

Performance Commentary

SKAGEN m2 continues its strong performance and finished July with a considerable outperformance relative its benchmark. However, both the fund and the global real estate markets slowed down a little after a strong June. While U.S. interest rates remained unchanged, the central bank has indicated at the same time signaled that it would ideally start the balance sheet unwinding in September. This may be postponed because of an unclear situation on raising the country's debt ceiling. The best contributor was Global Logistic Properties, which announced that a Chinese consortium as the likely winner of a bidding process initiated in December. Worst was Argentinian Irsa after a suspended share issue and dismay that the country will not re-enter the MSCI Emerging Markets index now. Mitsui Fudosan and SL Green were also detractors in the month. Finish Sponda was sold after a Blackstone bid, while British Land, Ashford Hospitality Trust and Axiare were sold because of the fund's index change. The portfolio still trades at an attractive discount.

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.

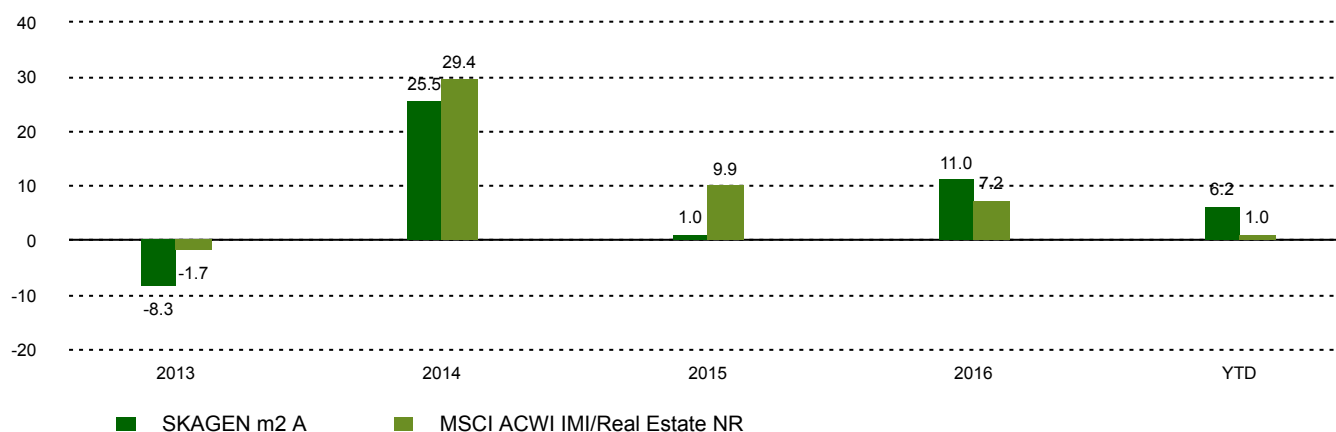
Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last Month	0.6%	0.8%
Year to date	6.2%	1.0%
Last year	8.8%	-1.9%
Last 3 years	9.0%	10.1%
Last 5 years	n/a	n/a
Last 10 years	n/a	n/a
Since start	7.4%	9.9%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	18.95 EUR
Fixed management fee	1.50%
Total expense ratio (2016)	1.85%
Benchmark index	MSCI ACWI IMI/Real Estate NR
AUM (mill.)	104.71 EUR
Number of holdings	28
Lead manager	Michael Gobitschek

Performance last ten years



Contributors



Largest contributors

Holding	Weight (%)	Contribution (%)
Global Logistic Properties	4.66	0.45
Beni Stabili	2.96	0.11
Phoenix Mills	2.44	0.08
MRV Engenharia	1.81	0.08
Inmobiliaria Colonial	6.13	0.08

Absolute contribution based on NOK returns at fund level



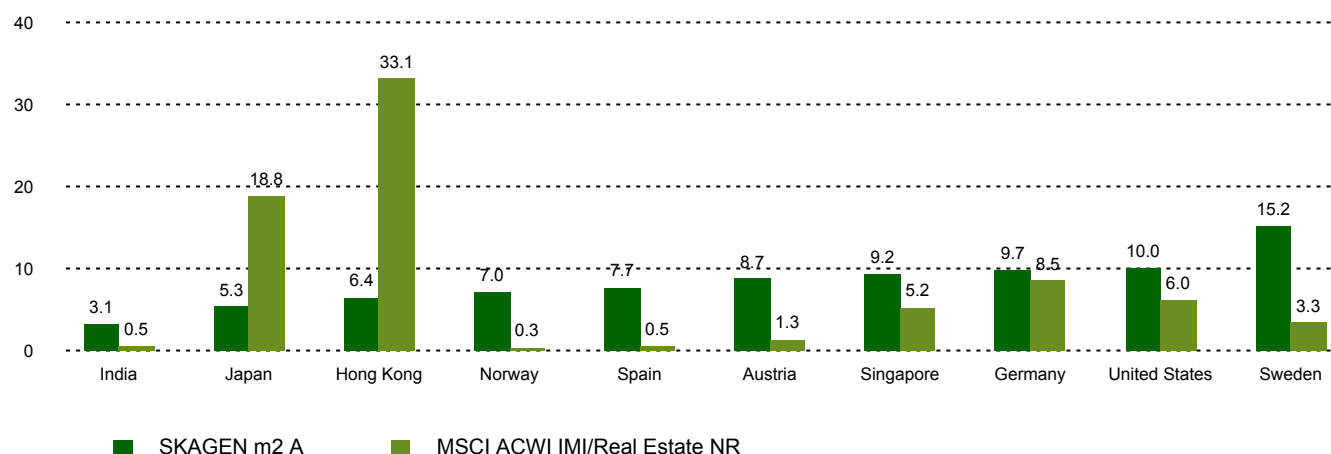
Largest detractors

Holding	Weight (%)	Contribution (%)
IRSA	3.78	-0.49
Mitsui Fudosan Co	5.22	-0.43
SL Green Realty	4.33	-0.28
Shangri-La Asia	2.57	-0.23
Columbia Property Trust	2.95	-0.22

Top ten investments

Holding	Sector	Country	%
Catena	Real Estate	Sweden	6.22
D Carnegie & Co	Real Estate	Sweden	6.05
Deutsche Wohnen	Real Estate	Germany	5.98
Inmobiliaria Colonial	Real Estate	Spain	5.87
Olav Thon Eiendomsselskap	Real Estate	Norway	5.34
Mitsui Fudosan Co	Real Estate	Japan	5.29
Global Logistic Properties	Real Estate	Singapore	4.60
Cheung Kong Property Holdings	Real Estate	Hong Kong	4.13
SL Green Realty	Real Estate	United States	3.91
Dic Asset	Real Estate	Germany	3.74
Combined weight of top 10 holdings			51.12

Country Exposure (top ten)



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Important information

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