

Performance Commentary

November was a strong month for SKAGEN m2 both in absolute and relative terms. Trade discussions are in full swing again, causing anxiety in the market, but the real estate space held up reasonably well overall due to yield hunting. Continued political uncertainty in many real estate markets, such as UK and Hong Kong, creates both opportunities and frustration. In November we participated in the IPO of Swedish K-Fastigheter. We sold out of our minor position at good profit since the share price immediately became stretched. The best absolute contributor was again the Swedish logistics operator Catena driven by the strong secular trend. This was followed by the Austrian office operator CA Immo which delivered solid growth on its existing assets and which also has a promising pipeline. The largest detractor was US Colony Capital after reporting in line numbers but a larger than expected goodwill impairment. Despite delivering a solid report, Austrian office operator ImmoFinanz lost on the announcement that they are walking away from merger talks with S Immo. The sector remains attractive thanks to its stable and rising top-line, low cost financing and solid cash flows. This is especially the case given the current lack of yield among the lower risk alternatives.

Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last month	3.5%	0.5%
Year to date	26.0%	16.2%
Last year	22.2%	11.7%
Last 3 years	12.6%	5.7%
Last 5 years	9.3%	6.7%
Last 10 years	n/a	n/a
Since start	8.9%	8.5%

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.

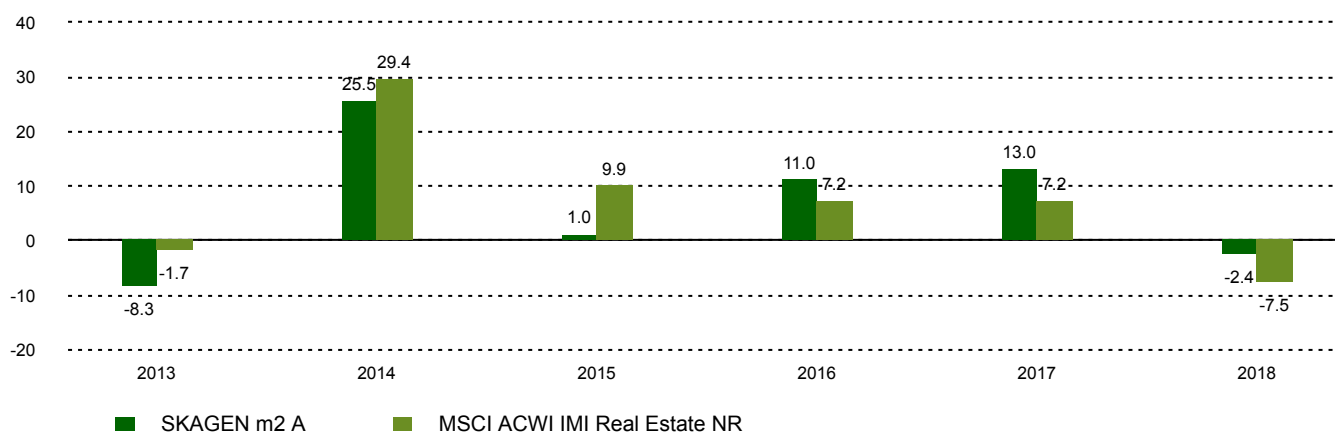
The objective is to provide the best possible risk adjusted return.

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

Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	24.81 EUR
Fixed management fee	1.50%
Total expense ratio (2018)	2.06%
Benchmark index	MSCI ACWI IMI Real Estate NR
AUM (mill.)	194.14 EUR
Number of holdings	36
Portfolio manager	Michael Gobitschek

Performance last ten years



In the period from 11 July 2017 to 30 September 2019, the benchmark was the MSCI ACWI Real Estate IMI ex REITS

Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Catena AB	5.22	0.67
CA Immobilien Anlagen AG	4.82	0.32
Shurgard Self Storage SA	3.10	0.29
Grainger PLC	2.60	0.27
Arima Real Estate SOCIMI SA	2.27	0.22



Largest detractors

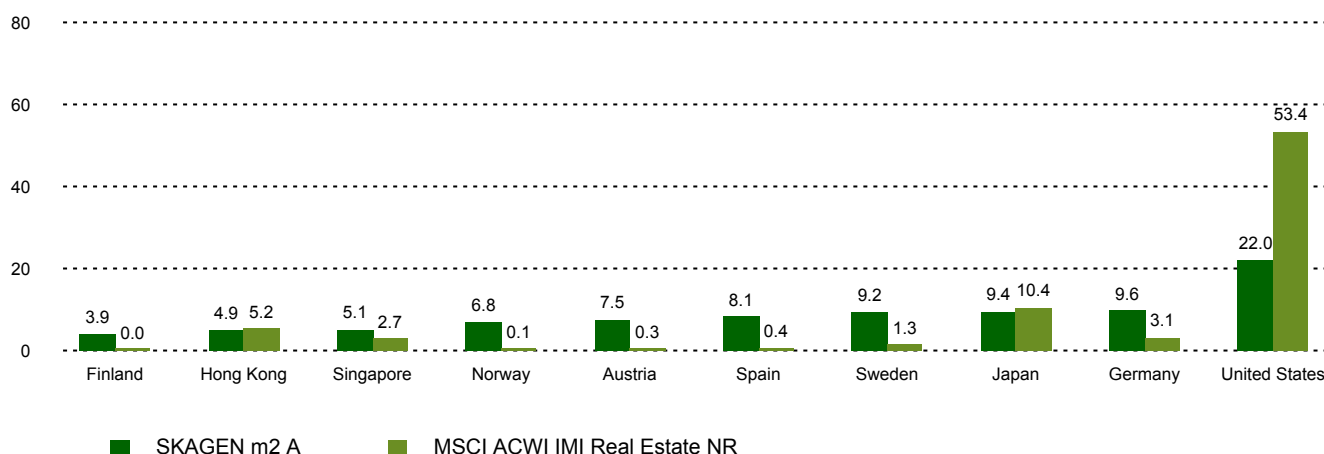
Holding	Weight (%)	Contribution (%)
Colony Capital Inc	3.04	-0.39
IMMOFINANZ AG	2.46	-0.14
Mitsui Fudosan Co Ltd	3.90	-0.12
CK Asset Holdings Ltd	2.79	-0.12
Kojamo Oyj	4.03	-0.06

Absolute contribution based on NOK returns at fund level

Top ten investments

Holding	Sector	Country	%
Catena AB	Real Estate	Sweden	5.1
CA Immobilien Anlagen AG	Real Estate	Austria	5.1
EQUINIX INC	Real Estate	United States	5.0
Aroundtown SA	Real Estate	Germany	4.2
VICI Properties Inc	Real Estate	United States	4.1
Self Storage Group ASA	Industrials	Norway	3.9
KOJAMO OYJ	Real Estate	Finland	3.9
Mitsui Fudosan Co Ltd	Real Estate	Japan	3.8
LEG Immobilien AG	Real Estate	Germany	3.4
Shurgard Self Storage SA	Real Estate	Belgium	3.2
Combined weight of top 10 holdings			41.7

Country Exposure (top ten)



■ SKAGEN m2 A ■ MSCI ACWI IMI Real Estate NR

In the period from 11 July 2017 to 30 September 2019, the benchmark was the MSCI ACWI Real Estate IMI ex REITS

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Important information

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