

Performance Commentary

Following a very good start to the year, the fund generated a more moderate return in April, gaining 0.3 percentage points, 0.7 percentage points more than the index.

The long-term yields in large developed markets increased somewhat in April. In March rates fell sharply after weak numbers, in particular for Germany. In April key numbers have been less disappointing, leading to somewhat higher rates as recession fears wane.

The strongest performer in April was our investment in Mexico. The Mexican peso appreciated by 1% versus the euro. Our Greek and Dominican Republic bonds also contributed positively due to the fall in long-term rates.

Our investment in Uruguay was the laggard in April. The peso depreciated due to spillover from Argentina, which is struggling with weak growth and high inflation, as well as weaker balance of payment dynamics.

We invested in South Africa in April. This investment has a high running yield, but we also expect long term rates to fall along with falling inflation and eventually policy rate cuts by the central bank.

Historical performance (net of fees)

Period	SKAGEN Tellus A	Benchmark index
Last month	0.3%	-0.4%
Year to date	4.4%	3.2%
Last year	3.5%	8.0%
Last 3 years	2.0%	1.2%
Last 5 years	3.1%	4.9%
Last 10 years	5.2%	3.8%
Since start	4.5%	4.2%

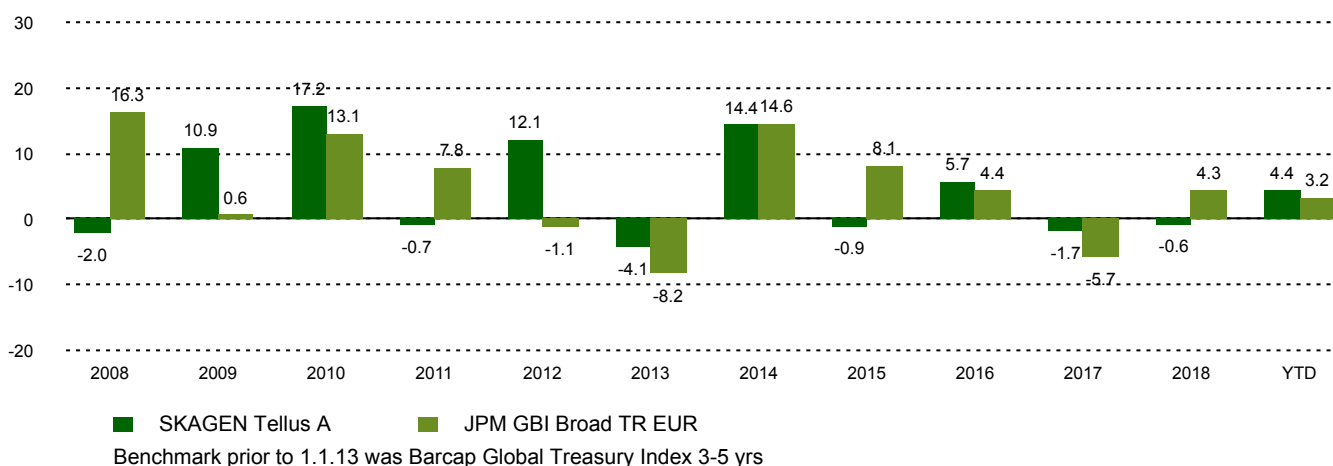
SKAGEN Tellus invests primarily in bonds and certificates issued or guaranteed by governments from around the world.

The fund is suitable for those with at least a three year investment horizon. Investors must be able to tolerate currency fluctuations.

Fund Facts

Type	Fixed income
Domicile	Norway
Launch date	29.09.2006
Morningstar category	Global Bond - EUR Biased
ISIN	NO0010327786
NAV	12.01 EUR
Fixed management fee	0.80%
Benchmark index	JPM GBI Broad TR EUR
AUM (mill.)	61.98 EUR
Duration	3.41
WAL	4.90
Yield	4.32%
Number of holdings	14
Portfolio manager	Jane Tvedt

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Mexican Government	7.78	0.18
Government of Greece	4.90	0.09
Dominican Republic	4.34	0.09
Czech Republic	6.21	0.07
Portugese Government	3.97	0.05



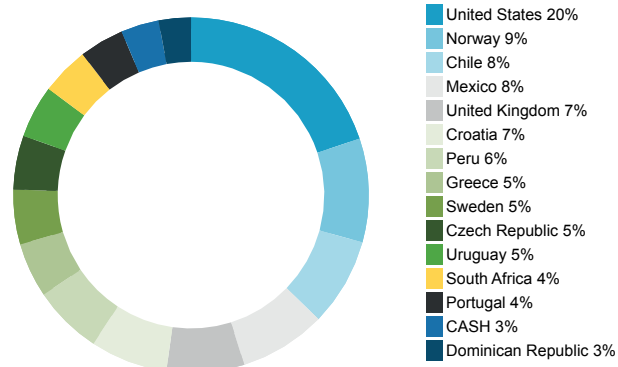
Largest detractors

Holding	Weight (%)	Contribution (%)
Republic of Uruguay	4.84	-0.21
Swedish Government	4.97	-0.09
Republic of South Africa	4.35	-0.01
Norwegian Government	9.37	0.00
Croatia	6.26	0.01

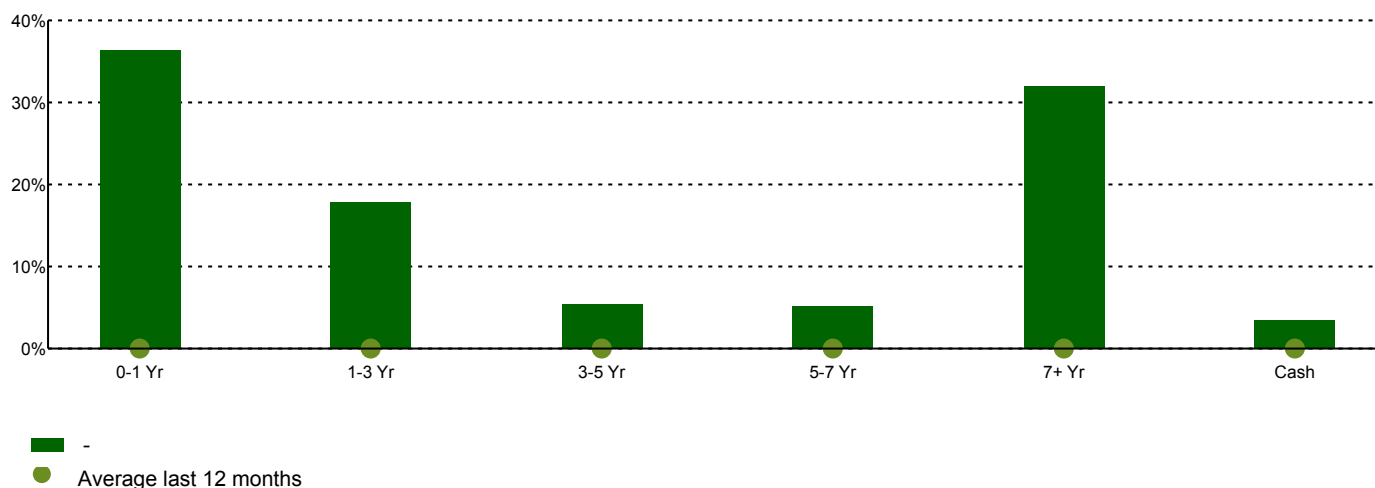
Top 10 investments

Holding	Percentage of Fund
US TREASURY N/B	19.8
Norwegian Government	9.4
REPUBLIC OF CHILE	8.0
Mexican Government	7.9
UK Government	7.1
Croatia Government International Bond	7.0
REPUBLIC OF PERU	6.3
HELLENIC REPUBLIC	5.0
Sweden Government	5.0
CZECH REPUBLIC	4.9
Total	80.4

Country exposure



Maturity structure



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Important information

This report is intended for investment professionals only. The content is not to be viewed by or used with retail investors. Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as of the end of the previous month. Except otherwise stated, the source of all information is SKAGEN AS. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. You can download more information including subscription/redemption forms, full prospectus, Key Investor Information Documents (KIID), General Commercial Terms, Annual Reports and Monthly Reports from our local websites or our local representatives. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. This report should not be perceived as an offer or recommendation to buy or sell financial instruments. SKAGEN AS does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of this report. Employees of SKAGEN AS may be owners of securities issued by companies that are either referred to in this report or are part of a fund's portfolio. CACEIS Ireland Limited, One Custom House Plaza, International Financial Services Centre, Dublin is the Paying Agent in Ireland.