The architect Ulrik Plesner's first extension to Brøndum's Hotel. 1892. Detail. By Johan Peter von Wildenradt, one of the Skagen Painters. This image belongs to the Art Museums of Skagen.

SKAGEN m²

Status Report – November 2016

The art of common sense

Summary – November 2016

- The fund was up 2.8% (in EUR), while the index gained 0.9%, meaning a positive relative performance of 2.0% for the month. Year to date, SKAGEN m2 is up 8.1%, while the MSCI Real Estate IMI Index (RE) is up 4.6%*.

- A lot of investors were worried about the outcome of the US election, with the market expected to hold a relief party after the election, independent of the outcome. The logic of the market is such that when everybody is prepared for the worst, there are no sellers left when the feared outcome is confirmed. This was the reverse of the Brexit situation when nobody was prepared.

- The largest positive contributor in November was Global Logistic Properties followed by three US companies. GLP announced they are doing a strategic review after rumours that a Chinese consortium was interested in acquiring the company. If the rumours are true, it would be among the largest Asian M&A activities so far in size. The US companies were sold down ahead of the election and bounced back afterwards.

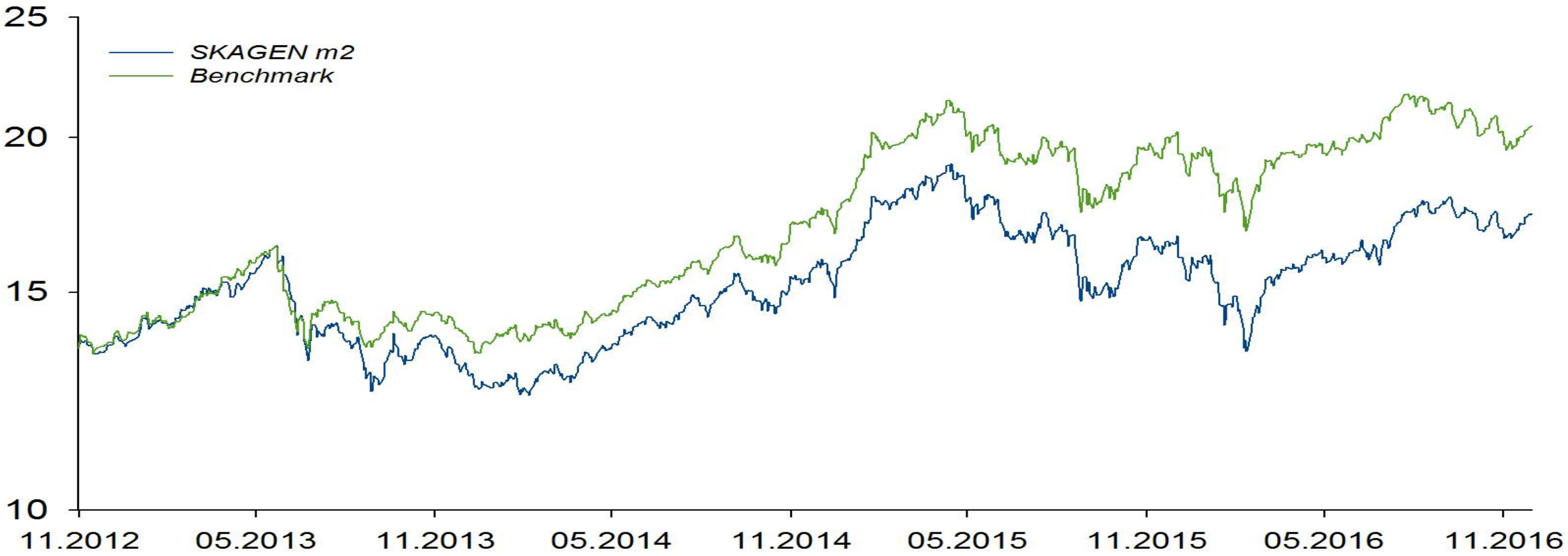
- The largest detractors in November were Emlak, Catena and Oberoi. Emlak lost on an interest rate hike and negative FX movements. The Swedish real estate market has been struggling on the perception of higher US interest rates driven by inflation after the election, causing many investors to take profit. SKAGEN m2 added to our Swedish names at good prices. Oberoi lost on the government's surprise move to scrap all 500 and 1000 notes overnight to reduce “black money” usage in economy. The real estate sector was hurt by this.

- No new holdings were added to SKAGEN m2 during November. The top 10 and 35 positions constitute 47% and 95% of the fund, respectively. SKAGEN m2 currently invests in 38 (+1 bond) companies and the cash position is 3.3%.

** Unless otherwise stated, all performance data in this report is in EUR, relates to class A units and is net of fees.*

Results, as of November 2016

EUR, net of fees

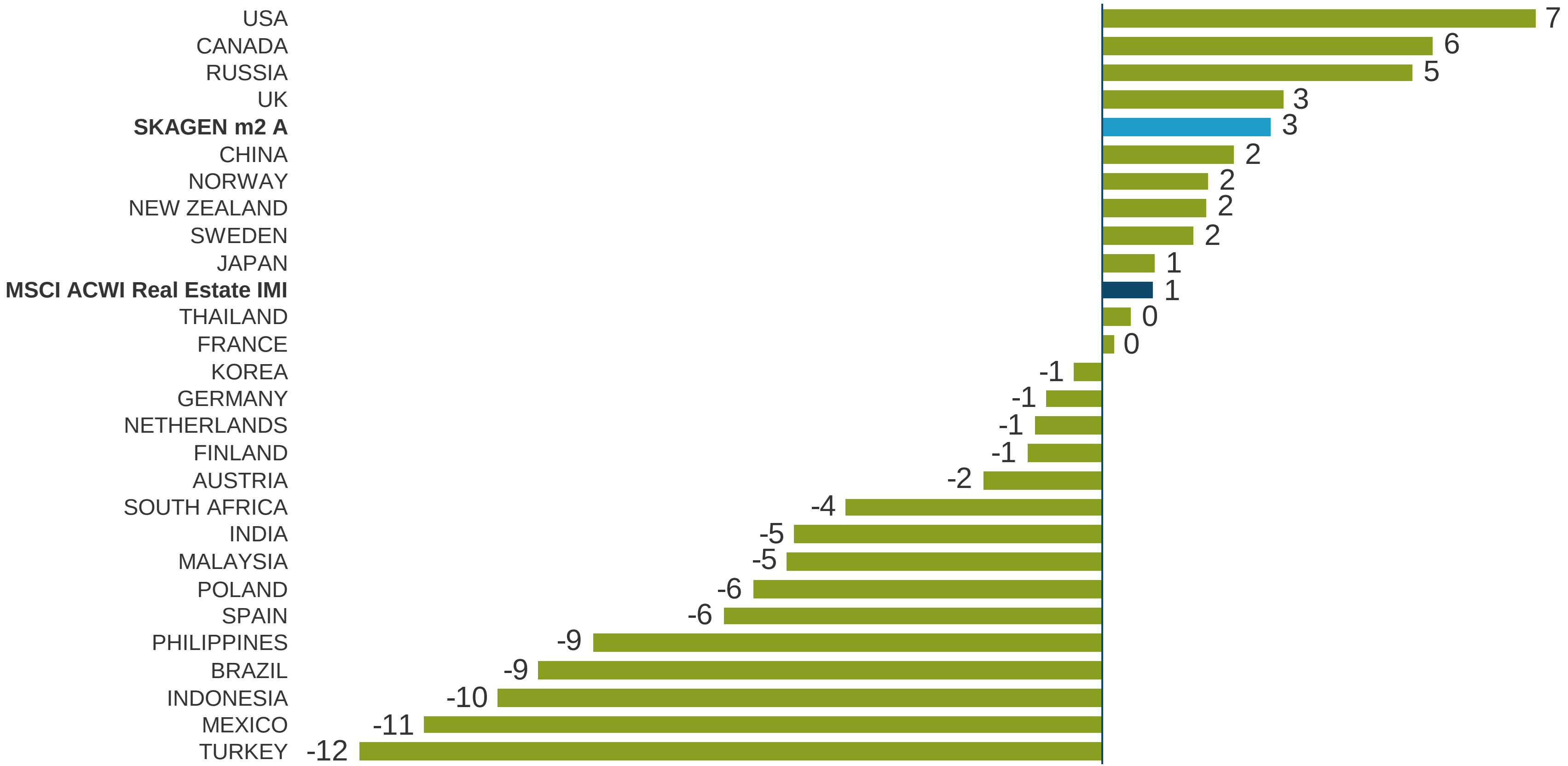


	November	QTD	YTD	1 year	3 years	Since inception*
SKAGEN m2 A	2,8%	0,1%	8,1%	5,9%	10,0%	6,3%
MSCI ACWI Real Estate	0,9%	-2,1%	4,6%	1,7%	13,6%	10,6%
Excess return	2,0%	2,2%	3,5%	4,3%	-3,6%	-4,3%

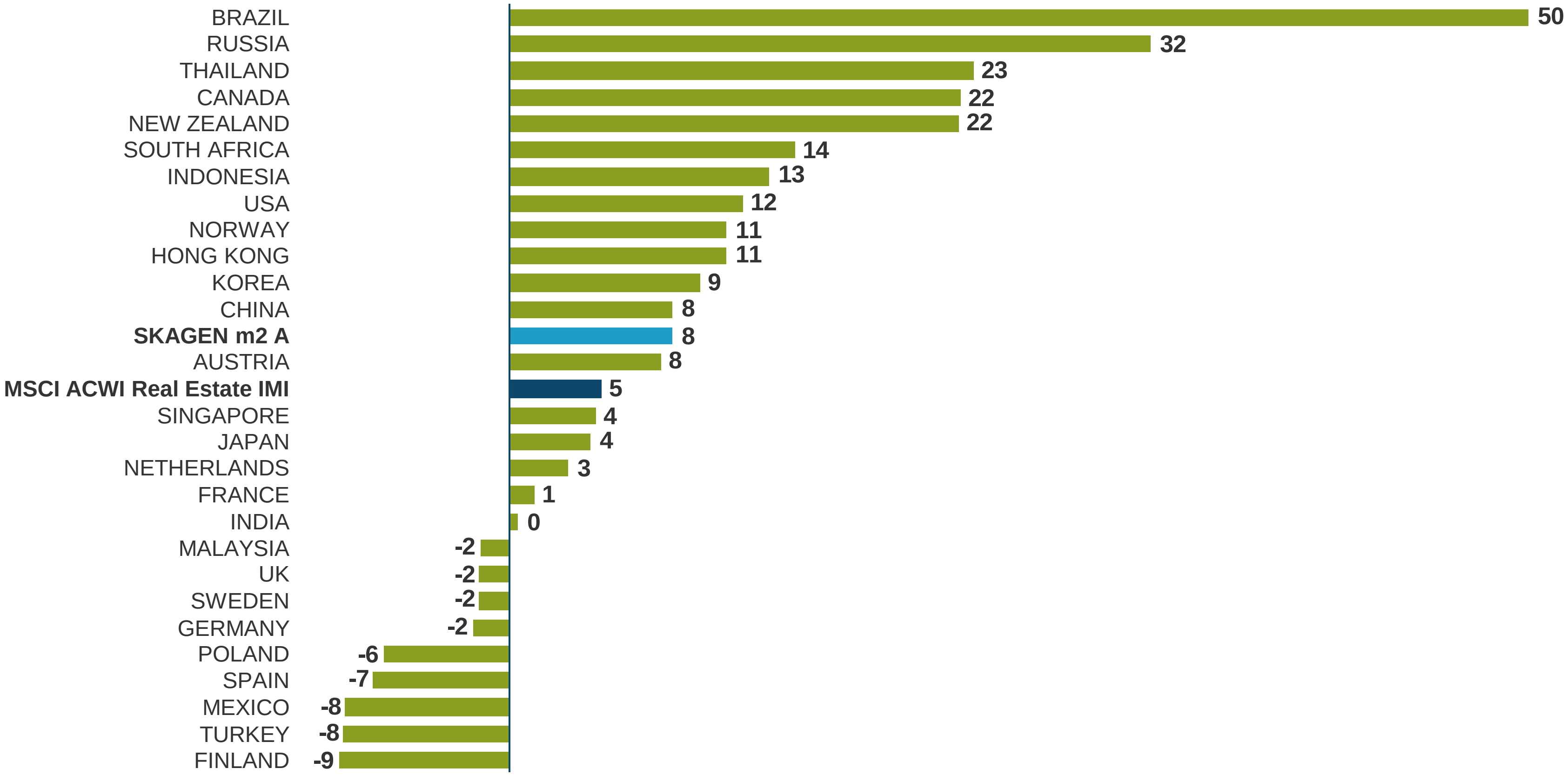
*Note: All returns beyond 12 months are annualised (geometric return), * Inception date: 31 October 2012*

SKAGEN

Markets in November 2016 in EUR (%)



Markets YTD in 2016 in EUR (%)



Main contributors November 2016

Largest positive contributors

Company	NOK (000)
Global Logistic Properties	6 213
SL Green	5 521
Ashford Hospitality Trust	4 744
CBL Properties	4 401
Mitsui Fudosan	3 646
Grivalia Properties	1 728
British Land	1 361
PS Business Parks	1 199
Columbia Property Trust	1 155
General Growth Properties	1 126

Largest negative contributors

Company	NOK (000)
Emlak	-2 116
Oberoi Realty	-1 936
Catena	-1 710
Mercialys	-1 137
Olav Thon	-1 120
Melia Hotels	-944
Inmobiliaria Colonial	-829
Dic Asset	-745
First Real Estate Investment Trust	-684
Atrium Ljungberg	-650

Value Creation MTD (NOK MM): 22

NB: Contribution to absolute return

Main contributors YTD 2016

Largest positive contributors

Company	NOK (000)
IRSA	11 496
D Carnegie	9 162
Olav Thon	6 348
PS Business Parks	5 154
BR Malls	3 694
Brandywine Realty Trust	3 656
Nomura Real Estate	3 572
Deutsche Wohnen	3 084
SOHO China	3 008
Ashford Hospitality Trust	2 217

Largest negative contributors

Company	NOK (000)
Big Yellow Group	-5 513
Columbia Property Trust	-4 912
Mitsui Fudosan	-3 970
Melia Hotels	-3 635
Global Logistic Properties	-2 751
Apartment Investment	-2 627
Dic Asset	-2 542
HCP	-2 520
Vista Land	-1 926
Catena	-1 786

Value Creation YTD (NOK MM): 21

NB: Contribution to absolute return

Main contributors with comments, November 2016

Largest contributors

Company	NOK (000)	Comments
Global Logistic Properties	6 213	Announced a strategic review after acquisition interest from Chinese consortium
SL Green	5 521	Bounce back after Trump and Q3 result
Ashford Hospitality Trust	4 744	Inflation expectation rise after Trump election and hotel stocks climb
CBL Properties	4 401	Bounce back after Trump and good Q3 result
Mitsui Fudosan	3 646	Rebound. Strong RE market and report, revised guidance for FY17. Discount to NAV
Grivalia Properties	1 728	Trading at discount, share buybacks
British Land	1 361	3Q result ok and no special news
PS Business Parks	1 199	No company-specific news, result OK
Columbia Property Trust	1 155	No company-specific news, result OK
General Growth Properties	1 126	No company-specific news, result OK

Main detractors with comments, November 2016

Largest detractors

Company	NOK (000)	Comments
Emlak	-2 116	Interest rate hike and negative FX movements
Oberoi Realty	-1 936	RE market hit when government took initiative against “black money”
Catena	-1 710	Swedish RE market weak since beginning of Q4 on interest rate hike perceptions
Mercialys	-1 137	Investors pricing in inflation and interest hikes in the future
Olav Thon	-1 120	No company-specific news, result OK
Melia Hotels	-944	No company-specific news, result OK
Inmobiliaria Colonial	-829	Investors pricing in inflation and interest hikes in the future
Dic Asset	-745	No company-specific news, good result and progress
First Real Estate Investment Trust	-684	No company-specific news
Atrium Ljungberg	-650	Swedish RE market weak since beginning of Q4 on interest rate hike perceptions

Most important changes Q3 2016 (>2m)

Q3 Holdings increased

British Land (New)

Inmobiliaria Colonial

Axiare Patrimonio

Mitsui Fudosan

D Carnegie

Q3 Holdings reduced

BR Properties SA (Out)

Bekasi Fajar (Out)

HCP Inc

Brandywine Realty Trust

Soho China

General Growth Properties

CA Immobilien

Deutsche Wohnen

Ashford Hospitality Trust

Most important changes Q4 2016 (>2m)

Q4 Holdings increased

Deutsche Wohnen
Catena
D Carnegie & Co
Ashford Hospitality Prime
General Growth Properties
British Land

Q4 Holdings reduced

Brandywine Realty Trust (Out)
Nomura Real Estate
Global Logistic Properties
Mitsui Fudosan Co Ltd
HCP (Out)
Oberoi Realty Ltd
Ashford Hospitality Trust

Key earnings releases and corporate news November 2016

Deutsche Wohnen, Germany (4.6%)

Strong report and extremely strong guidance with NAV +30%.

Implications for Investment: Plagued by rising bund yields, DW delivered another strong report beating most expectations with strong growth in FFO and NAV. Margins are top class confirming business model in terms of efficiency and concentration gains from Berlin focus. Strong L-F-L rental growth will continue to drive cash flow and NAV over time. Berlin residential fundamentals are still very strong. DWNI announced a substantial increase in their capex program to EUR 1.5bn (prev. EUR 400m). This could add up to ~100bps topline growth p.a. over the coming years, translated into ~4-5% p.a. in total. These investments approximately double the rent potential to around 50% in the investment portfolio and DW guided 8% FFO yield from new investment. DW also communicated extremely strong NAV growth both from rental growth but also (a bit peculiar) from potential future yield compression. All in all, long-term NAV growth was equivalent to EUR 18/share, however we remain slightly more realistic and are perfectly happy with the post capex rental growth revaluation. Even more important is the growth in cash flow enabling DW to grow internally.

Colonial, Spain (4.9%)

Moving in the right direction with strong rental and FFO growth and share buyback

Implications for Investment Case: Positive. The Spanish office operator confirms our thesis of an entry into a rental growth cycle, driven by higher occupancy due to lack of supply (prime) in Spain. Paris CBD office market stable and supportive of the case. Q3 rental reversions in the prime CBD (avg.) came in at 8% L-F-L rental growth. Further (value added tilted) projects will be important for adding capital value and rental growth, the sooner the better to catch the perceived recovery. Acquisitions added 13% to the topline growth. During Q3, the company bought a 15% stake in m2 holding Axiare (and 1% in SFL) at a low price. The full intention is not yet clear other than buying assets at attractive prices. Clearly the company is moving in the right direction both in terms of asset and credit management. Further management confirmed commitment of delivering an IRR of 10%, only obtainable by repositioning of assets due to limited occupancy upside. COL also announced a share buyback of up to 10m shares of which ~10% will be destined to the management incentive program and the rest for “general corporate use”. Basically this means the shares will be used as acquisition currency for future deals – Axiare?

Catena, Sweden (4.8%)

Trending in the right direction but still work to do

Implications for Investment Case: Neutral. Catena reported Q3 consolidated numbers after Tribona acquisition. The company still has a lot to do in the implementation process to increase margins. Topline will improve next year from assets coming into the market (already known) also from improving vacancy, such as Jönköping which is completely empty. All these upcoming and to a certain degree known events will create new pure cash flow and contribute to an earnings and dividend uplift. Further acquisitions also to be expected. Company acquired asset in Helsingborg during the week at yield ~8%.

Key earnings releases and corporate news November 2016 (cont.)

Mitsui Fudosan, Japan (5.0%)

On track with revised positive guidance for FY17

Implications *for Investment*: Positive. Mitsui delivered another decent report, confirming the case of continuous momentum in the Tokyo real estate market. Operating profit represented 52% of FY guidance vs. usual 40% in Q2. Guidance was raised for FY driven by growth in leasing business and property sales business. Company still trades at a deep discount. The company should start to buy back shares and not start further developments due to an increased supply situation from 2018 onwards.

GLP, Singapore (4.3%)

Core earnings up in all segments, positive signs in China

Implications for Investment Case: Slightly positive with operational metrics heading in the right direction. A previous drag, the Chinese 2nd Tier city supply situation, was addressed positively with lease ratio improving. Management was also positive on jacking up development starts in China within 12-18 months (at 90% lease ratio). Management guided for the launch of a China income fund in next 6 months. This will be a trigger, enabling the company to have a full capital recycling platform in China. Fund management platform continues to grow (+25% YoY) and is becoming more important as a contributor. Trigger for the company is a continuous trend in EPS growth, further monetisation and an operationally stabilised Chinese market where GLP undoubtedly has the best conditions to succeed among peers. Since 2014, GLP has established strategic partnerships with a number of leading China state-owned companies enabling GLP to expand its customer base and strengthen its land sourcing capabilities. E-commerce driven demand for modern logistics is growing in strength in all GLP´s markets globally. GLP is still trading cheaply on substance, reversed negative EPS trend is again confirmed in this report. Share buyback continues. There is currently a rumour surrounding the company that a Chinese consortium is negotiating with majority shareholder GIC about acquiring a stake.

Emlak, Turkey (1.5%)

Another very strong report beating all expectations with sustained NAV growth

Implications for Investment Case: Positive. Istanbul-focused residential developer Emlak announced very strong Q3 revenue and earnings beating all expectations even though 2H is expected to be strong. Emlak has huge existing contracts with guarantee of income to be recognised until 2019 (representing ~75% of equity). Low capex & working capital requirement allows Emlak to generate sustainable cash flow even in a volatile macro environment. Emlak has a good risk adjusted income model via its “revenue sharing model” meaning they don’t take on developer risk. High unit sales trend, supported by new project launches and high tender-multiples achieved on new land tenders remain key drivers for earnings and valuation. Emlak’s revenue recognition (at the time of delivery) leads to volatile P&L progression as seen this quarter. Pricing continues to be stable on presales, mortgage rates have gradually eased during the year and will probably decline further since the government recently stressed lower levels (by cutting the reserve requirement ratios for banks), which should be positive for pre-sales. Very strong balance sheet at net cash position representing 25% of MCAP. Pre report management raised earnings guidance.

Key earnings releases and corporate news November 2016 (cont.)

CA Immofinanz, Eastern Europe, Germany and Austria (2.0%)

Solid NAV growth continues, new buyback program and improved recurring income (FFO).

Implications for Investment Case: Positive. Results are however, overshadowed by the merger discussion with Immofinanz. The company continues to improve and keep the discount at 30%+ to NAV, meaning that a lot of bad news is included. The operational improvement will also mean that the share price will increase with metrics at the same discount factor going forward. The company launched another share buyback program and this is obviously accretive to NAV per share. NAV per share increased to EUR 26, trading at EUR 17, and FFO increased 7% YoY to 0.22 cents in Q3, a clear improvement and in line to meet its 2016 FFO target of EUR 0.90 per share.

Big Yellow, UK (2.2%)

Strong growth and increased cash flow and dividend.

Implications for Investment Case: Positive. The company is expected to deliver strong growth and the company has not yet been affected by Brexit even if the “contracts” are on a month-to-month basis. The company stated that they were prepared for a Brexit effect if it appears, but that remains to be seen. L-F-L rental growth was up 6%. Occupancy increased from 76.7% to 79.0% YoY. The goal is to reach an occupancy rate of 85% by the end of 2017. FFO per share (adjusted EPRA) was up 12% YoY.

Olav Thon, Norway (5.5%)

Q3 result in line with expectations, but the market fears reduced dividend and is waiting for asset sales to end.

Implications for Investment Case: Confirmed the case. We maintain our position as a long-term growth case. Adjusted (no value changes and normalised tax) earnings were approximately NOK 2.8 per share. However, the result is up 10% YoY, showing significant growth even short term. Organic growth was 3%, in line with inflation and the rest is new investments. The company has invested NOK 2bn YTD and another NOK 1bn after quarter end. LTV ended at 45%, which means that they don’t need equity financing to grow. The NAV increased to NOK 223, but the 10y swap has increased 45bp since quarter end, and NAV may be lower at the moment. This is a company with no surprises that should be owned for the long term as long as the price is favourable. NAV is based on average yield of 5.39%.

Key earnings releases and corporate news November 2016 (cont.)

Melia Hotels, Spain (1.9%)

Strong performance in Spanish resort, RevPar up 29% YoY.

Implications for Investment Case: Neutral. The debt level was further reduced to EUR 530m (MC=EUR 2.4b), but the increased cost from software and leasing hotels not owned dragged down cash production. Melia Hotels is a hotel management and owner company. The company has become more asset light and has sold hotels, now owning 18.3k rooms out of 82k in operation. The company has a significant presence in the main cities in Spain (Madrid/Barcelona) and leisure exposure in Asia, Caribbean and the Mediterranean. Q3 was another strong quarter. Spain seems to be the preferred tourist destination in Europe at present.

IRSA, Argentina (3.5%)

Q117 shows improvement in Argentina and loss in Israel.

Implications for Investment Case: Positive, but the market reaction was negative. Investments in Israel contain an extreme upside. However, this is a restructuring case that fluctuates along the way. The lower sales result in malls reflects the fact that improved (reduced) inflation numbers are coming, which will most likely be a surprise for the market. IRSA invests in Argentina and Israel. Malls disappointed with lower sales numbers in ARS. However, the lower sales number in local currency may be an indicator of lower inflation coming through which will be very positive going forward, meaning lower interest level. Short-term pain will most likely create new opportunities and improve the business climate also for companies like IRSA that need to be able to fix FX and use the capital markets. The occupancy rate at the malls is still very high at 98.4%. Their offices are now 100% occupied, but at slightly lower rents (USD 25.5/sft, down from USD 26.3 YoY). The hotels also show clear improvement.

IRSA has refinanced most of its upcoming debt maturities (USD 360m) and postponed maturities until 2023. They have so far invested USD 515m in Israel and have full control over IBDB (Israeli investment company). The weaker result in IBDB does not mean weaker performance. The company has issued debt and continues to improve regardless of some financial setbacks.

DIC Asset, Germany (2.4%)

Increased management income and earnings maintained with more asset light model.

Implications for Investment Case: Positive. The company has begun to see significant earnings from fund management fees that replace lost rental income from sold assets. Fund management fees have increased from EUR 3.3m to EUR 16.1m, and have now become a strong contributor to a more asset light model. The company continues its path to increase management fees and become more asset light. The rental income decreased from EUR 92m to EUR 69m YTD, while management increased from EUR 3m to EUR 16m. Another positive was reduced vacancy from 13% to 11.8% QoQ. The company is disposing of assets on own balance sheet to fund management business and securing future cash flow from disposed assets. Currently, the asset management business is expected to increase AUM to EUR 1.6bn by the end of the year, up 100% from last year.

Key earnings releases and corporate news November 2016 (cont.)

Capitaland, Singapore (and China) (1.5%)

Q3 results show continuous improvement in residential.

Implications for Investment Case: The result was in general strong, but in line with expectations. Sales in China and Singapore showed continued improvement as observed in Q2. Overall tenant sales in malls were up 9.1% in line with markets. The company is currently trading at SGD 3, and NAV is approximately SGD 4.2-4.6. Capitaland is one of the biggest Asian real estate companies. (MC SGD 13bn). The company operates as a developer, manager and owner of direct real estate and units in managed funds.

Ashford Hospitality Trust, US (2.4%)

Q3 result and RevPar in line.

Implications for Investment Case: Neutral. After a surprisingly positive Q2, the company admitted that they will not meet their sales target this year given the softer market. The result was in line with expectations. RevPar was up 3.4% compared to overall market of 3.3%. They were able to refinance most of their upcoming debt in 2017, in addition to lowering their preferred equity interest. They thus removed some overhang on the share price. Their balance sheet consists of more than USD 2 per share in free cash (share price is USD 5.5) that they can distribute to shareholders. The dividend yield of 7% seems well covered as most of the upcoming debt is already refinanced.

Ashford Hospitality Prime, US (1.9%)

Q3 operational result good, but still struggling with the bid for the company.

Implications for Investment Case: Negative, because no clarification around bidder. The bid was net USD 20.5 but not accepted due to uncertainty regarding financing and refusal to sign NDA (non-disclosure agreement for due diligence). The conflict between management and the bidder has destroyed value. The company now trades at USD 12.5 while the bid is USD 20.5. The company's assets may be valued at USD 20 freestanding in the real market. The bid was fair given the muted lodging sector in the US. The company is externally managed and the management company is entitled to a termination fee. The bid was USD 23.55 gross, and approximately USD 20.50 to shareholders. The refusal to sign the NDA is a sign of mistrust and the bid seems to be lost. However, the bidder is the winner since the real estate hotel market has been moving south. The result was coloured by legal costs of USD 14m due to the fight against activist and financial advisors for selling the company. There is still hope and the company remains cheap as a stand alone case. Revpar was up 4.3% due to the democratic party national convention taking part in one of their hotels. Ex this event, Revpar was up 2.5%.

Key earnings releases and corporate news November 2016 (cont.)

General Growth Properties, US (2.0%)

Strong result and increased dividend.

Implications for Investment Case: Positive. The result was in line or slightly above weaker expectations after Q2. We reduced the weight from 3% to 2% recently and may increase it again after a 20+% drop in share price. The company increased the dividend from 20 to 22c/q. Q3 was strong and the company has been deleveraging by selling JV and some assets. However, they also bought 5 boxes (stores at end of malls) from Macys and seems quite optimistic independent of some weaker retail signals. The company continues to see strong demand for A-malls. Occupancy remains at 96%. The tenant sales declined from USD 600 to USD 583, so retailers are struggling. Same store NOI was up 4.4% ex fees.

Largest holdings as of November 2016

	Holding size	Price	P/NAV	Div. Yield 2016e	EBITDA 2016e/EV
Olav Thon Eiendomselskap ASA	5,4 %	159	75%	1,1%	6,5%
SL Green Realty Corp	5,2 %	105,55	75%	2,9%	6,6%
D Carnegie & Co AB	5,1 %	101,5	106%	0%	3,8%
Mitsui Fudosan Co Ltd	5,0 %	2690,5	69%	1,2%	6,1%
Inmobiliaria Colonial SA	4,9 %	6,3	86%	3,2%	3,4%
Catena AB	4,8 %	125,75	95%	2,8%	5,3%
Deutsche Wohnen AG	4,6 %	29,23	104%	2,6%	3,7%
Global Logistic Properties Ltd	4,3 %	2,06	69%	3,4%	4,1%
CBL & Associates Properties Inc	4,1 %	11,82	60%	9,0%	9,6%
Mercialys SA	3,8 %	18,34	86%	6,4%	4,9%
Weighted top 10	47,2%		83%	2.9%	5.4%
Weighted top 35	95%			3.1%	6.1%
Benchmark				3.9% actual	

The largest companies in SKAGEN m2 as of November 2016

OLAV THON GRUPPEN

Olav Thon owns a portfolio of 65 shopping malls and manages an additional 27 malls for external owners. In addition, the company owns office buildings, restaurants and hotels (2 NOT Thon Hotels) located primarily in the Oslo area. 76% of its income is from malls and the rest from commercial real estate (mainly office and retail). Listed on the Oslo Stock Exchange in 1983. Gross (inclusive JV) lettable space: Shopping malls: 1m square metres and commercial estate 263 000 square metres. Diversified into Sweden in Q3 ‘14 after buying five shopping malls with 122 000 square metres of space for NOK 3bn.

SL GREEN REALTY CORP.

SL Green Realty Corp. is a fully integrated, self-administered and self-managed REIT. The company is focused on owning and operating office buildings in Manhattan. It owns equity or debt in 92 properties totalling 41.6m square feet. In addition to Manhattan, they also have interests in Manhattan's surrounding suburban areas. Its Manhattan properties have an occupancy rate of 95.9% compared to 83.5% (Q1‘15) for its properties in suburban areas.

D. CARNEGIE & CO.

D. Carnegie & Co is the largest listed residential real estate company in Sweden specialising in residential properties. The company owns and manages over 16k units concentrated in the Stockholm region. Strategy is to refurbish and revitalise apartments and areas in the “miljon program” (residential blocks that were built between 1960-75 in Sweden that became famous for building away the housing shortage in an effective, fast and not very aesthetic way). Current units are expected to be refurbished in 10 years. The company does not clear all buildings, rather refurbishes when each unit is empty avoiding income loss. Total portfolio valuation is SEK 13.6bn. Huge asset revaluation, building rights value and privatisation potential. Apartments are valued in the books at SEK 11 500/sqm. In June 2016 Blackstone acquired a majority of shares, a bid for all shares to come.

MITSUI FUDOSAN

Established in 1941, Mitsui Fudosan has been an active leader in the Japanese real estate industry, successfully developing new business opportunities and establishing a dominant position. The company is an integrated firm involved in office leasing, commercial facilities, condominium development, investment property development and REITS. 8% of MF's assets are located on other continents. Well-integrated and balanced growth model with development and investment properties diversified among different real estate sub-segments. Management business (car park leasing, property management) provides stable earnings growth over time, and together with other recurring earnings from commercial assets, mitigates the volatility in the development segment.

Colonial

Colonial is a leading Spanish prime property company present in Spain (Barcelona and Madrid) and France (Paris). The presence in France is structured through a 53.1% stake in the French listed company Société Fonciere Lyonnaise. Majority of assets are high quality CBD (75%) offices (94%). Colonial is the only liquid Spanish listed Real Estate company that managed to remain listed and successfully navigate through the turbulent waters of the recent economic crisis. The company rebuilt its capital structure in 2014 via a combination of a debt raising and a EUR 1.26bn capital increase. Geographical breakdown by GAV: Paris 48.5%, Madrid 28.1% and Barcelona 23.4%.

The largest companies in SKAGEN m2 as of Nov. 2016 (cont.)

CATENA

Catena is a Swedish logistics owner, operator and developer that actively manages portfolio and development projects in Sweden. Company recently acquired Tribona and became leading logistics operator in Sweden. Catena's assets are mainly located in fast growing regions: Stockholm, Gothenburg and Öresund. Portfolio value of approximately SEK 10bn. Strong e-commerce trend driving demand for more and faster logistics, especially city logistics.

Deutsche Wohnen

Deutsche Wohnen is one of the leading listed residential companies in Germany with main focus in Berlin. Its operational focus is on managing and developing its residential property portfolio, currently comprises 161k units in total, of which 159k are residential units and 2,200 are commercial properties. Units are situated in core regions like Greater Berlin, Rhine-Main, Rhineland, Dresden, Hanover as well as in medium-sized German cities like Brunswick and Magdeburg.

Global Logistic Properties 普洛斯

GLP is Asia's largest provider of modern logistics facilities. The company owns, manages and leases over 700 completed properties spread across 77 cities in China, Japan, Brazil and US, forming an efficient network with assets strategically located in key hubs, industrial zones and urban distribution centres. The USD 27bn property portfolio consists of 28m sqm serving more than 800 customers. The Japan portfolio is mostly completed and stabilised, providing strong operating cash flows to fund the group's growing business in China. The company also set up a China fund at the end of 2013 to enable capital recycling in the Chinese market in line with the Japanese model. This business model leads to a more effective capital structure, recurring income and capital recycling (listing of J-REIT & CLF fund).

CBL
CBL & ASSOCIATES PROPERTIES, INC.

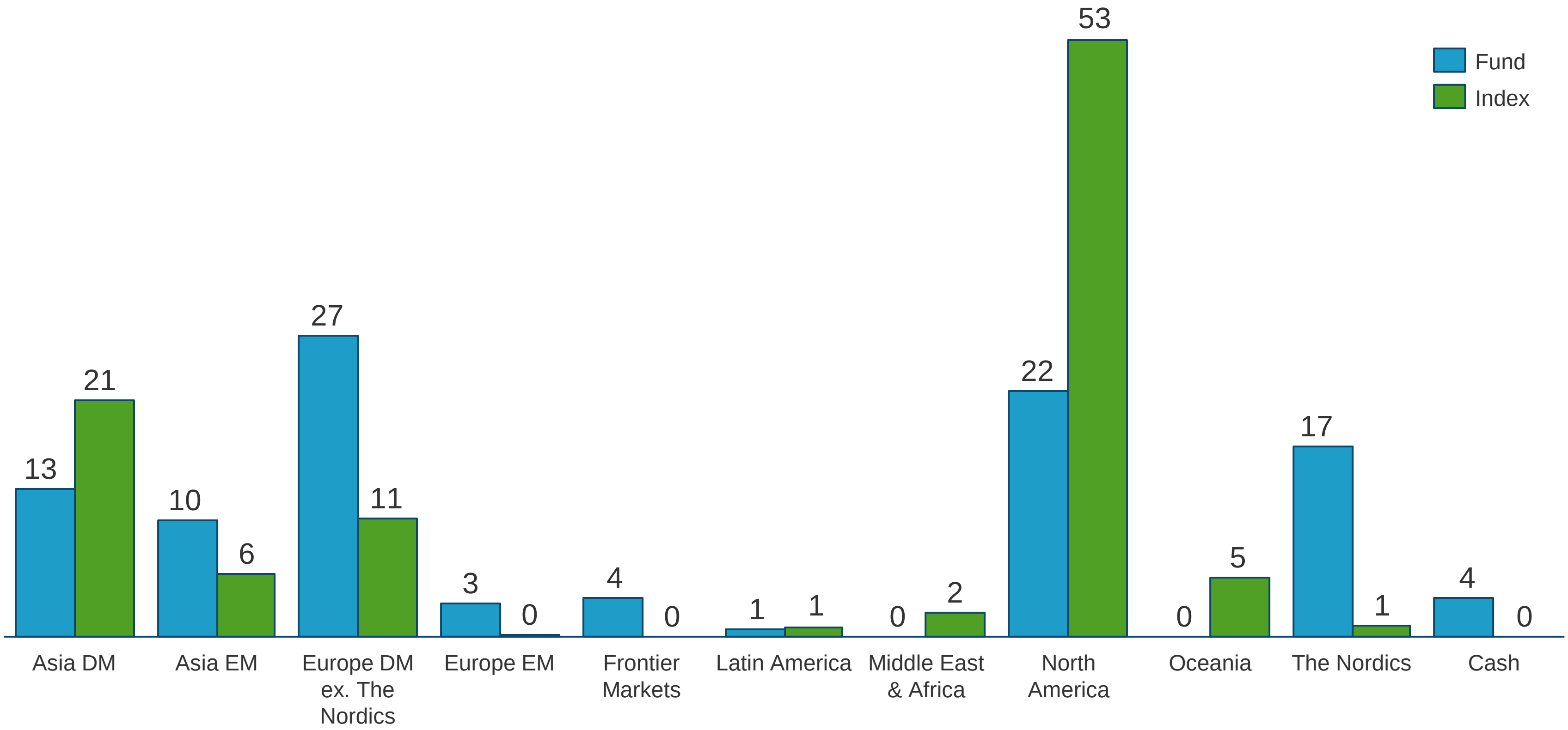
CBL, founded in 1978 and listed in 1992, is a real estate investment trust (REIT) that owns, leases, manages, and develops shopping centres. The company held interests in 127 building, including 75 malls plus 24 adjacent associated centres, 5 outlet centres, 10 community centres and 13 office buildings. CBL also manage 20 properties for third parties.

MERCIALYS

Founded in 2005 by Casino, Mercialys is one of the top real estate companies in France and Europe, specialising in the enhancement, transformation and promotion of shopping centres. Mercialys owns a real estate portfolio of over 50 centres, with more than 800,000 square metres of retail space throughout France. Mercialys is positioned in the convenient range of the shopping centre industry, as well as within the experience malls or destination malls segment. Mercialys is well established in France and has been very skilled in its active management of its assets. Casino is still the majority owner.

Geographical distribution versus benchmark November 2016

Percent



SKAGEN

For more information please visit:

Our latest [Market report]

Information about SKAGEN m2 on our [web pages]

Unless otherwise stated, performance data relates to class A units and is net of fees.

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skill, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. KIIDs and prospectuses for all funds can be found on our website.