

## Performance Commentary

In February, volatility returned to the equity markets in response to the prospect of higher interest rates. The fund's top-3 absolute contributors were Microsoft, Sony and Marsh & McLennan. The technology companies Microsoft and Sony continue to benefit from scale benefits in cloud and gaming operations, respectively, while the US risk advisory firm Marsh & McLennan indicated solid trading conditions going into 2018. The bottom-3 contributors were CK Hutchison, Unilever and Comcast. Although volatility can be painful in the short term, it also reshuffles the market and opens up opportunities for stock-pickers. We have taken advantage of select dislocations in the stock market and initiated three new positions which will be revealed once we have built them to target size. On the selling side, we exited the US footwear manufacturer Skechers after the stock performed exceptionally well with the share price doubling in 17 months. We also used the transmission grid operator Red Electrica as a funding source after the Spanish government's meddling with regulation and strategy clouded the long-term outlook. The portfolio remains attractively valued.

The fund selects undervalued companies from around the world, including emerging markets, with attractive risk-reward for long-term investors.

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.

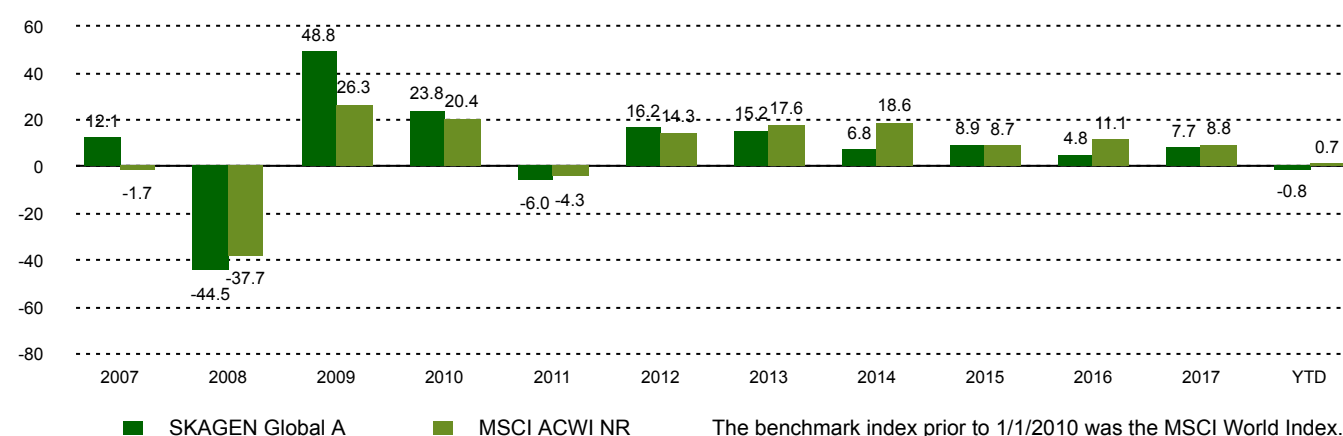
## Historical performance (net of fees)

| Period        | SKAGEN Global A | Benchmark index |
|---------------|-----------------|-----------------|
| Last month    | -2.2%           | -1.3%           |
| Year to date  | -0.8%           | 0.7%            |
| Last year     | 3.4%            | 4.4%            |
| Last 3 years  | 3.1%            | 5.7%            |
| Last 5 years  | 7.5%            | 11.8%           |
| Last 10 years | 6.2%            | 8.0%            |
| Since start   | 13.6%           | 4.6%            |

## Fund Facts

|                            |                               |
|----------------------------|-------------------------------|
| Type                       | Equity                        |
| Domicile                   | Norway                        |
| Launch date                | 07.08.1997                    |
| Morningstar category       | Global Large-Cap Blend Equity |
| ISIN                       | NO0008004009                  |
| NAV                        | 170.59 EUR                    |
| Fixed management fee       | 1.00%                         |
| Total expense ratio (2017) | 1.00%                         |
| Benchmark index            | MSCI ACWI NR                  |
| AUM (mill.)                | 2818.75 EUR                   |
| Number of holdings         | 47                            |
| Lead manager               | Knut Gezelius                 |

## Performance last ten years



## Contributors in the month



### Largest contributors

| Holding                       | Weight (%) | Contribution (%) |
|-------------------------------|------------|------------------|
| Microsoft Corp                | 5.81       | 0.25             |
| Sony Corp                     | 1.61       | 0.13             |
| Marsh & McLennan Cos Inc      | 3.10       | 0.10             |
| Intercontinental Exchange Inc | 3.63       | 0.10             |
| Baidu Inc                     | 1.17       | 0.07             |

Absolute contribution based on NOK returns at fund level



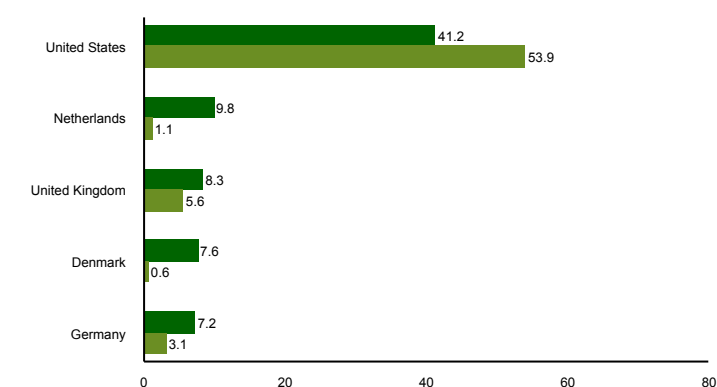
### Largest detractors

| Holding                    | Weight (%) | Contribution (%) |
|----------------------------|------------|------------------|
| CK Hutchison Holdings Ltd  | 5.39       | -0.27            |
| Unilever NV                | 4.20       | -0.25            |
| Comcast Corp               | 1.81       | -0.23            |
| China Mobile Ltd           | 1.83       | -0.17            |
| Samsung Electronics Co Ltd | 3.22       | -0.13            |

## Top ten investments

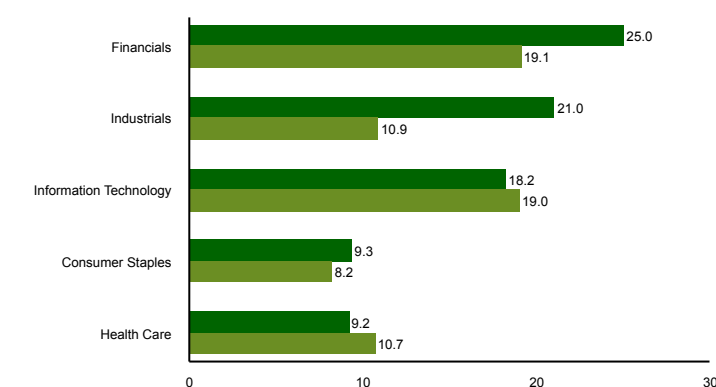
| Holding                            | Sector                 | Country            | %    |
|------------------------------------|------------------------|--------------------|------|
| Microsoft                          | Information Technology | United States      | 6.1  |
| CK Hutchison Holdings              | Industrials            | Hong Kong          | 5.3  |
| Citigroup                          | Financials             | United States      | 5.1  |
| 3M                                 | Industrials            | United States      | 4.9  |
| Unilever CVA                       | Consumer Staples       | Netherlands        | 4.1  |
| Intercontinental Exchange Inc      | Financials             | United States      | 3.9  |
| Hiscox                             | Financials             | United Kingdom     | 3.9  |
| Beazley PLC                        | Financials             | United Kingdom     | 3.4  |
| Samsung Electronics                | Information Technology | Korea, Republic Of | 3.2  |
| Marsh & McLennan                   | Financials             | United States      | 3.2  |
| Combined weight of top 10 holdings |                        |                    | 43.0 |

## Country exposure (top five)



■ SKAGEN Global A ■ MSCI ACWI NR

## Sector exposure (top five)



■ SKAGEN Global A ■ MSCI ACWI NR

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