

## Performance Commentary

August was a month of positive performance for real estate as economies slowly open. However, there continues to be uncertainty given the development of the pandemic. The sector remains polarised between segments, with NAV spreads at record levels. The market continues trying to ascertain the right value of underlying assets and currently prices in uncertainty about the future, particularly in the more punished segments like hotels and shopping malls. At some point, this spread will start to narrow, a point we think has been reached in the office segment where we have increased exposure. We initiated a new position at a good discount in the Canadian company Allied Properties Real Estate. Allied specialises in operating and developing urban office space near Canadian central business districts at lower occupancy costs than traditional skyscrapers. It also owns three urban data centres in Toronto. The best contributors in August were the Japanese conglomerates Keihanshin Building and Mitsui Fudosan. On the negative side, we find the Brazilian logistics company LOG. SKAGEN m2 continues to focus on companies that we consider to be resilient in trend-driven subsegments. The long-term prospects are positive, however, real estate will not be immune to challenges caused by the deteriorating macroeconomic environment.

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.

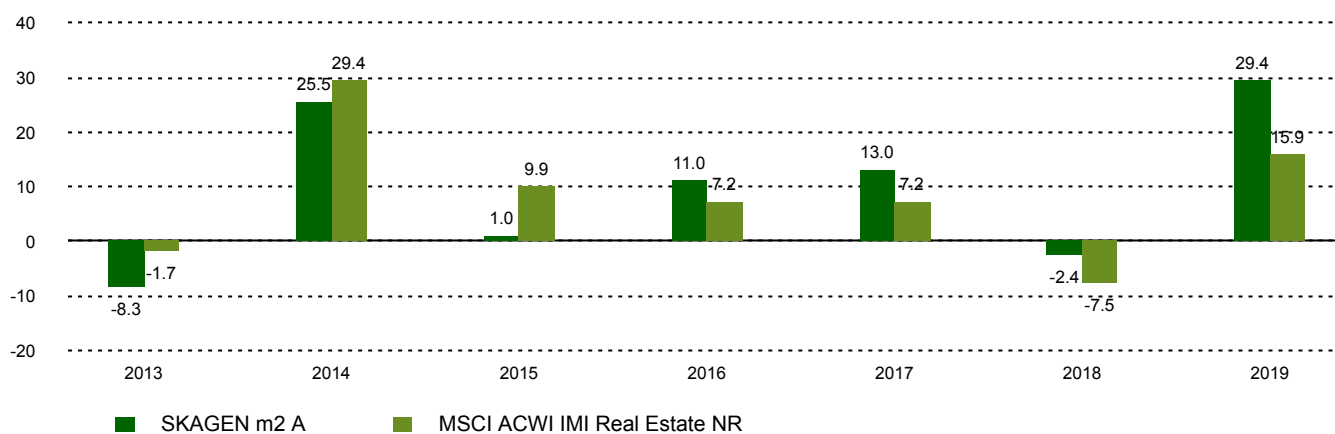
## Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last month	1.3%	1.8%
Year to date	-19.7%	-18.3%
Last year	-11.2%	-15.5%
Last 3 years	2.0%	-2.6%
Last 5 years	5.8%	1.6%
Last 10 years	n/a	n/a
Since start	5.4%	4.9%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	20.46 EUR
Fixed management fee	1.50%
Total expense ratio (2019)	2.68%
Benchmark index	MSCI ACWI IMI Real Estate NR
AUM (mill.)	167.44 EUR
Number of holdings	32
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 (%)
Keihanshin Building Co Ltd	4.12	0.43
Mitsui Fudosan Co Ltd	3.92	0.40
Shurgard Self Storage SA	4.04	0.28
ESR Cayman Ltd	1.56	0.23
Grainger PLC	4.03	0.19



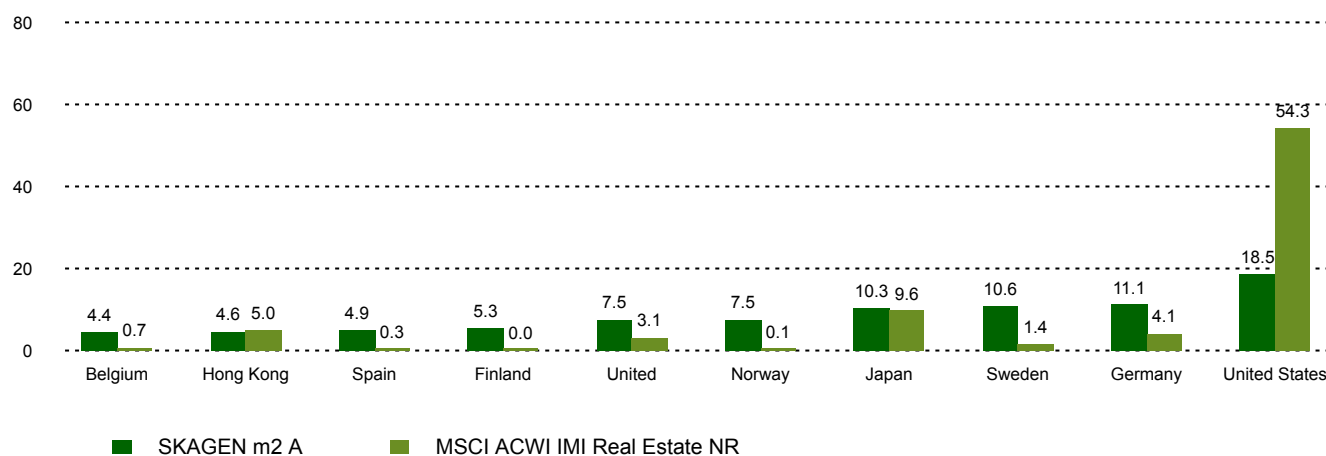
### Largest detractors

Holding	Weight (%)	Contribution (%)
LOG Commercial Properties	2.21	-0.58
Kojamo Oyj	5.58	-0.40
Aroundtown SA	2.85	-0.39
Healthcare Trust of America Inc	3.58	-0.33
Catena AB	5.46	-0.29

## Top ten investments

Holding	Sector	Country	%
EQUINIX INC	Real Estate	United States	6.0
KOJAMO OYJ	Real Estate	Finland	5.3
Catena AB	Real Estate	Sweden	5.3
Self Storage Group ASA	Industrials	Norway	5.3
LEG Immobilien AG	Real Estate	Germany	5.2
Keihanshin Building Co Ltd	Real Estate	Japan	4.5
Shurgard Self Storage SA	Real Estate	Belgium	4.4
CA Immobilien Anlagen AG	Real Estate	Austria	4.3
Mitsui Fudosan Co Ltd	Real Estate	Japan	4.1
Grainger PLC	Real Estate	United Kingdom	4.1
Combined weight of top 10 holdings			48.5

## Country Exposure (top ten)



■ SKAGEN m2 A ■ MSCI ACWI IMI Real Estate NR

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## Important information

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