where the pace of adoption could further accelerate given increasing peer pressure. With the improving capital efficiency and shareholder returns, we believe that today's valuation gap will prove to be an attractive investment opportunity.

As always, thank you for your support and trust in the Fund. I look forward to updating you next quarter.

Sincerely yours,



Masakazu Hosomizu, CFA
Partner, Portfolio Manager

TOP FIVE HOLDINGS AS OF 9/30/19

Position	% of Assets
Keyence Corp.	4.45%
Toyota Motor Corp.	4.31%
SMC Corp.	3.65%
Suntory Beverage & Food Ltd.	3.39%
Nidec Corp.	3.29%

Holdings are subject to change. The above is a list of all securities that composed 19.09% of holdings managed as of 9/30/2019 under the RMB Japan Fund ("Fund") of RMB Capital Management, LLC ("RMB Capital") based on the aggregate dollar value. This list is provided for informational purposes only and may or may not represent the current securities managed. It does not represent all of the securities purchased, sold, or recommended for advisory clients (under the Fund or otherwise) during the calendar quarter ending 9/30/2019. The reader should not assume that investments in the securities identified and discussed were or will be profitable. For a complete list of historical recommendation for the Fund, please contact RMB Investors Trust at 855-280-6423.

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The opinions and analyses expressed in this letter are based on RMB Capital Management, LLC's ("RMB Capital") research and professional experience, and are expressed as of the date of our mailing of this letter. Certain information expressed represents an assessment at a specific point in time and is not intended to be a forecast or guarantee of future performance, nor is it intended to speak to any future time periods. RMB Capital makes no warranty or representation, express or implied, nor does RMB Capital accept any liability, with respect to the information and data set forth herein, and RMB Capital specifically disclaims any duty to update any of the information and data contained in this letter. The information and data in this newsletter does not constitute legal, tax, accounting, investment or other professional advice. Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. This information is confidential and may not be reproduced or redistributed to any other part without the permission of RMB Capital.

Investors should consider the investment objectives, risks, charges, and expenses carefully before investing. For complete information about the Fund, including a free prospectus, please contact RMB Investors Trust at 855-280-6423, or visit the website at www.rmbfunds.com. The prospectus contains important information about the funds, including investment objectives, risks, management fees, sales charges, and other expenses, which you should consider carefully before you invest or send money.

All investing involves risk including the possible loss of principal. The RMB Fund invests in larger, more established companies, which may not respond as quickly to competitive challenges or have higher growth rates than smaller companies might have during periods of economic expansion. There can be no assurance that the Fund will achieve its investment objective.

An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not bear fees, taxes, or transaction costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by the Fund. The MSCI Japan Index is designed to measure the performance of the large- and mid-cap segments of the Japanese market. With approximately 320 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan. The S&P 500 includes 500 leading companies in leading industries of the U.S. economy.

Foreside Fund Services, LLC, Distributor