

All data in EUR as of 30.11.2017 unless otherwise stated.

## Performance Commentary

Emerging market equities' return lagged that of global equities in November. We continued to see inflow into the asset class which is now at its highest level since 2010. The strong EM equity return in 2017 is primarily driven by earnings growth, which is expected to exceed 20% for 2017.

Our final portfolio companies reported their quarterly results. Indian tractor and automaker, Mahindra & Mahindra, delivered strong result growth; they are benefitting from solid demand recovery in rural demand, which represents 2/3 of profit. Our Hungarian pharma company, Richter Gedeon, also delivered solid results and raised full-year guidance. Golar LNG was the largest positive contributor. We see several near-term catalysts with the start-up of two FLNG projects. The LNG transport market has also improved and is no longer a cash drag. X5 Retail Group continued to retreat after weak 3Q17 margins, but we believe this to be temporary. We exited two minor positions, namely Massmart and Lenovo, due to lack of conviction. We also took profit in SBI Holdings after a strong gain.

Our portfolio now consists of 48 companies with the top 35 representing 85% of assets. Weighted P/E for 2018 is 9.4x versus 12.7x on consensus for MSCI EM. We see a weighted upside of 31% for our largest holdings.

The fund selects low-priced, high-quality companies, mainly in emerging economies.

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.

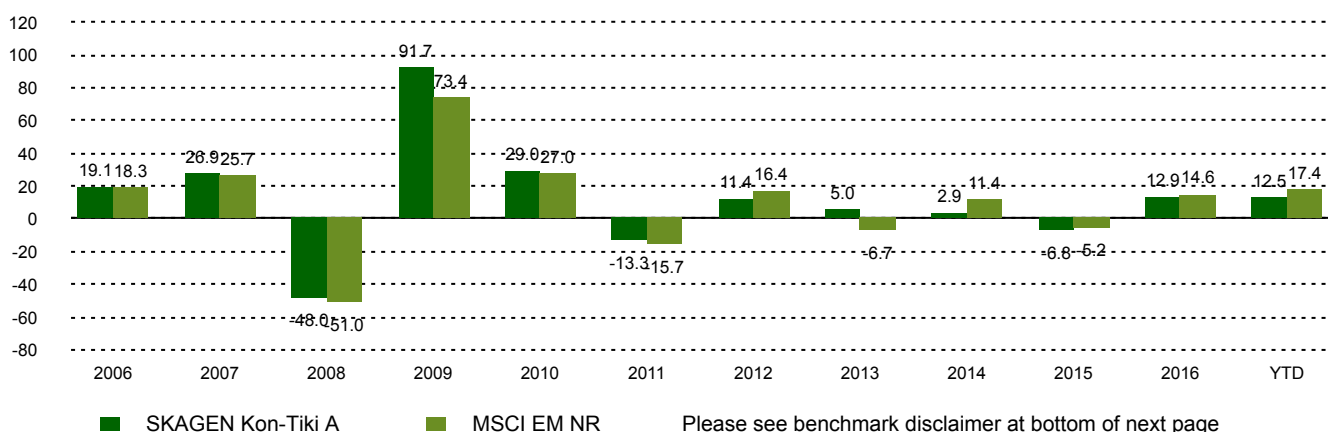
## Fund Facts

Type	Equity
Domicile	Norway
Launch date	05.04.2002
Morningstar category	Global Emerging Markets Equity
ISIN	NO0010140502
NAV	90.46 EUR
Fixed management fee	2.00%
Total expense ratio (2016)	1.81%
Benchmark index	MSCI EM NR
AUM (mill.)	3577.89 EUR
Number of holdings	48
Lead manager	Knut Harald Nilsson

## Historical performance (net of fees)

Period	SKAGEN Kon-Tiki A	Benchmark index
Last Month	-2.6%	-1.9%
Year to date	12.5%	17.4%
Last year	16.2%	18.4%
Last 3 years	5.1%	7.8%
Last 5 years	5.4%	6.5%
Last 10 years	4.9%	3.5%
Since start	13.2%	8.1%

## Performance last ten years



## Contributors in the month

### Largest contributors

Holding	Weight (%)	Contribution (%)
Golar LNG Ltd	2.35	0.55
Naspers Ltd	4.59	0.55
Cosan Ltd	2.79	0.25
State Bank of India	2.65	0.18
Mahindra & Mahindra	3.73	0.18

Absolute contribution based on NOK returns at fund level

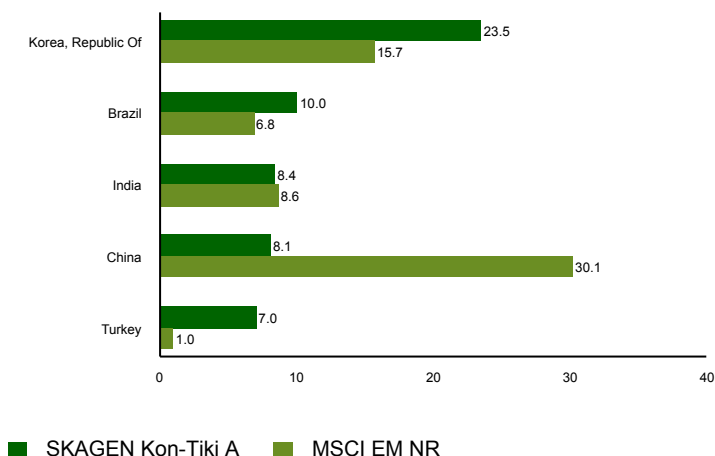
### Largest detractors

Holding	Weight (%)	Contribution (%)
X5 Retail Group	3.85	-0.34
Banrisul	2.43	-0.27
Samsung Electronics	8.34	-0.24
Haci Omer Sabanci	3.83	-0.20
Cia Brasileira	2.54	-0.20

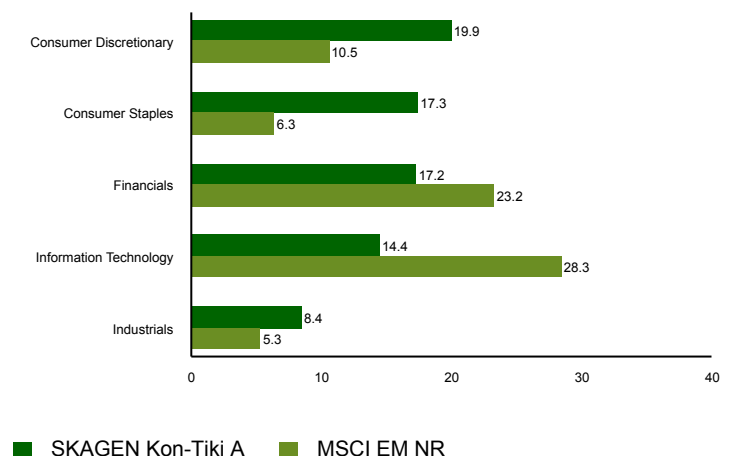
## Top ten investments

Holding	Sector	Country	%
Samsung Electronics	Information Technology	Korea, Republic Of	7.9
Hyundai Motor	Consumer Discretionary	Korea, Republic Of	7.0
Naspers	Consumer Discretionary	South Africa	4.5
Haci Omer Sabanci Holding	Financials	Turkey	3.7
X5 Retail Group	Consumer Staples	Russian Federation	3.6
Mahindra & Mahindra	Consumer Discretionary	India	3.6
Cosan Ltd	Consumer Staples	Brazil	3.0
LG Electronics	Consumer Discretionary	Korea, Republic Of	2.9
Richter Gedeon	Health Care	Hungary	2.9
Golar LNG	Industrials	United States	2.7
Combined weight of top 10 holdings			41.7

## Country exposure (top five)



## Sector exposure (top five)



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## Important information

Unless otherwise stated, performance data relates to class A units and is net of fees. Except otherwise stated, the source of all information is SKAGEN AS. 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 download 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 our local representatives. 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.

The benchmark index is the MSCI EM Index (net total return), this index did not exist at the inception of the fund and consequently the benchmark index prior to 1/1/2004 was the MSCI World AC Index. This is not reflected in the table/graph above which shows the MSCI EM Index since the funds inception.