

Performance Commentary

Despite the volatility caused by Brexit, the US-Iran tensions and coronavirus among other events in January, SKAGEN m2 held up well in both absolute and relative terms. The fund's best contributor was Japanese Mitsui Fudosan, which announced positive guidance on the back of the partial sale of shares in Oriental Land. The company is a beneficiary of further share buybacks, in line with management's efforts to strengthen shareholder value and corporate governance. German Aroundtown was also a top performer after announcing progress with the TLG merger. This also lifted the company's Austrian peer CA Immo in January. The Corona virus outbreak in China negatively affected our two Hong Kong based holdings. We trimmed our position in the global hotel operator Melia to manage the risk and sold out of Keck Seng. Overall, the real estate sector remains attractive thanks to its stable and rising top-line, low cost financing and solid cash flows. Whatever the short-term path of the economy and listed real estate, in the longer term, urbanisation and demographic shifts will provide a helpful tailwind for global real estate as an asset class. SKAGEN m2 is well positioned thanks 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.

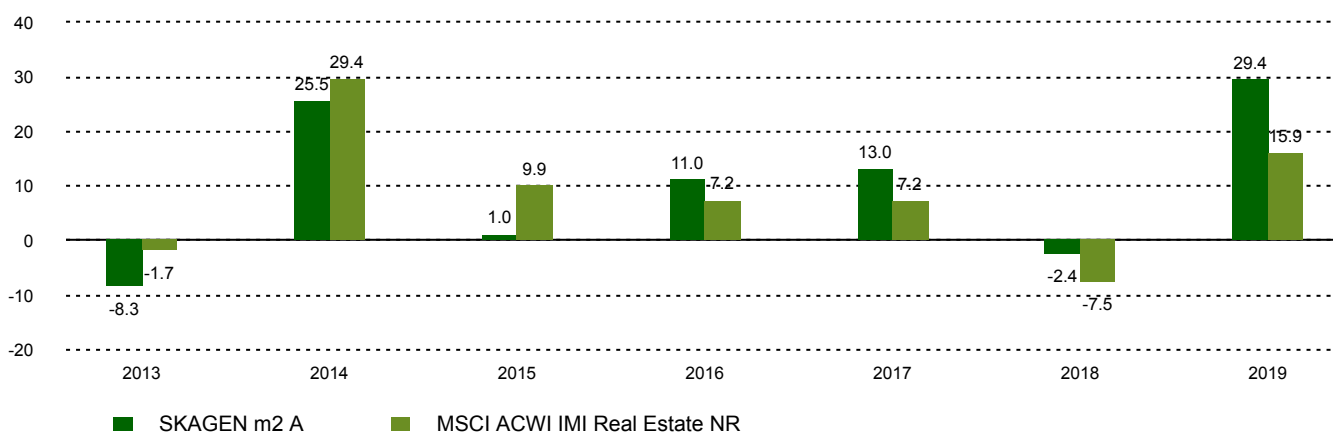
Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last month	2.2%	1.7%
Year to date	2.2%	1.7%
Last year	21.6%	7.3%
Last 3 years	13.3%	5.6%
Last 5 years	7.9%	4.2%
Last 10 years	n/a	n/a
Since start	9.5%	8.5%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	26.02 EUR
Fixed management fee	1.50%
Total expense ratio (2019)	2.68%
Benchmark index	MSCI ACWI IMI Real Estate NR
AUM (mill.)	209.40 EUR
Number of holdings	35
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 (%)
Mitsui Fudosan Co Ltd	3.50	0.49
CA Immobilien Anlagen AG	4.86	0.46
VICI Properties Inc	4.17	0.41
Aroundtown SA	3.94	0.41
Self Storage Group ASA	4.30	0.33



Largest detractors

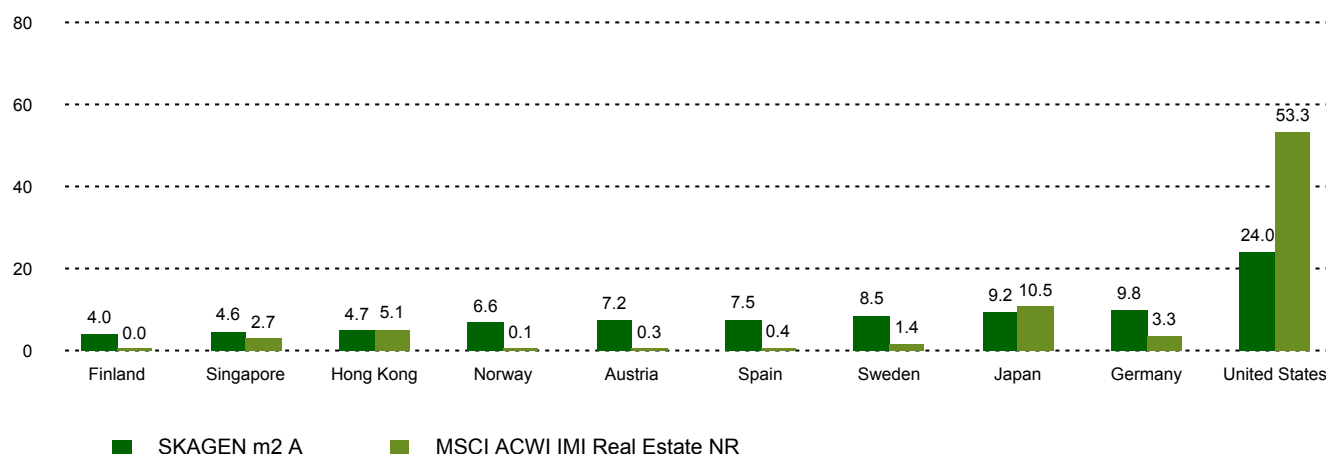
Holding	Weight (%)	Contribution (%)
CK Asset Holdings Ltd	2.95	-0.18
Far East Consortium	1.99	-0.15
Melia Hotels International SA	2.35	-0.10
LOG Commercial Properties	1.94	-0.07
MRV Engenharia e Participacoes	1.17	-0.05

Absolute contribution based on NOK returns at fund level

Top ten investments

Holding	Sector	Country	%
EQUINIX INC	Real Estate	United States	5.2
CA Immobilien Anlagen AG	Real Estate	Austria	5.0
Self Storage Group ASA	Industrials	Norway	4.7
Catena AB	Real Estate	Sweden	4.4
VICI Properties Inc	Real Estate	United States	4.3
Aroundtown SA	Real Estate	Germany	4.2
KOJAMO OYJ	Real Estate	Finland	4.0
Mitsui Fudosan Co Ltd	Real Estate	Japan	3.7
LEG Immobilien AG	Real Estate	Germany	3.6
Keihanshin Building Co Ltd	Real Estate	Japan	3.2
Combined weight of top 10 holdings			42.2

Country Exposure (top ten)



■ SKAGEN m2 A ■ MSCI ACWI IMI Real Estate NR

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Important information

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