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

SKAGEN m²

Statusrapport – februar 2017

The art of common sense

SKAGEN

Oppsummering – februar 2017

- SKAGEN m2 fortsatte å prestere bra i absolutte termer, etter et godt fjorår. Fondet nådde en ny topp i februar. Selv om fondet ga 3,6 prosent avkastning i måneden var referanseindeksen MSCI ACWI Real Estate IMI Index opp 5,1 prosent. Morningstar ga SKAGEN m2 en ny stjerne i løpet av måneden, og fondet har nå tre stjerner.

- De to største positive bidragsyterne var Olav Thon og Deutsche Wohnen. Olav Thon sterk vekst i NAV (net asset value) og fortsatt organisk vekst med sakte øket utbytte. Deutsche Wohnen kunngjorde foreløpige 2016-resultater med god utleieøkning og verdsettelse. Samtidig har selskapet skaffet 545 millioner euro i egenkapital til 10 prosent premium til NAV og utstedte obligasjoner på 800 millioner euro til svært attraktive nivåer. Utbyttet ble brukt til å refinansiere gjeld og for oppkjøp av en Berlinportefølje (i mars).

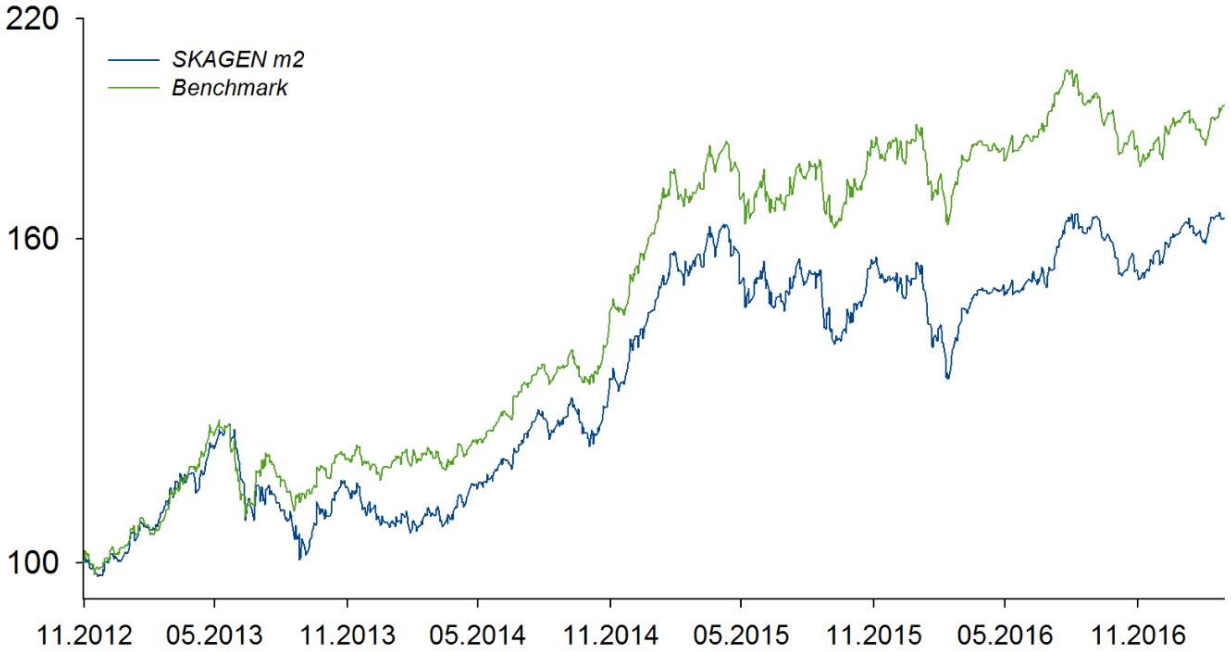
- De største negative bidragsyterne i februar var Ashford Trust og Mercialys. Ashford Hospitality Trust ga et utvannende bud på Felcor. Budet vil øke antallet aksjer med 150 prosent. Q4 var også skuffende og avdekket den forverrede hotellsyklusen. Mercialys' resultater ble dempet takket være lavere salgstall generelt. I tillegg guidet selskapet de foreløpige 2017-tallene lavere på kontantstrøm-nivå enn markedet forventet. Det førte til flere nedgraderinger fra analytikere.

- Ett nytt selskap kom inn i porteføljen, østerrikske Immofinanz. Selskapet eier kommersielle eiendommer med særlig fokus på Østerrike, Tyskland og CEE. Selskapets portefølje er verdsatt til omlag 5 milliarder euro og mye under utvikling. Immofinanz eier 26 prosent i et annet SKAGEN m2-selskap, CA Immo. Begge selskapene vil trolig fusjonere I 2018. Immofinanz har refinansiert store deler av gjelden på lave nivåer, og har frigitt kapital. Hvis det går igjennom vil det fusjonerte selskapet bli en av de største kommersielle RE-selskapene i sentral-Europa og potensielle synergier er betydelige.

- De 10 og 35 største posisjonene utgjør nå henholdsvis 49 prosent og 97 prosent av fondet. SKAGEN m2 har totalt 38 selskaper og kontantbeholdningen var på 3 prosent

* Med mindre annet er oppgitt er alle avkastningstall for fondet i denne rapporten målt i NOK, knyttet til klasse A, og etter fradrag for gebyrer

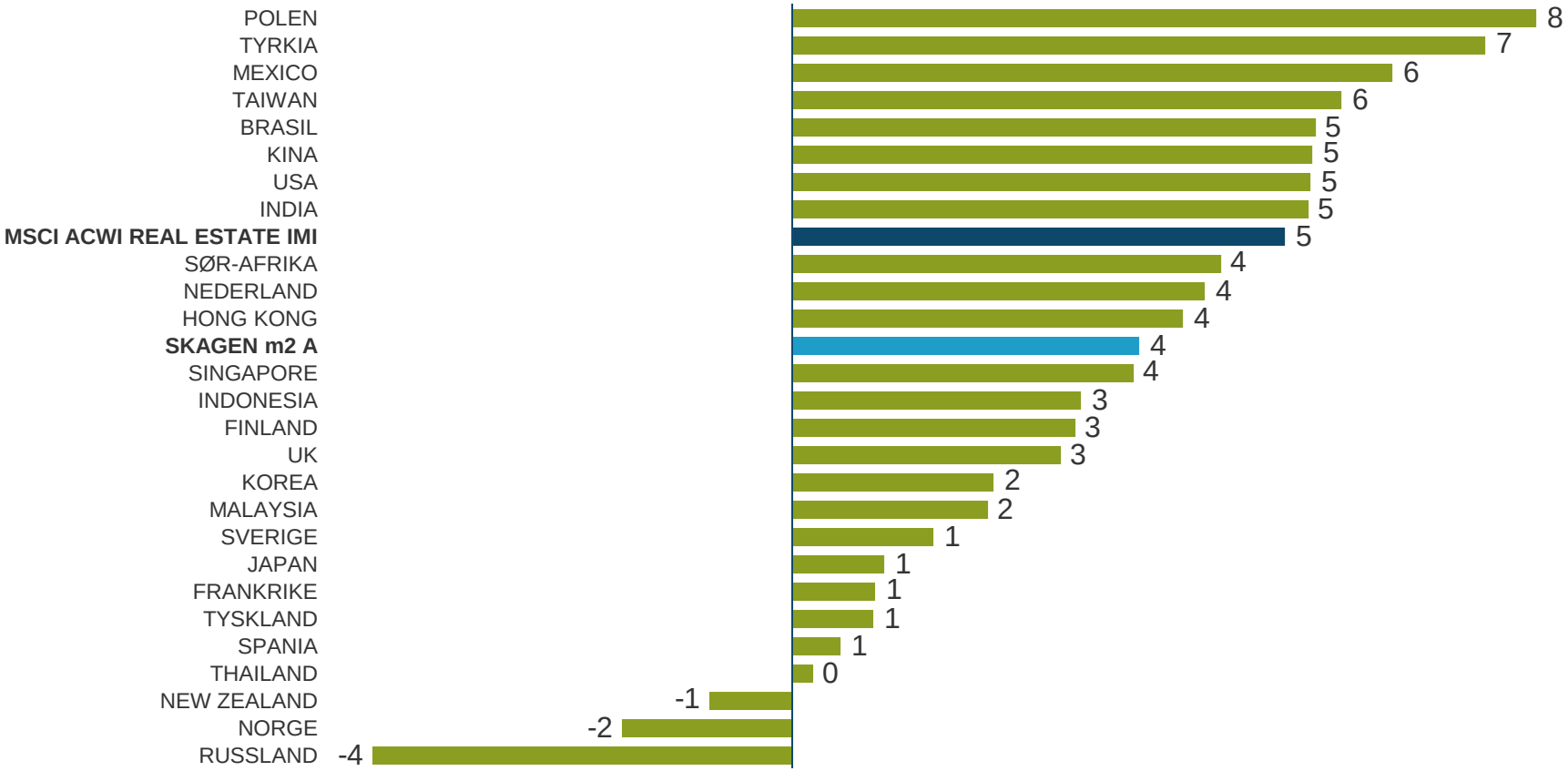
Avkastning februar 2017 - NOK



	februar	QTD	2016	1 år	3 år	Siden start*
SKAGEN m2 A	3,6%	1,9%	4,8%	16,5%	15,4%	12,3%
MSCI ACWI Real Estate	5,1%	2,1%	1,2%	9,3%	18,6%	16,5%
Meravkastning	-1,5%	-0,2%	3,6%	7,2%	-3,2%	-4,3%

*NB: Alle tall over 12 måneder er annualisert (geometrisk avkastning). *Startdato 31. oktober 2012.*

Markedsutvikling i februar 2017 i NOK(%)



SKAGEN

Viktigste bidragsytere i februar 2017

Største positive bidragsytere

Company	NOK (000)
Olav Thon	4 185
Deutsche Wohnen	3 320
Shangri-La	2 756
IRSA	2 302
Global Logistic Properties	2 194
SL Green Realty	1 956
Phoenix Mills	1 916
Big Yellow Group	1 915
CapitaLand	1 784
Beni Stabili	1 760

Største negative bidragsytere

Company	NOK (000)
Ashford Hospitality Trust	-2 128
Mercialys	-1 584
D Carnegie	-1 517
CBL Properties	-1 057
Mitsui Fudosan	-442
Axiare Patrimonio	-284
Ashford Hopsitality Prime	-250
Immofinanz	-224
Nomura	-147
SM Prime	-111

Value Creation MTD (NOK MM): 30

NB: Bidrag til absolutt avkastning

Viktigste bidragsytere hittil i år

Største positive bidragsytere

Company	NOK (000)
Global Logistic Properties	9 263
IRSA	6 342
Olav Thon	3 568
Shangri-La	2 975
Deutsche Wohnen	2 915
CapitaLand	2 733
Catena	2 669
Melia Hotels	1 593
Columbia Property Trust	1 382
Inmobiliaria Colonial	1 216

Største negative bidragsytere

Company	NOK (000)
CBL Properties	-5 708
Mercialys	-4 492
Ashford Hospitality Trust	-3 457
Mitsui Fudosan	-2 179
Axiare Patrimonio	-1 319
D Carnegie	-1 109
Ashford Hopsitality Prime	-948
General Growth Properties	-867
British Land	-581
Emlak	-501

Value Creation YTD (NOK MM): 19

NB: Bidrag til absolutt avkastning

Viktigste bidragsytere med kommentar, februar 2017

Største positive bidragsytere

Company	NOK (000)	
Olav Thon	4 185	Stabilt selskap med betydelig rabatt
Deutsche Wohnen	3 320	Sterk foreløpig FY16 rapport. Styrket egenkapital og utstedte obligasjoner for å refinansiere og vil trolig gjøre nye innkjøp.
Shangri-La	2 756	Bedre vekstmarkeder
IRSA	2 302	Betydelig forbedring I underliggende selskaper i Israel og Argentina
Global Logistic Properties	2 194	Bud (ikke bindende) på deler av selskapet etter at de startet en strategisk gjennomgang
SL Green Realty	1 956	Trygg havn i amerikansk eiendom (gode Midtown Manhattan-kontorer)
Phoenix Mills	1 916	Ingen selskapsspesifikke nyheter
Big Yellow Group	1 915	Rekyl etter svake UK-resultater
CapitaLand	1 784	Bedre EK-avkastning, bedre vekstmarkeder og sterke resultater
Beni Stabili	1 760	Bedre 2016-resultater enn forventet. Endringsfremdrift bekrefter 2020-mål

Dårligste bidragsytere med kommentarer februar 2017

Største negative bidragsytere

Company	NOK (000)	Comments
Ashford Hospitality Trust	-2128	Ga et utvannende bud (aksjefloat øker 150%) på Felcor
Mercialys	-1 584	Svak detaljhandel i Europa. Selskapet er nedgradert etter FY2016-rapporten. Usikkerhet rundt det franske valget.
D Carnegie & Co	-1 517	Ingen selskapsspesifikke nyheter
CBL & Associates Properties	-1 057	Svak detaljhandel i USA. Mange lagerlokaler stenger og bedret e-handel er ugunstig for selskapet.
Mitsui Fudosan Co	-442	Ingen selskapsspesifikke nyheter
Axiare Patrimonio	-284	Ingen selskapsspesifikke nyheter
Ashford Hopsitality Prime	-250	Ingen selskapsspesifikke nyheter denne måneden, men utstedte egenkapital ved månedsslutt for å kjøpe to luksushoteller
Immofinanz	-224	Ingen selskapsspesifikke nyheter
Nomura Real Estate Master Fund	-147	Ingen selskapsspesifikke nyheter

Viktigste endringer 1. kvartal 2017

Q1 **Økte poster**

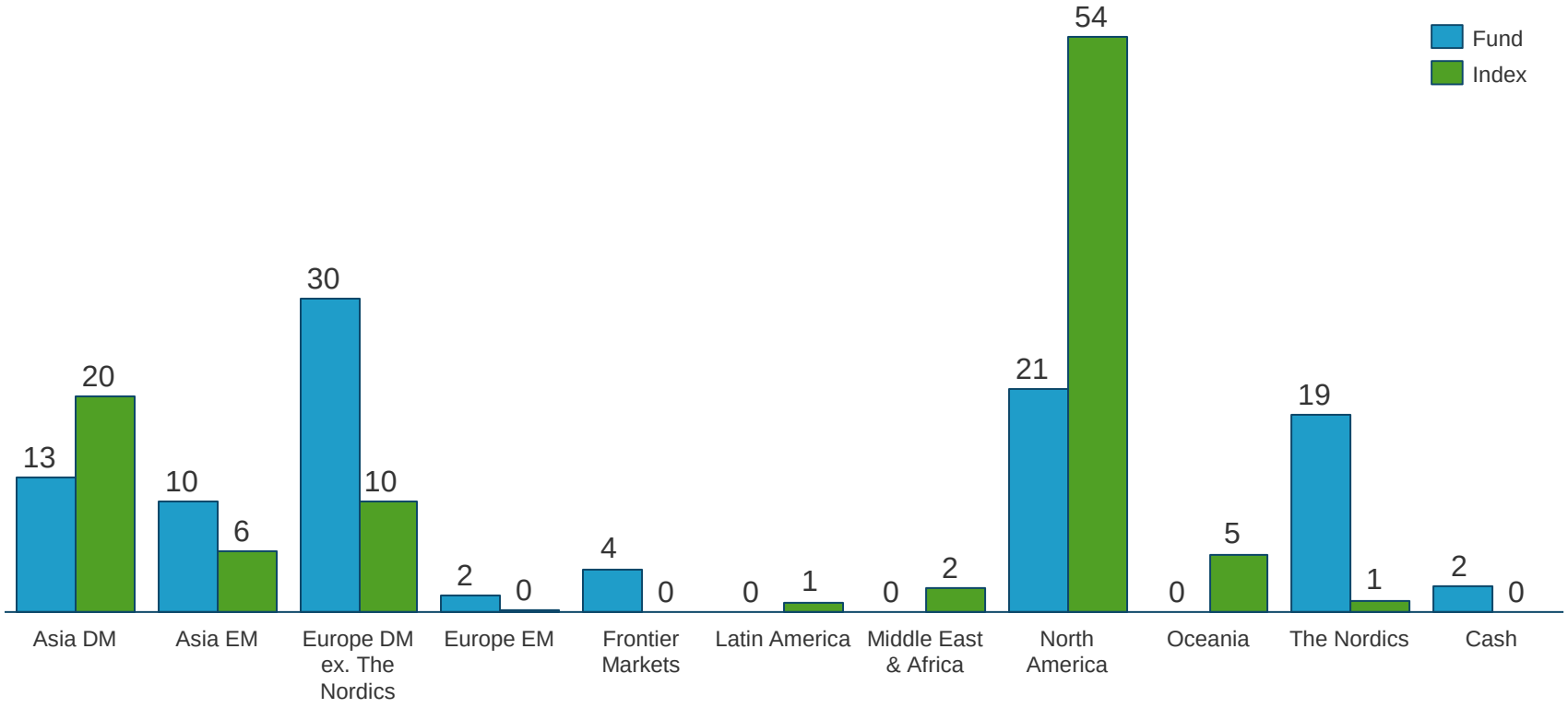
Immofinanz	(New)
BUWOG	(New)
Entra	(New)
General Growth Properties	
Beni Stabili	
Deutsche Wohnen	
SL Green Realty	
Ashford Hospitality Trust	

Q1 **Reduserte poster**

Emlak	(Out)
Ashford Inc	(Out)
Mercialys	
Nomura	
Global Logistic Properties	
Ashford Hospitality Prime	
Inmobiliaria Colonial	
First Real Estate Investment Trust	
IRSA	
Melia Hotels International	

Geografisk fordeling versus referanseindeks i februar 2017

Prosent



SKAGEN

Nyheter på engelsk

Key earnings releases and corporate news February 2017

Beni Stabili, Italy (1.7%)

Strong report, strategic objectives confirmed

Implications for Investment Case: Announced above expectation numbers for FY16. 2020 strategic objections confirmed. Beni Stabili is well on track to become a better quality business with much better growth prospects. The disposal of part of the Telecom Italia (TI) portfolio at book value late last year was a great deal, as it proved the value of nearly 40% of the assets - and arguably the lowest quality part of them. Hopefully, they will continue to recycle assets in 2017 and to further increase their exposure to Milan (60% now vs. 80% target) and reduce their exposure to TI (27% now vs. 20% target). In the meantime, the company presents good operating metrics in their FY 16 numbers.

Catena, Sweden (5.4%)

Building stone by stone, brighter times ahead

Implications for Investment Case: Catena reported FY16, numbers came in as expected. 2016 has been a year of consolidation and implementation. 12 assets have been bought, while 8 have been sold. Huge investments have been made and refinancing done. Revaluation on is the conservative side. 2017 will be the year when Catena starts to reap the rewards. Despite muted progress, the trend is clearly positive and the market seems to misjudge the case and take 2016 as going business.

AIT, India (1.2%)

Steady DPU growth driven by rental reversions and new assets

Implications for Investment Case: Ascendas India trust is a platform offering exposure (via Singapore listing) to income-producing Indian office property, mainly targeting the fast-growing IT segment. Report came in overall positive with new buildings and positive rental reversions driving topline. Operationally the company is making good progress, with expected strong NPI and portfolio growth in the business over the next 2-3 years due to a strong pipeline (high visibility), rental reflation and a solid balance sheet (comfortable even including committed pipeline). AIT offers one of the best exposures to office assets in India given falling rates and positive fundamentals for office markets and positive rent reversions in the underlying market. Increased competition for income assets by private investors compressing cap rates further. AIT's underlying volume growth along with new developments will likely keep NPI growth at double digit levels over the next 2-3 years.

Oberoi, India (0.9%)

Earnings in line, pre sales suffer from demonetisation

Implications for Investment Case: Oberoi delivered earnings according to expectations. Pre-sales were negatively impacted by demonetisation headwinds, especially in the high end segment. The company has a strong high-value launch pipeline ahead, not yet contributing to revenues or earnings (Borivali, Mulund, Worli, Gorgegaon). Both earnings and cash flow over the next 2 years should see a meaningful scale-up as contribution from these high margin projects reach revenue recognition. Commercial assets are progressing with positive office leasing, but are still a small part of business. A strong balance sheet (and cash flow visibility) enables Oberoi to make value-accretive transactions, either to strengthen the recurring income portfolio or to buy new land (as most of the land bank is in current projects) to develop both likely triggers.

Key earnings releases and corporate news February 2017 (cont.)

Atrium Ljungberg, Sweden (1.9%)

In-line report with project portfolio ramp-up

Implications for Investment Case: Stockholm-focused retail and office player Atrium Ljungberg reported a Q4 report in line with expectations but better than guidance. Positive surprises were the positive revaluation and the fact that the CEO communicated new potential development starts of SEK 2bn in 2017. No further details were given but considering that the company's development track record over recent years has been rather bleak, any signs of new developments are positive. Recurring income growth of 9% was guided, which is positive but likely understated. The project portfolio is superior to its Nordic peers and looks promising with a pipeline of ca. SEK 9bn. SEK 1.7bn remains to be invested in the ongoing projects. The company and its portfolio appear to be robust and continue to benefit from a strong Swedish real estate market.

Mitsui Fidusan, Japan (4.7%)

Leasing business still strong. FY17 guidance maintained

Implications for Investment Case: Mitsui delivered another solid report, confirming continuous growth in their leasing business (office and retail). Growth primarily from higher occupancy, rent hikes and new retail assets. Property sales to investors were also positive, the only weak point was condominium sales. FY16 operating profit and dividend guidance maintained. The company still trades at a deep discount and should focus on buying back shares. Mitsui will account for 17% of new Grade A supply coming into the market in 2018-20, absorption (of older buildings left for new buildings) will be a question mark going forward but still strong signs in the Tokyo office market.

GLP, Singapore (4.9%)

Deal or no deal? Q317 report in-line

Implications for Investment Case: Operational metrics heading in the right direction with decent growth. GLP still struggles to keep pace with development starts and completions (56% resp. 68% of FY target), however management is still confident about their guidance for FY17. In strategic review update, GLP announced that it has now received various non-binding proposals from a number of parties. Management has guided for the launch of a China income fund in the next few months, which will be a trigger, giving the company a full capital recycling platform in China. A further trigger is a continuous trend in EPS growth, further monetisation and an operationally stable 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 the customer base and strengthening its land sourcing capabilities. E-commerce driven demand for modern logistics is growing in strength in all GLP´s markets globally. Share buyback continues.

Deutsche Wohnen, Germany (5.2%)

Strong asset valuation and capital raise for further growth

Implications for Investment Case: DW again surprised on the upside on property valuation (FY16: EUR 2.7bn vs. 2.2bn guided) confirming the robust fundamentals in German residential sector. Portfolio is now valued at 4.7% cap rate (EUR 1580/sqm). The capital raise will strengthen DW's already strong financial position and give the company a war chest for further non organic growth. Rent multiple is still high (21.5x), not the underlying asset value which should mean that there is still room for good rental growth that came in at 3.5% L-F-L on a consolidated basis. It is positive that goodwill from GSW acquisition was netted out.

Key earnings releases and corporate news February 2017 (cont.)

CBL Properties, US (3.5%)

4Q weak as expected, but still significant cash generation

Implications for Investment Case: CBL provided 4Q and FY16 reports in line with weak expectations. NOI (Net Operating Income) was down 7% QoQ due to disposition activity. Like-for-like NOI was up 0.3%. Guidance for 2017 was USD 2.3, meaning approximately 21% FFO yield. The company is the most hated in a most hated sector, meaning that growth is not the question, but whether the company will be able to reposition its operation. CEO claimed that perceptions are overly bad, and that operations are much better than the average analyst projects. The company still has a strong cash flow for redevelopment and debt payment.

Colombia Property Trust, US (3.0%)

4Q with weaker guidance, reduced cash flow and lowered dividend, but ready to grow

Implications for Investment Case: Neutral to positive. They removed uncertainty regarding the dividend that they already announced was under review. The dividend was reduced to 20c/Q less than the lower case (15c/Q). The company expects that cash flow will cover the dividend and that the company will improve FFO from USD 1.2 in 2017 to USD 1.8 per share in 2019 and cash flow will increase significantly up to 2019. The company is now at the end of their repositioning process and is were they want to be, with assets in prime areas with low debt and a clear growth profile. New acquisitions can be expected. However, they do not have a significant presence in any areas which may be a weakness compared to other companies. The company bought back some shares in the quarter, and further buybacks can be expected on weak share price.

IRSA, Argentina (3.5%)

2Q17 in line in Argentina with clear improvement in Israel

Implications for Investment Case: Confirmed the strong investment case. Investments in Israel have a clear upside. IBD continues to improve and seems to be self-financing at the moment, meaning that it is not necessary for IRSA to inject more equity into IBD. The mall, hotel and office businesses in Argentina were in line with expectations. 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, which owns a lot of businesses in Israel, including listed companies with strong performance last year. However, the bull case is the clear improvement in Argentina on the political side.

Entra, Norway (0.24%)

4Q was solid and recurring income significantly up

Implications for Investment Case: Entra has done a great job of concentrating its portfolio to the 4 “big” cities in Norway. They have also invested significantly last year and recurring income has risen from NOK 220m/Q to NOK 273m/Q for the property part of their business. Entra has high cash earnings at the moment due to no payable tax. EPRA NAV increased to NOK 95-100, hence they are nearly full priced.

Key earnings releases and corporate news February 2017 (cont.)

Ashford Hospitality Trust, US (2.4%)

4Q result significantly below expectations and made bid for Felcor that may be too dilutive for AHT shareholders.
Implications for Investment Case: Negative. RevPAr came in at +1.5%, when market expected 3-3.5%. However, 4Q is a weak hotel quarter. A more important event was Ashford's bid for Felcor based on shares in Ashford Trust. They want to acquire Felcor, which is a hotel owner. The shareholders of Trust will however be hurt by the bid at a premium of 25% to Felcor's trading price. The bid is not supported by the management of Felcor and may fail.

DIC Asset, Germany (2.4%)

4Q confirms the positive development with increased management income and lower leverage
Implications for Investment Case: Positive. The company continues to perform in line with the positive momentum from 3Q. The company raised its outlook for 2017 with expected FFO yield of 9% and increased the dividend to 40c/share. Fund management fees have increased from EUR 7.3m to EUR 21.5m YoY, and have now become a strong contributor to a more asset light model. FFO from fund management is EUR 21.2m. NAV stands at EUR 12.8/share, and the shares trade at a significant discount. Currently, the asset management business is expected to increase further from AUM EUR 1.2bn to above EUR 1.7bn. The next trigger will be even lower LTV, after it fell below 60% last year.

Axiare, Spain (2.4%)

Strong NAV and rental growth and introduced regular dividend.
Implications for Investment Case: Confirmed the strong investment case. NAV ended the year at EUR 13.8 per share. The company disappointed the market at the beginning of the year, but has since increased momentum and the focused strategy seems to be succeeding. The company expects to pay a dividend of EUR 0.3 per share divided into 2 installments. Occupancy increased by 560bp to 88%.The company has significant buying power to reach its LTV goal of 50% (now 29%) and has a lot of dry powder to continue to acquire more assets. The company has already bought 3 office buildings YTD.

Capitaland, Singapore (and China) (1.6%)

4Q was solid and recurring income significantly higher
Implications for Investment Case: The result was strong, and the share price has moved significantly upwards due to the results and the improved EM climate. The share is up 20% YTD. ROE increased from 6.1% to 6.6% YoY and management is on track to improve profitability as they outlined a year ago. Operating profit was up 28% YoY excluding gains from developments sold to fund businesses, and the company continues to increase its fund business and recurring income. The Singapore market observed some improvement and residential units sold increased from 244 to 571. They reduced their exposure to the Singapore residential market and the focus is to improve their asset light business going forward. The number of units in China increased from 9 402 to 10 738. They continue to expand into Vietnam. The dividend was increased from 9 to 10 cents. NAV is approximately USD 4-4.8 depending on the calculation model used. The share price is USD 3.6.

Key earnings releases and corporate news February 2017 (cont.)

Olav Thon, Norway (5.5%)

Operation in line with expectations with significant NAV growth

Implications for Investment Case: Confirmed the strong case. NAV ended the year at NOK 239 (share price NOK 168). We maintain our position as a long-term growth case. Adjusted earnings were approximately NOK 2.8 per share, in line with 3Q. Value adjustments for the longer term with 50% debt is double inflation, meaning a risk premium (above inflation) significantly above 7% (FFO yield). This is therefore one of the strongest long-term investments to be made. They will pay a small dividend of NOK 2/share, showing they are continuing to increase but also invest a significant portion of the cash flow.

Ashford Hospitality Prime, US (1.4%)

4Q in line with expectations and ended proxy fight with activist. Increased dividend from 12c/Q to 16c/Q

Implications for Investment Case: Slightly positive. The dividend was hiked as earlier announced. The end of the activist fight is positive in the sense that the company is ready for sale again. The company received a bid and was at the same time fighting an investor activist that disturbed the negotiations. The bidder ran away and the company was left with no new bidder. They announced that they will sell 5 hotels which are not in the luxury segment.

PS Business Parks, US (2.4%)

Confirmed the strong case and positive market reaction

Implications for Investment Case: Strong result and positive market reaction. The debt free company continues to improve performance. The company is a safe haven and long-term value creator with only eternity preferred equity issued at a record low level, meaning that they benefit from increased interest level. They issued preferred equity at 5.2% to redeem series at 6.45 % in January, leaving the balance sheet debt free. The preferred equity (eternity debt with no obligations for holders for bankruptcy) is 21% of total EV.

Largest holdings as of February 2017

	Holding size	Price	P/NAV	Div. Yield 2017e	EBITDA 2017e/EV
Olav Thon	5,59 %	171,5	75%	1.3%	6,8%
SL Green	5,58 %	112,13	75%	2,8%	5,6%
D Carnegie	5,49 %	109	88%	0%	4,0%
Catena	5,35 %	138,5	96%	4,0%	5,9%
Deutsche Wohnen	5,16 %	32,45	110%	2,6%	3,3%
Inmobiliaria Colonial	4,93 %	6,88	88%	3,2%	3,3%
Global Logistic Properties	4,88 %	2,66	89%	2,6%	3,4%
Mitsui Fudosan	4,66 %	2543	65%	1,4%	6,3%
Irsa	3,94 %	22,58	60%	0%	8 %
CBL Properties	3,36 %	10,04	60%	10,8%	10 %
Weighted top 10	48.9 %		82%	2.7%	5.3%
Weighted top 35	97 %			3.2%	5.8%
Benchmark				3.5% actual	

The largest companies in SKAGEN m2 as of February 2017

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.

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.

The largest companies in SKAGEN m2 as of Feb. 2017 (cont.)

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%.

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).

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.

Irsa Inversiones y Representaciones S.A.(IRSA) is Argentina`s leading real estate company in terms of total assets. Engaged, directly and indirectly in the acquisition, development and operation of shopping malls, office buildings, residential properties, luxury hotels, undeveloped land reserves for future development or sale, and selected real estate investments outside Argentina.

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 holds interests in 127 buildings, including 75 malls plus 24 adjacent associated centres, 5 outlet centres, 10 community centres and 13 office buildings. CBL also manages 20 properties for third parties.

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.