

All data in EUR as of 31.05.2017 unless otherwise stated.

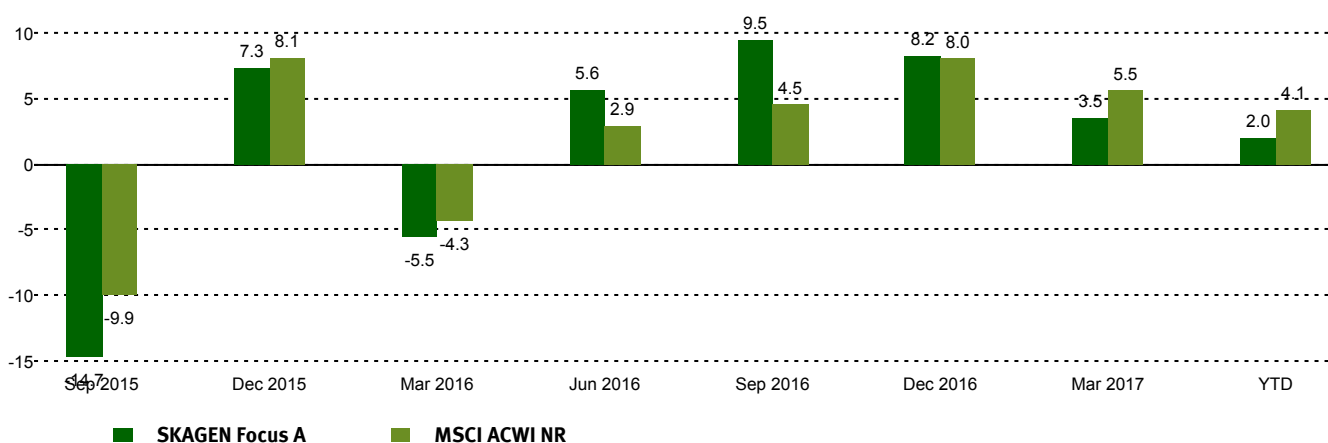
Performance Commentary

The fund delivered a solid return in May and was ahead of global equity markets. German medical technology company MagForce rose sharply on news of an increased CEO ownership stake and confirmation of positive business developments. Another major contributor was sports apparel company Fila Korea. The company recently listed Titleist owner Acushnet in the US, leaving the core operating franchise trading at a large discount to fair value. For the year, South Korean discounter E-Mart has been the strongest performer, rising more than 35% as the company has turned around its core hypermarkets concept and continues to be solidly backed by asset values in real estate and non-core holdings. Also, the fund's participation in the IPO of Philips Lighting has been positively rewarded as the shares are up more than 60% since introduction one year ago. We sold down our position in both E-Mart and Philips Lighting as the stocks approached our price targets. Despite posting solid fundamental results for the last quarter, Brazilian food-company JBS was a negative contributor as the owners of the company settled a variety of allegations with authorities. Whiting Petroleum is one of the negative contributors for the month and year. Fundamental results have been fairly strong but the stock has been pressured by the lower price of oil. We initiated one new position in Japanese Bank of Kyoto, which we believe is substantially mispriced considering its asset base and core banking operation.

Historical performance

Period	SKAGEN Focus A	Benchmark index
Year to date	1.98%	4.12%
Last year	17.39%	16.29%
Last 3 years	n/a	n/a
Last 5 years	n/a	n/a
Last 10 years	n/a	n/a
Since Start	0.96%	3.58%

Quarterly Performance



Contributors

Largest contributors in the month

Holding	Weight (%)	Contribution (%)
Magforce	2.23	0.72
Samsung SDI	2.81	0.50
Hyundai Motor	3.18	0.35
Fila Korea	3.01	0.32
Philips Lighting	2.12	0.27

Based on NOK returns at fund level

SKAGEN Focus is a highly concentrated global equity fund. The broad investment mandate allows us to search for investments in all cap-sizes, geographies and sectors globally.

The objective is to establish a concentrated portfolio of 30-35 core positions with a clear intention to create absolute returns to a controlled level of absolute risk.

The fund applies a price driven, bottom-up and common sense investment process.

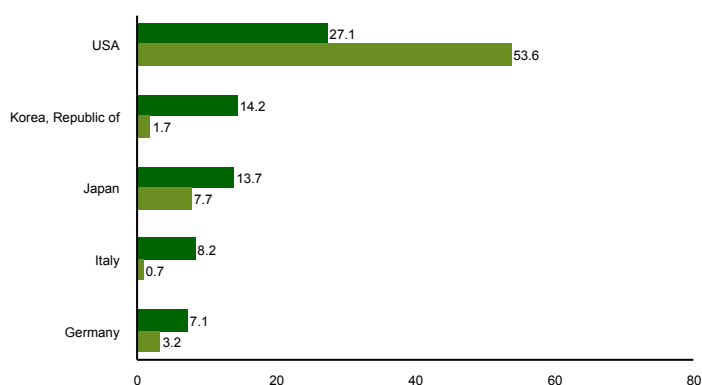
Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	12.10 EUR
Fixed management fee	1.60%
Total expense ratio (2016)	2.24%
Benchmark index	MSCI ACWI NR
Assets under management (mill.)	233.66 EUR
Number of holdings	35
Lead manager	Filip Weintraub

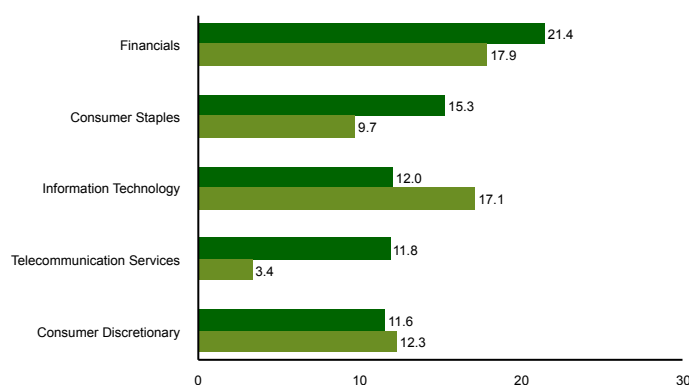
Top ten investments

Holding	Sector	Country	%
AIG	Financials	USA	6.92
Telecom Italia Spa	Telecommunication Services	Italy	4.50
Tesoro	Energy	USA	4.38
Softbank Group	Telecommunication Services	Japan	3.92
Taiheiyō Cement	Materials	Japan	3.76
Carlsberg	Consumer Staples	Denmark	3.50
China Telecom	Telecommunication Services	China	3.41
Alphabet	Information Technology	USA	3.32
Hyundai Motor	Consumer Discretionary	Korea, Republic of	3.28
SBI Holdings	Financials	Japan	3.28
Combined weight of top 10 holdings			40.28

Country exposure (top five)



Sector exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR

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Contact



+47 51 80 37 09



contact@skagenfunds.com



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

Important information

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 management fees. The return may become negative as a result of negative price developments. The return the client receives may also be impacted by taxation. For general guidelines regarding taxation please see the prospectus. For more detailed information we strongly urge you to contact your local tax advisor.