

Performance Commentary

The global real estate market ended the month in positive territory. The fund has had its new benchmark for one month now, and we continue to gain ground both in absolute and relative terms. We also launched Luxembourg-listed funds during October. The German office operator Aroundtown agreed an all-stock merger with peer TLG Immobilien. During the month, we entered 2 new US holdings: Health Care Trust of America and Brookdale Senior Living. Both companies have assets within the health care segment and are aligned with our focus on long-term secular trends, in this case, the ageing US population. We also took a position in the German residential operator LEG Immobilien while trimming our position in Deutsche Wohnen due to ongoing uncertainty around the Berlin rental market. With some exceptions, the sector has risen since the start of 2019. Despite this, there are many exciting opportunities to be found in the global real estate space. The sector remains attractive thanks to its stable and rising top-line, low cost financing and solid cash flows. SKAGEN m2 is well positioned due to its philosophy and disciplined stock selection.

The fund gives access to a normally inaccessible global real estate market. The fund selects low-priced, high-quality real estate companies from around the world.

The objective is to provide the best possible risk adjusted return.

The fund is suitable for those with at least a five year investment horizon.

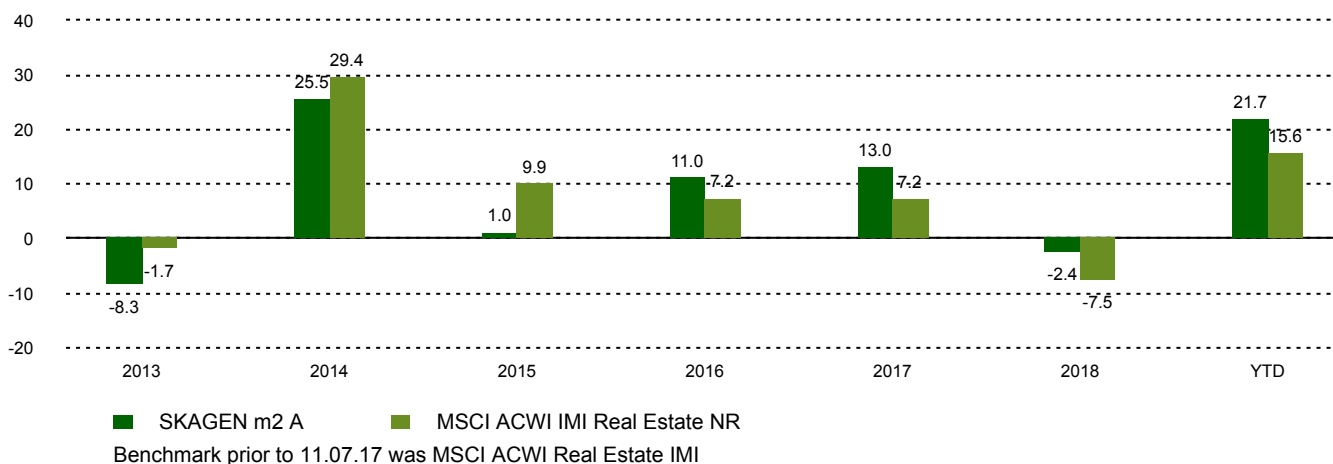
Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last month	0.9%	0.1%
Year to date	21.7%	15.6%
Last year	21.2%	17.3%
Last 3 years	12.4%	5.8%
Last 5 years	9.2%	7.1%
Last 10 years	n/a	n/a
Since start	8.5%	8.5%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	23.96 EUR
Fixed management fee	1.50%
Total expense ratio (2018)	2.06%
Benchmark index	MSCI ACWI IMI Real Estate NR
AUM (mill.)	176.98 EUR
Number of holdings	37
Portfolio manager	Michael Gobitschek

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Catena AB	4.87	0.59
CA Immobilien Anlagen AG	4.91	0.47
Sekisui House Ltd	2.46	0.26
Grainger PLC	2.38	0.26
Shurgard Self Storage SA	2.98	0.25



Largest detractors

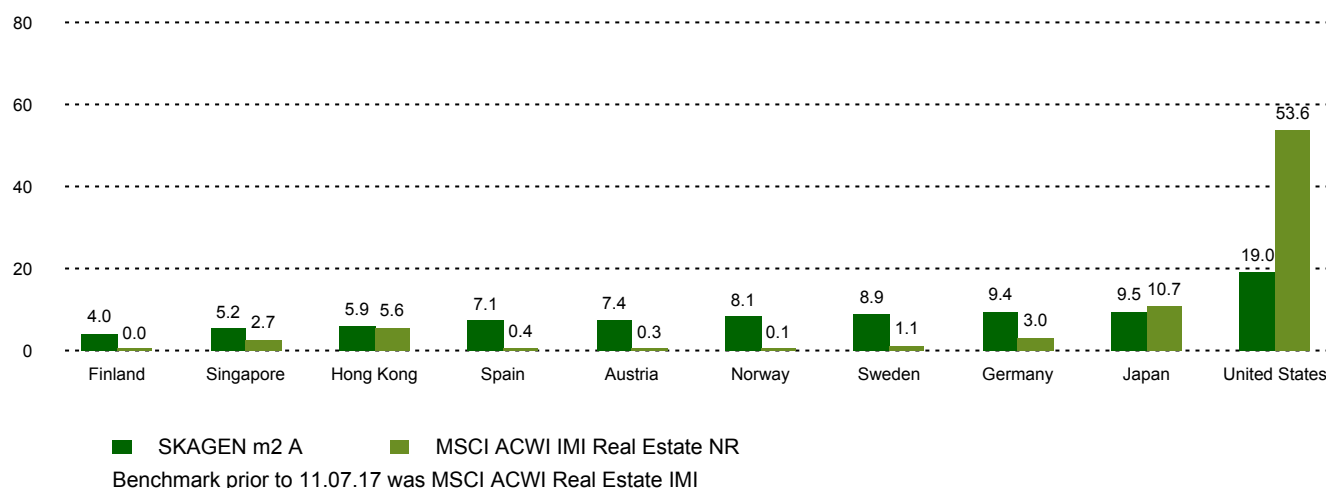
Holding	Weight (%)	Contribution (%)
Entra ASA	3.05	-0.07
Columbia Property Trust Inc	2.75	-0.06
Colony Capital Inc	2.88	-0.05
Brookdale Senior Living Inc	0.96	-0.03
Keck Seng Investments	0.21	0.00

Absolute contribution based on NOK returns at fund level

Top ten investments

Holding	Sector	Country	%
Catena AB	Real Estate	Sweden	5.0
CA Immobilien Anlagen AG	Real Estate	Austria	4.8
Aroundtown SA	Real Estate	Germany	4.1
KOJAMO OYJ	Real Estate	Finland	4.0
Mitsui Fudosan Co Ltd	Real Estate	Japan	4.0
Self Storage Group ASA	Industrials	Norway	3.8
VICI Properties Inc	Real Estate	United States	3.5
EQUINIX INC	Real Estate	United States	3.4
Keihanshin Building Co Ltd	Real Estate	Japan	3.1
Shurgard Self Storage SA	Real Estate	Belgium	3.0
Combined weight of top 10 holdings			38.8

Country Exposure (top ten)



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Important information

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