

## Performance Commentary

SKAGEN Insight was not able to keep up with the broader equity market during July. Nevertheless, several of our holdings have announced encouraging results in recent weeks. Newell Brands, Gea Group, Armstrong Flooring and Diebold Nixdorf all posted double digit-gains in response to their second quarter-earnings. This gives us additional comfort that our companies are moving in the right direction and that they remain undervalued in the market.

The standout positive contributor during July was Pasona, our Japanese staffing company, which also released a solid earnings report. The biggest laggards were ThyssenKrupp and Armstrong Flooring – prior to the latter’s surprisingly strong earnings release that sent the stock up as much as 17%. ThyssenKrupp came under pressure despite reports that its break-up plans are progressing, and that it has received strong interest in its crown jewel, the Elevator-division. We continue to see significant upside potential in this situation.

The outlook for the fund remains unchanged; there is a lot of value potential across the portfolio. The vast majority of our portfolio companies, and the progress they have made, remain deeply misunderstood and underappreciated by the market.

## Historical performance (net of fees)

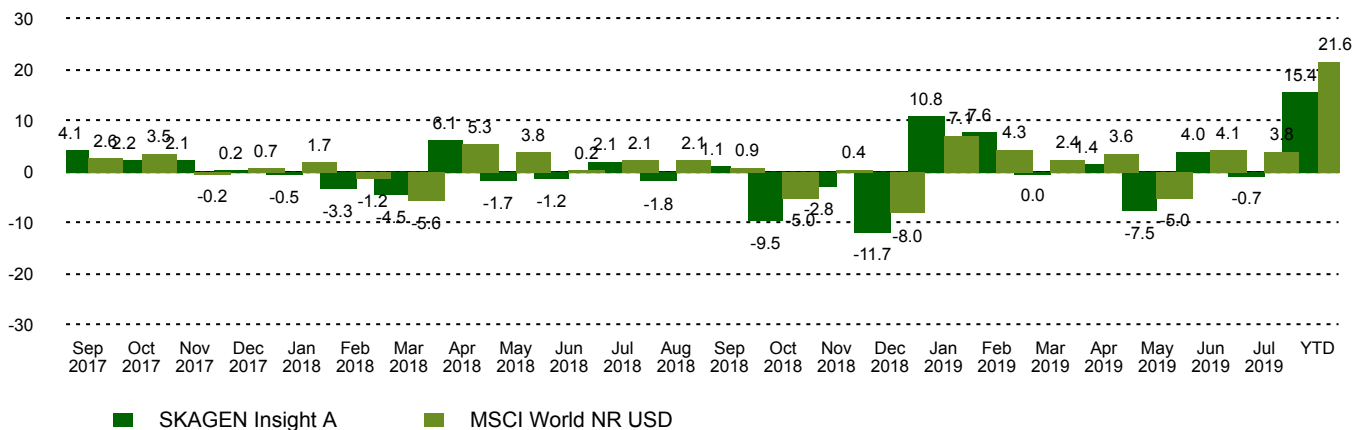
Period	SKAGEN Insight A	Benchmark index
Last month	-0.7%	3.8%
Last 2 months	3.3%	8.1%
Last 3 months	-4.5%	2.7%
Year to date	15.4%	21.6%
Since start	-3.0%	12.5%

SKAGEN Insight invests in a diversified and actively managed portfolio of companies exposed to some of the most attractive activist campaigns globally. Activists seek to unlock value by urging companies to make improvements. SKAGEN Insight "shadows" activists by investing in these companies. 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.

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	21.08.2017
Morningstar category	Global Large-Cap Blend Equity
ISIN	NO0010801558
NAV	10.12 EUR
Fixed management fee	1.5%
Total expense ratio (2018)	1.50%
Benchmark index	MSCI World NR USD
AUM (mill.)	23.29 EUR
Number of holdings	31
Portfolio manager	Tomas Johansson

## Monthly performance



## Contributors in the month

### Largest contributors

Holding	Weight (%)	Contribution (%)
Pasona Group Inc	6.45	0.93
Perrigo Co PLC	1.80	0.29
LEC Inc	2.12	0.26
Telecom Italia SpA/Milano	4.15	0.23
Hudson's Bay Co	3.22	0.16

### Largest detractors

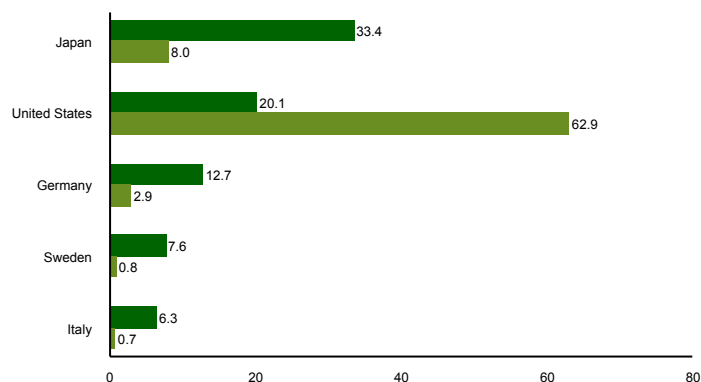
Holding	Weight (%)	Contribution (%)
thyssenkrupp AG	8.21	-0.82
Armstrong Flooring Inc	4.03	-0.51
Eitel AB	5.79	-0.45
GEA Group AG	2.60	-0.30
Teikoku Sen-I Co Ltd	7.05	-0.23

Absolute contribution based on NOK returns at fund level

## Top ten investments

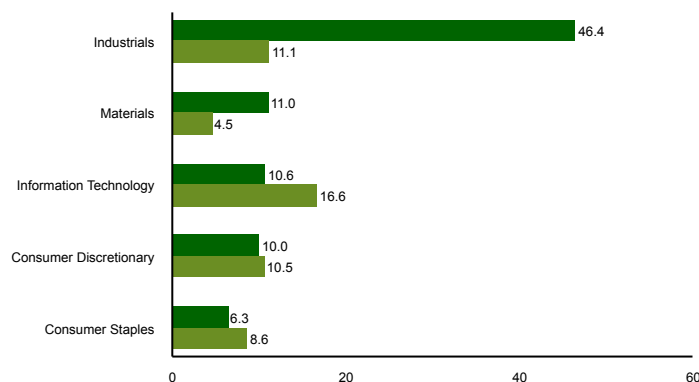
Holding	Sector	Country	%
Thyssenkrupp AG	Materials	Germany	8.2
Teikoku Sen-I Co Ltd	Industrials	Japan	6.9
Pasona Group Inc	Industrials	Japan	6.7
Eitel AB	Industrials	Sweden	5.8
Katakura Industries Co Ltd	Industrials	Japan	4.4
Conduent Inc	Information Technology	United States	4.3
Maxell Holdings Ltd	Information Technology	Japan	4.3
Kyushu Railway Co	Industrials	Japan	4.1
Telecom Italia SpA/Milano	Communication Services	Italy	3.9
Armstrong Flooring Inc	Industrials	United States	3.7
Combined weight of top 10 holdings			52.4

## Country exposure (top five)



■ SKAGEN Insight A ■ MSCI World NR USD

## Sector exposure (top five)



■ SKAGEN Insight A ■ MSCI World NR USD

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## Important information

Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as of the end of the previous month. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. You can find more information including subscription/redemption forms, full prospectus, Key Investor Information Documents (KIID), General Commercial Terms, Annual Reports and Monthly Reports from our local websites or branch office. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. This report should not be perceived as an offer or recommendation to buy or sell financial instruments. SKAGEN AS does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of this report. Employees of SKAGEN AS may be owners of securities issued by companies that are either referred to in this report or are part of a fund's portfolio.

