

Performance Commentary

Confirmation of broad-based global growth and a good start to the earnings season drove global equity markets higher in October. SKAGEN Global outperformed its benchmark driven by strong results from several key holdings. The best monthly performers were Microsoft, Samsung Electronics and 3M, all of which reported Q3 earnings numbers ahead of market expectations. One of the largest detractors was the pharma company Merck, as the company announced a 12-18 month delay in the follow-up study on its key cancer drug. The fund added a new position in the global provider of information and analytics, RELX Group. The company is undergoing a massive transformation from sleepy publisher to an innovation-driven data analytics company. Two pharma companies, Merck and Roche, left the portfolio as we see a changed policy stance from the FDA accelerating the approval rate of competing generic drugs. Roche has made a significant contribution to absolute return since we bought the stock while the absolute contribution from Merck, while positive, has been more muted. We exited the holdings as new facts have changed our estimate of fair value – we no longer see upside from current levels. The fund also sold out of Toyota Industries following strong share price performance.

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.

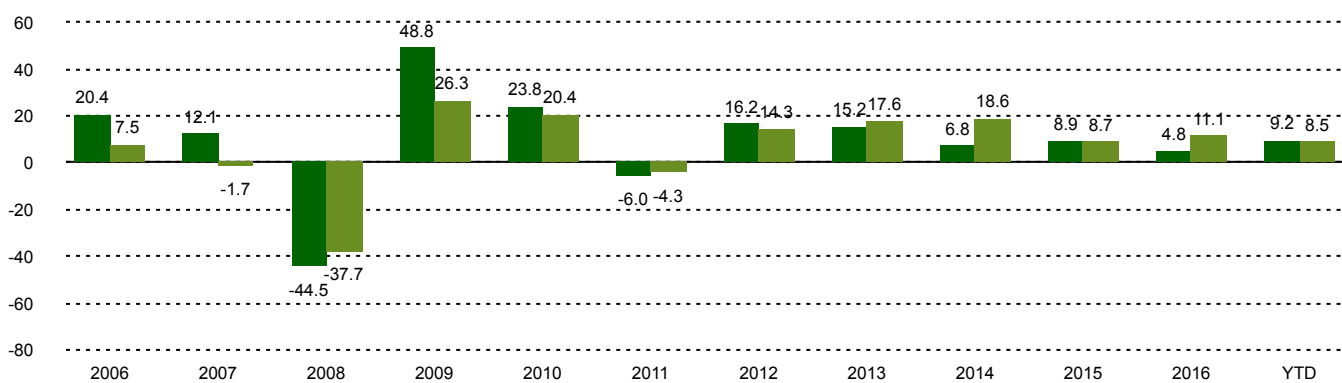
Historical performance (net of fees)

Period	SKAGEN Global A	Benchmark index
Last Month	4.7%	3.8%
Year to date	9.2%	8.5%
Last year	16.3%	15.8%
Last 3 years	7.9%	10.6%
Last 5 years	9.5%	13.2%
Last 10 years	4.8%	5.9%
Since start	14.0%	4.6%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	07.08.1997
Morningstar category	Global Large-Cap Blend Equity
ISIN	NO0008004009
NAV	174.32 EUR
Fixed management fee	1.00%
Total expense ratio (2016)	1.00%
Benchmark index	MSCI ACWI NR
AUM (mill.)	2784.85 EUR
Number of holdings	42
Lead manager	Knut Gezelius

Performance last ten years



The benchmark index prior to 1/1/2010 was the MSCI World Index.

Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
Microsoft Corp	5.07	0.73
Samsung Electronics	4.66	0.60
3M Co	4.64	3.19
Hiscox Ltd	3.19	1.15
Skechers USA Inc	1.15	0.39

Absolute contribution based on NOK returns at fund level

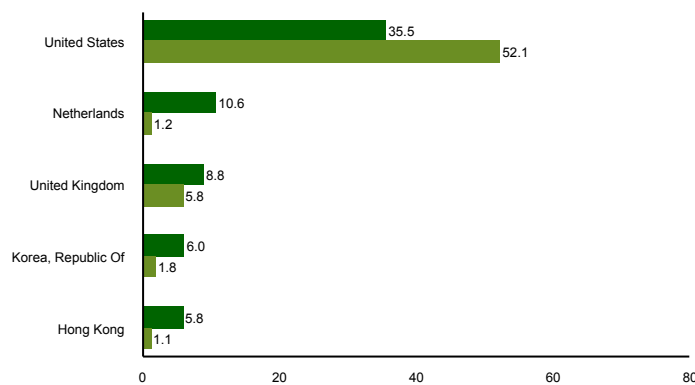
Largest detractors

Holding	Weight (%)	Contribution (%)
Roche Holding AG	2.97	-0.19
Merck & Co Inc	3.84	-0.16
Golar LNG Ltd	0.40	-0.02
Comcast Corp	2.13	-0.01
Toyota Industries Corp	0.06	0.00

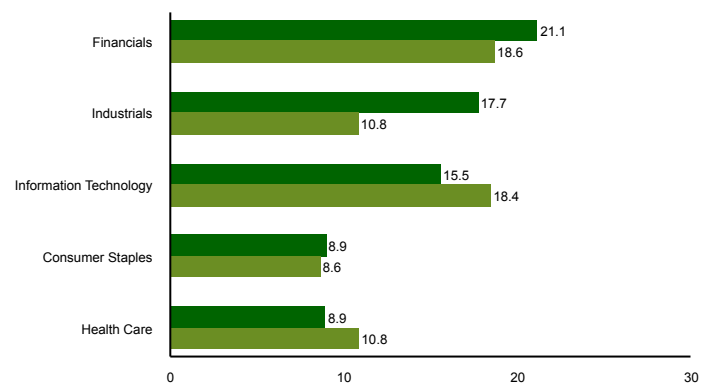
Top ten investments

Holding	Sector	Country	%
Citigroup	Financials	United States	5.5
CK Hutchison Holdings	Industrials	Hong Kong	5.2
Microsoft	Information Technology	United States	5.2
Samsung Electronics	Information Technology	Korea, Republic Of	4.7
3M	Industrials	United States	4.6
Unilever CVA	Consumer Staples	Netherlands	4.1
China Mobile	Telecommunication Services	China	3.8
Hiscox	Financials	United Kingdom	3.6
NN Group	Financials	Netherlands	3.3
Medtronic Plc	Health Care	United States	2.9
Combined weight of top 10 holdings			42.8

Country exposure (top five)



Sector exposure (top five)



■ SKAGEN Global A ■ MSCI ACWI NR

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