

Performance Commentary

By the end of August there had been over thirty interest rate cuts globally. The resulting flight to safety on the back of recession fears was positive for real estate, which still provides decent yields. Besides the ongoing trade war debacle, the escalating rhetoric between Japan and South Korea also affected the overall Asian sentiment. The ongoing Hong Kong protests are starting to have a negative effect on the economy and populistic politics is increasingly a risk within the sector. SKAGEN m2 ended the month ahead of the index thanks to strong relative contribution. The Japanese conglomerate Mitsui Fudosan was the fund's best performer in August, while all the Japanese holdings contributed positively. Our Finnish success story Kojamo delivered a solid report and came in as second best contributor. Our Hong Kong names suffered from the ongoing political turmoil. With some exceptions, the sector has been priced higher since the beginning of 2019 along with the stock market in general. In spite of this, there are still many exciting opportunities to be found in the global real estate space. The sector remains attractive due to its stable and rising top-line, low cost financing and solid cash flows. 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.

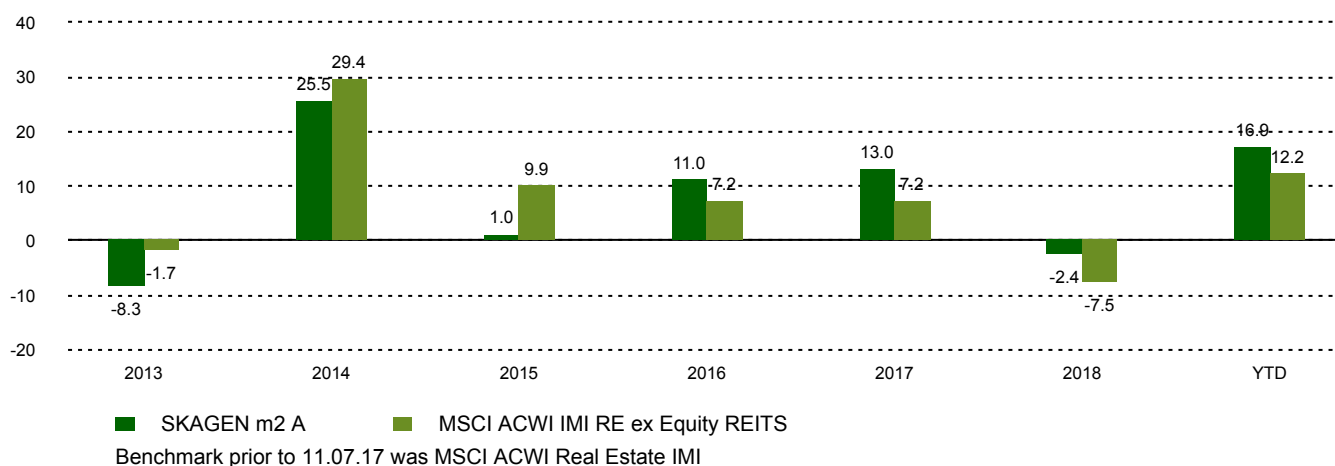
Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last month	0.3%	-2.4%
Year to date	16.9%	12.2%
Last year	10.2%	4.9%
Last 3 years	9.0%	3.2%
Last 5 years	8.7%	7.4%
Last 10 years	n/a	n/a
Since start	8.1%	8.3%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	23.03 EUR
Fixed management fee	1.50%
Total expense ratio (2018)	2.06%
Benchmark index	MSCI ACWI IMI RE ex Equity REITS
AUM (mill.)	168.93 EUR
Number of holdings	35
Portfolio manager	Michael Gobitschek

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Mitsui Fudosan Co Ltd	4.81	0.45
Kojamo Oyj	4.00	0.41
Aroundtown SA	4.49	0.32
Keihanshin Building Co Ltd	3.21	0.30
Stendorren Fastigheter AB	2.23	0.28



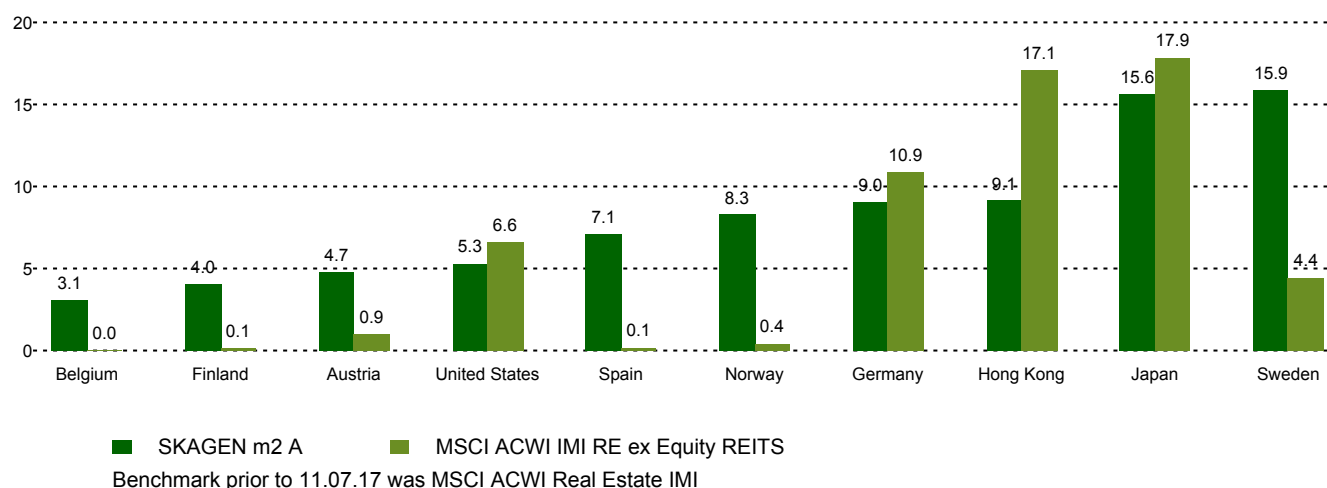
Largest detractors

Holding	Weight (%)	Contribution (%)
Shangri-La Asia Ltd	1.97	-0.25
Self Storage Group ASA	3.58	-0.23
Sun Hung Kai Properties Ltd	2.14	-0.22
CK Asset Holdings Ltd	2.89	-0.21
MRV Engenharia e Participacoes SA	1.69	-0.15

Top ten investments

Holding	Sector	Country	%
Hembla AB	Real Estate	Sweden	6.8
Mitsui Fudosan Co Ltd	Real Estate	Japan	5.1
Catena AB	Real Estate	Sweden	5.1
CA Immobilien Anlagen AG	Real Estate	Austria	4.7
Aroundtown SA	Real Estate	Germany	4.5
Deutsche Wohnen SE	Real Estate	Germany	4.5
KOJAMO OYJ	Real Estate	Finland	4.0
Self Storage Group ASA	Industrials	Norway	3.5
Entra ASA	Real Estate	Norway	3.2
Keihanshin Building Co Ltd	Real Estate	Japan	3.2
Combined weight of top 10 holdings			44.7

Country Exposure (top ten)



Contact



+47 51 80 37 09



contact@skagenfunds.com



SKAGEN AS, Post Box 160, 4001, Stavanger, Norway

Important information

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