

Performance Commentary

SKAGEN Vekst delivered somewhat weaker return than its index in July. Though volatile, the earnings season has been one of good European and somewhat muted U.S. growth. We continued to concentrate the portfolio towards companies where we see the best risk reward. By the end of July, the fund was invested in 48 companies, of which 51 percent were in the Nordics. The fund holdings are focused towards growth and strong free cash flow, and amongst these were new holding Vestas and long term holding Volvo. We added two new companies with exposure to the semiconductor industry. Both Applied Materials and Broadcom are experiencing strong demand. We also switched our Swiss pharma exposure from Roche to Lonza during the period. SKAGEN Vekst reduced its position in Norwegian Air Shuttle after a disappointing quarter, and would like to see more operational stability going forward. Kia and Continental were sold on the back of worsening news flows in the automotive sector. Continental has been a long-term holding that has given our unitholders a strong return of nearly 400 percent over the past 6 years.

The fund selects low-priced, high-quality companies in the Nordic region and 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.

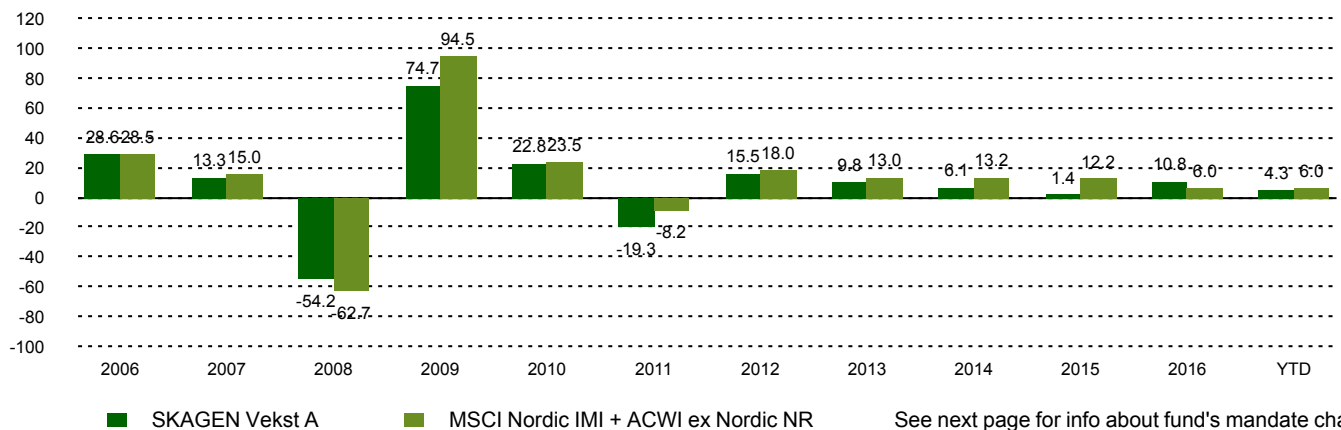
Historical performance (net of fees)

Period	SKAGEN Vekst A	Benchmark index
Last Month	-0.7%	-0.2%
Year to date	4.3%	6.0%
Last year	15.3%	12.3%
Last 3 years	4.4%	9.7%
Last 5 years	7.0%	10.8%
Last 10 years	1.9%	4.5%
Since start	13.5%	9.8%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	01.12.1993
Morningstar category	Global Flex-Cap Equity
ISIN	NO0008000445
NAV	238.57 EUR
Fixed management fee	1.00%
Total expense ratio (2016)	1.00%
Benchmark index	MSCI Nordic IMI + ACWI ex Nordic NR
AUM (mill.)	848.21 EUR
Number of holdings	48
Lead manager	Øyvind Fjell

Performance last ten years



Contributors

Largest contributors

Holding	Weight (%)	Contribution (%)
Norsk Hydro	2.97	0.28
Bonheur	2.75	0.12
Lonza Group AG	1.58	0.12
Lundin Petroleum	1.17	0.11
Sberbank of Russia	1.38	0.09

Absolute contribution based on NOK returns at fund level

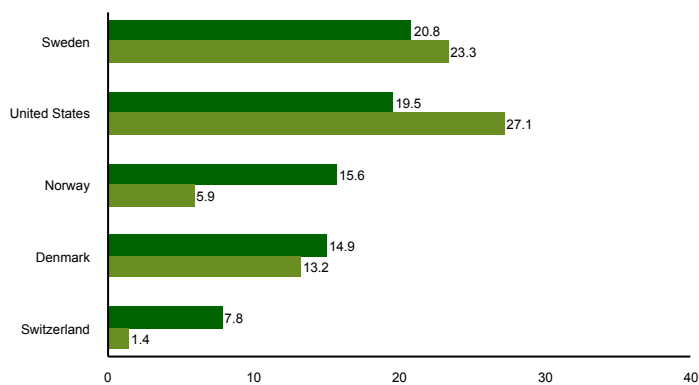
Largest detractors

Holding	Weight (%)	Contribution (%)
Norwegian Air Shuttle	2.79	-1.24
Ericsson	3.41	-0.58
Novo Nordisk	5.06	-0.40
Kinnevik	4.40	-0.28
Citigroup	4.61	-0.22

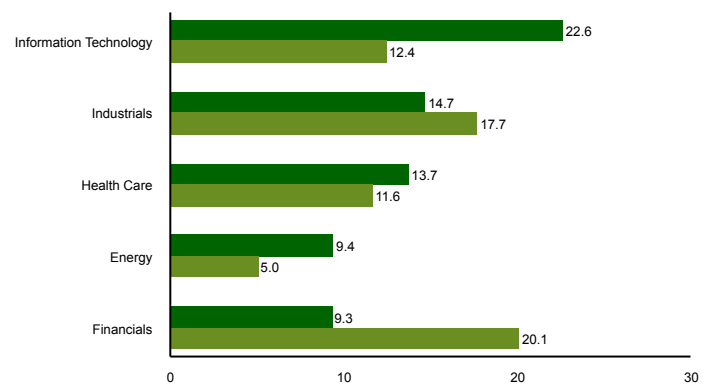
Top ten investments

Holding	Sector	Country	%
Samsung Electronics	Information Technology	Korea, Republic Of	6.10
Lonza Group AG	Health Care	Switzerland	6.03
Carlsberg	Consumer Staples	Denmark	5.50
Novo Nordisk	Health Care	Denmark	5.18
Broadcom Ltd	Information Technology	United States	5.07
Citigroup	Financials	United States	4.46
Kinnevik	Telecommunication Services	Sweden	3.81
Applied Materials	Information Technology	United States	3.42
Volvo	Consumer Discretionary	Sweden	3.41
CASH	CASH		3.10
Combined weight of top 10 holdings			46.08

Country exposure (top five)



Sector exposure (top five)



■ SKAGEN Vekst A ■ MSCI Nordic IMI + ACWI ex Nordic NR

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Important information

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Effective 1/1/2014, the Fund's investment mandate changed from investing a minimum of 50% of its funds in Norway to investing a minimum of 50% of its funds in the Nordic countries. This means that returns prior to the change were achieved under different circumstances than they are today. Prior to 1/1/2014, the benchmark index was an evenly composed benchmark index consisting of the Oslo Stock Exchange Benchmark Index (OSEBX) and the MSCI All Country World. The benchmark index prior to 1/1/2010 was the Oslo Stock Exchange Benchmark Index (OSEBX).