

INTERIM REPORT

01.01. - 31.03.2015



THIS IS ENTRA

Entra ASA (“Entra”, “the Group”) is one of Norway's leading real estate companies, focusing on high quality, flexible office buildings with central locations. The company owns and manages approximately 1.2 million square metres, divided between 99 buildings. Each day over 30,000 people work in buildings owned by Entra. As of 31.03.15 the real estate portfolio had a market value of around NOK 27.7 billion. The public sector represents approximately 74 per cent of the total customer portfolio.

Entra's **business concept** is to develop, let and manage attractive and environmentally leading buildings, as well as engaging in active portfolio management through the purchase and sale of properties. Entra's **business strategy** has three pillars: customer satisfaction, profitable growth and environmental leadership.

Entra works continuously to maintain customer satisfaction. Close customer contact and a bespoke customer service centre are important factors in achieving this. Figures from the Norwegian Tenant Survey show that in 2014 Entra achieved an aggregate customer satisfaction rating of 74, against an industry average of 72. The result for 2014 is an improvement on 2013.

In addition Entra has high ambitions with regard to the environment and works to reduce total energy consumption in the property portfolio. A reduction in energy consumption in the property portfolio of more than 20 per cent since 2007 shows that this work is giving results. Important quality criteria for Entra's new buildings are to achieve a passive building standard and BREEAM classification “Excellent”, and to use environmentally efficient building materials.

Entra's strategic areas are Oslo and the surrounding region, Bergen, Stavanger and Trondheim. The company is organised into four regions: Central Oslo, Greater Oslo, South/West Norway and Mid/North Norway. Entra has its head office in Oslo and also has regional offices in Bergen and Trondheim.

Entra is listed on Oslo Børs with the ticker ENTRA. In addition, the subsidiary Entra Eiendom AS has issued bonds and commercial paper which are listed on Oslo Børs under the ticker ENEID.

Highlights

- The Group's rental income was NOK 440 million (NOK 433 million) in the first quarter of 2015
- Net income from property management was NOK 360 million (NOK 343 million)
- Positive value changes in the property portfolio amounted to NOK 716 million (NOK 2 million) in the quarter.
- Net letting in the period was approximately NOK 45 million
- Projects at Langkaia 1 and Ringstabekk finalised in the quarter
- Sale of portfolio of six properties in Østfold and Lillestrøm

Key figures

	Q1-15	Q1-14	2014
Operational			
Market value of real estate portfolio (NOKm)	27,689	26,404	28,358
Total area (Gross)	1,213,261	1,276,063	1,292,107
Occupancy rate of management portfolio (%)	94.6	95.0	94.6
WAULT (years)*	7.4	8.3	7.7
Financial			
Rental income (NOKm)	440	433	1,772
Profit before value adjustments and tax (NOKm)	221	203	790
Profit after tax (NOKm)	948	70	1,000
EPRA Earnings (NOKm)**	140	142	555
Net cash flow from investment activities (NOKm)	1,426	-310	-1,157
Net nominal interest-bearing debt (NOKm)	12,271	15,199	13,890
Debt ratio (LTV) (%)**	43.7	56.8	48.4
Interest coverage ratio (ICR) (%)**	2.3	2.1	2.0
Equity ratio (%)	40.1	28.9	35.9
Net asset value - EPRA NAV (NOKm)**	14,951	11,027	14,029
EPRA NNAV (NOKm)**	13,519	9,836	12,531
Earnings per share (NOK)**/**	5.1	475.4	5.6
Cash earnings per share (NOK)**/**	1.1	1,300.2	4.1
Net asset value - EPRA NAV per share (NOK)**/**	81.4	77,551.7	76.4

* As of Q2-14 WAULT is calculated based on the management portfolio, compared to previous periods where the key figure was calculated based on the total portfolio. See "definitions"

** See section "Calculation of key figures and definitions"

*** The face value was split 1:1000 and the number for shares was increased by 41,538,461 in 2014.

Financial developments

Results for the first quarter*

The Group's rental income was NOK 440 million in the first quarter of 2015 compared to NOK 433 million in the same period in 2014. This represents an increase in rental income of 1.7 per cent. The increase in rental income is mainly related to the completion of the project at Otto Sverdrups plass 4 and the purchase of the property Lilleorget 1 in Oslo, which was completed on 1 July 2014. This is partly offset by decreased rental income related to the divestment of non-core assets during the second half of 2014 and in the first quarter of 2015. Underlying like-for-like growth on the lease contracts was 1.7 per cent from 31.03.2014 to 31.03.2015.

Other operating revenue amounted to NOK 166 million, against NOK 12 million in the same period in 2014. During the quarter the company delivered 22 apartments at Ringstabekk to the buyers, and thus recognised NOK 148.1 million in income. In addition, other operating income consists of income from external services provided in the quarter.

Maintenance and operating costs were stable and amounted to NOK 34 million (NOK 34 million).

Other property costs amounted to a total of NOK 159 million (NOK 8 million) and were affected by costs of NOK 147.8 million related to the apartments sold at Ringstabekk (referred to above). Otherwise other property costs are mainly related to depreciation and rental expenses.

Administrative owner costs amounted to NOK 54 million (NOK 61 million).

The net income from property management amounted to NOK 360 million (NOK 343 million) in the first quarter of 2015.

The valuation of the property portfolio resulted in a net positive value change of NOK 716 million, compared to NOK 2 million in the first quarter of 2014. The positive value change is mainly attributable to yield compression for centrally located properties in the Oslo region, sales of the properties in Østfold and Lillestrøm and signing of new and renegotiated contracts during the quarter.

The net unrealised value change on financial instruments was NOK 79 million (NOK -114 million) in the quarter. The positive development is mainly due to higher market interest rates in the quarter and reduced time to maturity of the existing high interest rate swaps.

Net realised financial expenses amounted to NOK 149 million (NOK 158 million). The Group has decreased its borrowings during the period. In addition falling market interest rates and the expiry of historical interest hedging agreements has contributed to lower realised financial expenses.

The profit before tax was NOK 1,016 million (NOK 91 million) in the first quarter of 2015, while comprehensive total income after tax in the period was NOK 948 million (NOK 70 million). The low tax expense rate in the period is related to the sale of properties through single purpose companies without tax expense according to Norwegian tax rules.

Balance sheet at 31.03.2015

The Group's assets amounted to NOK 29,986 million (NOK 28,550 million) as at 31.03.15. Of this, investment property amounted to NOK 27,406 million (NOK 25,824 million) and investment property held for sale to NOK 299 million (NOK 383 million). Three properties were classified as held for sale as of 31.03.15.

Investments in associated companies and jointly controlled entities were NOK 1,122 million (NOK 1,146 million).

The Group's interest-bearing debt as of 31.03.15 was NOK 12,943 million (NOK 15,623 million). Since 31.03.14 the Group decreased its interest-bearing debt preliminary as a result of the IPO in October 2014 and the sales of investment properties in the first quarter of 2015.

The pension liability was NOK 82 million (NOK 56 million) at the end of the first quarter. The increase is due to changes in actuarial assumptions, particularly impacted by a lower discount rate on the pension liability.

Trade payables and other payables were NOK 484 million (NOK 810 million). In the first quarter of 2014 the amount was impacted by interests due on interest bearing debt, approved not paid dividend payments and other short-term accruals.

The Group's equity capital, including non-controlling interests, was NOK 12,012 million (NOK 8,243 million) as at 31.03.15 which corresponds to an equity ratio of 40.1 per cent (28.9 per cent). The IPO in October 2014 and the results for the first quarter of 2015 has had an important impact on the strengthened equity in the first quarter of

* Figures in brackets refer to the corresponding period of the year before.

2015. The decrease in non-controlling interests from NOK 408 million at 31.03.14 to NOK 298 at 31.03.15 is mainly explained by dividend from Hinna Park Eiendom of NOK 75 million.

Cash flow statement

The Group's cash flow from operations amounted to NOK 194 million (NOK 175 million) in the first quarter.

Net cash flow from investments was NOK 1,426 million (NOK -310 million).

Proceeds from sales of investment properties, companies and housing-units of NOK 1,598 million (NOK 191 million) mainly consists of proceed from the sale of the six properties in Østfold and Lillestrøm with a total property value of NOK 1.375 billion and sales of housing-units at Ringstabekk.

Cost of upgrades of investment properties amounted to NOK 166 million (NOK 260 million) in the first quarter of 2015.

Furthermore, the Group has received repayment of loan from the jointly controlled entity Sundtkvartalet of NOK 62 million and invested NOK 37 million in the jointly controlled entity Entra OPF in the quarter.

Net cash flow from financing was NOK -1,690 million (NOK 177 million) in the quarter related to refinanced commercial paper loans of a total of NOK 850 million and repaid bank loans of NOK 1,690 million.

The net change in liquid assets was NOK -71 million (NOK 42 million) during the period.

Financing

During the quarter the Group has refinanced commercial paper loans for a total of NOK 850 million. The Groups bank debt was reduced with NOK 1,690 million mainly due to divestment of non-core real estate assets.

The Group's interest-bearing nominal debt was NOK 12,398 million (NOK 14,088 million) as at 31.03.15, with a diversified maturity profile. The average remaining term of the Group's debt portfolio was 5.3 years at 31.03.15 (5.0 years as at 31.12.14). The calculation takes into account the fact that available long-term credit facilities can replace short-term debt.

Maturity structure of interest-bearing debt at 31.03

NOK in millions	Credit line	Share of total debt	Acc. Share of total debt
0-3 months	750	6%	6%
4-12 months	1 800	15%	21%
1-2 years	2 000	16%	37%
2-4 years	3 818	31%	67%
4-6 years	1 700	14%	81%
>6 years	2 330	19%	100%
Total	12 398		

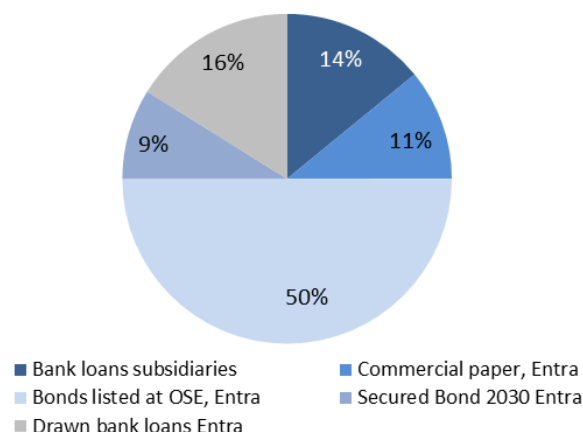
The Group's liquid assets as at 31.03.15 amounted to NOK 127 million (NOK 198 million as at 31.12.14). The Group has unutilised credit facilities totalling NOK 4,652 million as at 31.03.15 (NOK 3,965 million as at 31.12.14).

Maturity structure unutilised credit facilities at 31.03

NOK in millions	Amount	Share
0-3 months	-	0%
4-12 months	-	0%
1-2 years	950	20%
2-4 years	2 032	44%
4-6 years	1 660	36%
>6 years	10	0%
Total*	4 652	

*) Commitment fee is charged for undrawn credit facilities.

Composition of interest-bearing debt at 31.03



The chart above shows the composition of interest-bearing debt. At the end of the period 70 per cent of the Group's financing was from the capital market.

75 per cent of the Group's financing was hedged at a fixed interest rate as at 31.03.15. The weighted effective maturity of the fixed rate portion was 3.7 years as at 31.03.15 (3.2 years as at 31.12).

The Group's average interest rate was 4.66 per cent as at 31.03.15, up from 4.45 per cent as at 31.12.14. The increase in the average interest rate from Q4 2014 arise from lower floating rate exposure due to debt repayments.

Interest rate and maturity structure at 31.03

The Group's interest-bearing debt is subject to variable interest rate, including fixed rate bonds, which are swapped to variable rate. The Group manages interest rate risk by entering into floating-to-fixed interest rate swaps. The table below shows the maturity profile and contribution from floating-to-fixed interest rate swaps used for hedging purposes, as well as maturity profile for credit margins on debt.

The Group's average interest rate		%
Swap interest rate (net)		2.29
NIBOR on debt		1.41
Credit margin on debt		0.96
Total		4.66

	Pay fixed / receive floating swaps ¹		Forwards starting swaps ²			Average credit margin on debt	
	Amount (NOKm)	Interest rate (%)	Amount	Interest rate (%)	Tenor (years)	Amount (NOKm)	Credit margin (%)
<1 year	750	5.35	700	2.40	7	5,098	0.87
1-2 years	1,120	4.09	500	2.83	8	1,200	0.90
2-3 years	1,242	5.11				1,600	1.22
3-4 years	2,050	3.86	200	2.06	7	1,200	1.20
4-5 years	700	4.26				1,000	0.92
5-6 years	1,700	4.24				700	1.24
6-7 years	550	4.47					-
7-8 years	550	3.62				500	1.63
8-9 years	150	5.36					-
9-10 years		-					-
>10 years	510	5.36				1,100	0.39
Total	9,322	4.40				12,398	0.96
		-					
Pay fixed rate	9,322	4.40					
Receive floating rate	-9,322	1.36					
Swap interest rate (net)		3.04					
Hedge ratio adjusted rate³ (75%)		2.29					

¹Excluding forward starting swaps.

²The table displays future starting point, notional principle amount, average fixed rate and tenor for forward starting swaps.

³Hedge ratio = outstanding notional principal amount (swaps) / nominal interest bearing debt.

The business

Letting situation

At the end of the first quarter the Group had an economic occupancy rate in the management portfolio of 94.6 per cent (95.0 per cent). The weighted remaining term for the Group's leases was 7.4 years for the management portfolio, and 7.6 years when the project portfolio is included.

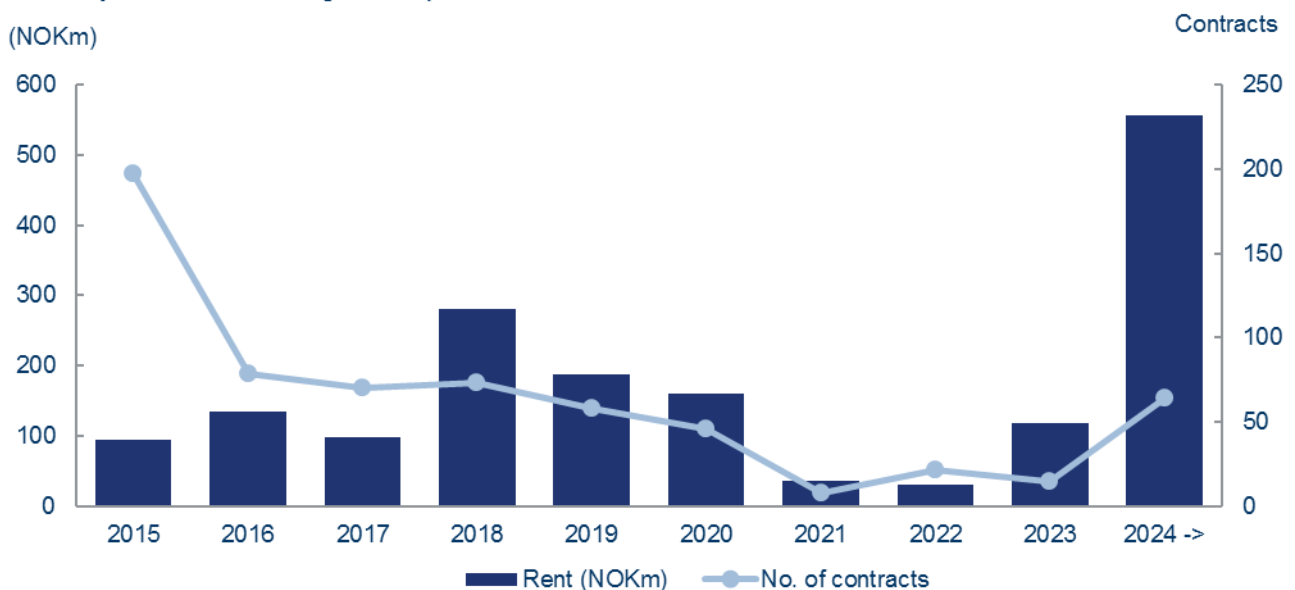
During the first quarter Entra signed new and renegotiated leases with an annual rent totalling NOK 60 million (28,700 square metres) and received notices of termination on leases with an annual rent of NOK 15 million (7,200 square metres). The increase in rent from the total amount of renegotiated contracts signed within the quarter was about 1.8 %.

The largest new/renegotiated leases entered into in the quarter were:

- New contract for 15 years and 6,500 sqm. in Strømsveien 96 at Helsfyr in Oslo with Norwegian Medicines Agency
- New contract for 10 years and 4,000 sqm in Professor Olav Hanssensvei 10 in Stavanger with the Norwegian mapping authority (Nautical Charts)
- New contract for 10 years and 1,500 sqm. in Grenseveien 96 at Helsfyr in Oslo with Scala Prosessteknikk
- New contract for 5 years and 1,500 sqm in Biskop Gunnerusgate 14 in Oslo with Vitec Midas
- New contract for 3 years and 2,000 sqm. in Biskop Gunnerusgate 14 in Oslo with the Norwegian National Rail Administration

The maturity structure of the Group's lease portfolio is set out in the graph below.

Maturity structure, management portfolio*



The property portfolio

Key figures property portfolio at 31.03.15

Key figures at 31.03.2015											
	Area (sqm)	Occupancy (%)	Number of properties (#)	Wault (year)	Market value (NOK mill.)		12 month rolling rent (NOK mill.)		Net yield (%)	Market rent (NOK mill.)	
Region Central Oslo	400,917	93.6	29	6.6	13,177	32,866	809	2,017	5.7	873	2,177
Region Greater Oslo	254,373	96.7	25	9.3	5,874	23,092	392	1,542	6.2	356	1,400
Region South and West	192,321	93.8	22	7.5	3,832	19,923	287	1,492	6.8	284	1,476
Region Mid/North	141,885	96.9	13	6.9	2,613	18,419	192	1,351	6.5	194	1,365
Total management portfolio	989,497	94.6	89	7.4	25,496	25,766	1,680	1,697	6.1	1,707	1,725
Project portfolio	86,621		4	11.8	1,735	20,029					
Regulated development sites	137,143		6	0.5	458	3,339					
Total property portfolio	1,213,261		99	7.6	27,689	22,822					

Ringstabekk housing project is included in market value of management portfolio at cost price of NOK 51 million. Youngstgt. 7-9 is included in market value of management portfolio at sales price of NOK 60 million. The calculation of net yield is based on the valuers' assumption of ownership costs, which at 31.03 corresponds to 7.6 per cent of market rent.

Transactions in the quarter

On 22 January 2015 Entra announced that it had sold a portfolio of six properties in Østfold and Lillestrøm. Total

property value in the transaction was NOK 1.375 bn. Closing and settlement took place on 24 February 2015.

Property	Location	No of sqm
Kunnskapsveien 55 AS (Kunnskapsveien 55)	Kjeller / Lillestrøm	27,135
Jonas Lies gate 20 AS (Jonas Lies gate 20-28)	Lillestrøm	12,660
Vogtsgate 17 AS (Vogtsgate 17)	Moss	9,582
Prins Chr. Augustspl AS (Prins Chr. Augustspl 3-7)	Moss	5,041
Gunnar Niensens gate 25 AS (Gunnar Niensens gate 25)	Fredrikstad	4,370
Brochsgt 3 AS (Brochsgt 3)	Fredrikstad	4,130
Total		62,918

In addition, the sale of Skansegaten 2 AS was completed in the quarter.

Project development

The table below shows ongoing projects with a total investment exceeding NOK 50 million.

Project	Ownership (%)	Location	Expected completion	Project area ('000 sqm)	Occupancy %	Estimated total project cost* (NOKm)	Of which accrued* (NOKm)	Yield on cost**
Group:								
Schweigaards gate 16	100	Oslo	Q2-2015	15,502	87.2	578	546	6.5
Akersgata 34-36	100	Oslo	Q3-2015	6,212	87.1	242	200	6.8
Papirbredden 3	60	Drammen	Q4-2015	11,354	55.7	266	143	8.0
Gullfaks***	50	Stavanger	Q3-2016	17,934	100.0	539	290	6.7
Total Group				51,002		1,625	1,179	
Jointly controlled companies:								
Sundtkvartalet	50	Oslo	Q4-2016	31,356	27.5	1,055	424	6.7
MediaCity Bergen	50	Bergen	Q3-2017	44,958	59.5	1,677	720	6.1
Total Jointly controlled companies				76,314		2,733	1,144	

* Total project cost (Including book value at date of investment decision/cost of land)

** Estimated net rent (fully let) at completion/total project cost (including cost of land)

*** Gullfaks; Occupancy is reported as 100 % let due to a rental guarantee included in the purchase transaction of Hinna Park AS

At Schweigaardsgate 16 in Oslo a new office building of 15,500 square metres is under construction. Statoil Fuel & Retail will be the largest tenant with 12,100 square metres. The project has an ambition to obtain the classification BREEAM Excellent. The building has been designed with 100 per cent LED lighting, and will obtain energy class B. The building will be completed in June 2015.

The project in Akersgata 34-36 involves both a new building and refurbishment of an existing building. In total the project will provide 6,200 square metres of offices, where Amedia will lease approx. 90 per cent. The project is on schedule, and is expecting a BREEAM Very Good classification, and energy class A for the new build. The project is scheduled to be completed and handed over in September 2015.

Papirbredden 3 has been planned and will be constructed in accordance with FutureBuilt's quality criteria. Papirbredden 3 is a passive building with Energy class A. The property is prelet to Husbanken and Evolve, and in the first quarter a new lease contract with Siv.Ing. Stener Sørensen AS for 830 sqm. was signed. The project is about 55 % leased. Assembling of the facades have been completed and internal work has started. The project has a planned completion date in Q4 2015. The project is owned by Papirbredden Eiendom, where Entra owns 60 per cent.

At Hinna Park in Stavanger, precast concrete and assembling of the facade for the Gullfaks building has

begun. The 17,400 square metre office building Gullfaks is situated close to the seashore and within a short distance of public transportation and high quality residential and commercial areas. Wintershall Norway AS will lease the whole building, except for the 2nd floor and the commercial space in the 1st floor. The project, aiming for BREEAM classification Excellent, has an estimated completion date in Q3 2016.

In Sundtkvartalet in Oslo, a new, environmentally leading office building of approximately 31,000 square metres is under construction. The concrete structures in the basement have been completed and preliminary works for precast concrete has started. The ambition is to obtain BREEAM classification Excellent, a passive building with Energy class A. The project is organised through a jointly-controlled company where Skanska and Entra own 50 per cent each. Skanska is the building contractor and has signed a lease for approximately 8,000 square metres in the building.

In MediaCity Bergen, preliminary works for the Agency for Accident and Emergency Services have been completed and internal demolition have started. This building comprises 45,000 square metres and will house the largest media companies in Bergen. The project will include the total renovation of the existing 35,000 square metres and an extension of 10,000 square metres. The vision behind the concept is to create an environment for innovation and knowledge development within the media industry, through establishing a cluster of media companies, technology,

education and research. TV2, NRK, Bergensavisen, Bergens Tidene, the Media Faculty of Bergen University, and the graphics company Vizrt have signed lease contracts, and the letting process for the remaining areas has started. The property will be a signature building and will be an important part of the development around Nygårdstangen in Bergen. The property is owned by the jointly controlled entity Entra OPF Utvikling AS where Entra and OPF own 50 per cent each.

The Langkaia project was finalised in the quarter. The refurbishment of Lossebalkongen (1st and 2nd floors) comprising 2,400 sqm was completed.

The project Ringstabekkveien 105 in Bærum was also finalised in the quarter. The project consists of Ringhøyden (commercial premises and apartments) and Slottshagen (apartments). The 24 senior apartments at Slottshagen are sold and handed over to the buyers. Bærum Municipality moved into the commercial premises at Ringhøyden in 2014 and 31 of the 49 apartments at Ringhøyden were sold as of 31.03.15. The remaining apartments are being offered for sale in the market.

At Strømsveien 96 in Oslo, refurbishment of 18,000 square meters is under planning. Norwegian Medicines Agency will be one of the tenants with 6,507 square metres. The project has an ambition to obtain the classification BREEAM Very Good and will obtain energy class B. The refurbishment will be completed in December 2017.

Phase two of the project in Fredrik Selmersvei 4 is also about to start. The project consists of completing interior works after the first phase and will be completed in the first quarter of 2016.

Partly-owned companies

Papirbredden Eiendom AS and Hinna Park Eiendom AS are consolidated in the Group's financial statements and Entra OPF Utvikling AS, Oslo S Utvikling AS and Sundtkvartalet Holding AS are accounted for applying the equity method.

Papirbredden Eiendom AS (60 % ownership)

Entra Eiendom AS and Drammen Municipality own Papirbredden Eiendom AS. The company owns the properties Grønland 51, Grønland 56, Grønland 58, Grønland 60 and Kreftingsgate 33 in Drammen. All the existing buildings are 100 per cent let.

The construction of Papirbredden 3 on parts of the site Grønland 51 in Drammen has commenced. The building will total 11,000 square metres and a lease has been signed with Husbanken for 4,000 square metres.

Zoning work is continuing for the property Kreftingsgate 33 in Drammen.

Hinna Park Eiendom AS (50 % ownership)

Entra owns 50 per cent of the shares in Hinna Park Eiendom AS (taken over as at 1 February 2014). The remaining 50 per cent is owned by Camar Eiendom AS. The company owns Hinna Park AS which itself owns the following companies:

1. Fjordpiren AS (100 % let)
2. Troll Næring AS (98.4 % let)
3. HP Stadionblokken C AS (96.2 % let)
4. Hinna Park Logistikk AS
5. Gullfaks AS
6. Oseberg Næring AS
7. Ormen Lange AS
8. Hinna Park Utvikling AS

The companies are based at Hinna Park in Jåttåvågen – Stavanger.

Fjordpiren AS, Troll Næring AS and HP Stadionblokken C AS are property companies owning the properties Fjordpiren, Troll and Stadionblokken C. Hinna Park Logistikk AS includes activity related to parking, canteen operation and letting of boat berths. Hinna Park Logistikk AS is building a parking garage (Gullhallen). The companies Gullfaks AS, Oseberg Næring AS and Ormen Lange AS are all project companies with their own building plots. Construction of Gullfaks is ongoing as described under the project development section. Hinna Park

Utvikling AS is a company whose purpose is to potentially acquire rights and building land for the further development of Jåttåvågen in Stavanger.

Entra OPF Utvikling AS (50 % ownership)

Entra and Oslo Pensjonsforsikring (OPF) own the jointly controlled enterprise Entra OPF Utvikling AS. The company owns the properties Lars Hilles gate 30 and Allehelgens gate 6 in Bergen.

The property Lars Hilles gate 30 consists today of approximately 35,000 square metres and is planned to be extended by a further 10,000 square metres to total approximately 45,000 square metres as described under the project development section above. The property Allehelgens gate 6 is fully let to the police on a lease with a remaining term of just under 5 years.

According to the agreement between Entra and Oslo Pensjonsforsikring, Entra OPF Utvikling AS is not to be financed with debt, and any capital requirements in addition to the company's ongoing profits are to be financed with equity contributions from the owners. In addition the contract provides that the company as a general rule will distribute the previous year's profit after providing for any capital requirements in the year in which the distribution is made.

Sundtkvartalet Holding AS (50 % ownership)

Entra and Skanska Commercial Development Norway Holding AS own the jointly controlled enterprise Sundtkvartalet Holding AS. The company will build a new office building of approximately 31,000 square meters in Lakkegata/Vahls gate. Skanska is the building contractor and has signed a lease for approximately 8,000 square metres in the building.

Oslo S Utvikling AS (OSU) (33.33 % ownership)

OSU is a property development company that is undertaking the development of parts of the city district Bjørvika in Oslo. OSU is developing around 350,000 square metres above ground and around 105,000 square metres below ground, of which approximately 177,000 square metres above ground and approximately 70,000 square metres below ground has been developed.

OSU's strategy of developing properties for sale means that the properties are not recorded in the financial statements at fair value, but at historical cost. In the consolidated financial statements the investment is

included using the equity method, and equity after tax is recorded at NOK 580 million in the consolidated financial statements as at 31.03.2015.

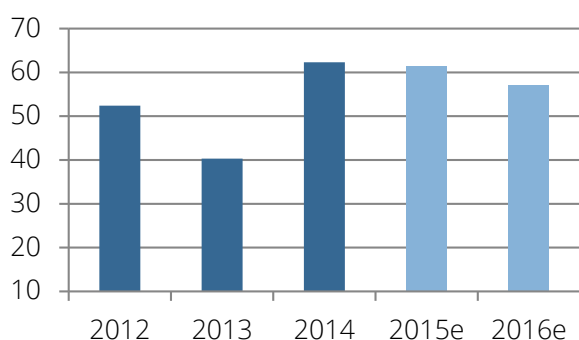
The market value of the properties and projects in OSU is estimated at approximately NOK 3.5 billion (100 per cent). Entra's ownership of 33.33 per cent gives a market value of NOK 1.2 billion. The estimate is based on corresponding principles to those used for Entra's other valuations of investment properties. Entra's share of the net asset value as at 31.03.2015 was NOK 0.8 billion after taking into account estimated latent deferred tax of 10 per cent.

Market developments

Transaction market

Commercial property transactions in Norway in the three months ended 31 March 2015 were approximately NOK 25 billion, up from less than NOK 10 billion in the same period in 2014. The transaction market is active and driven by favourable financing terms and low return on alternative investments. International investors are currently the largest net buyers of property in Norway. The foreign share of the total Norwegian property market was around 20 percent in 2014 and around 40 percent in the first quarter of 2015. The interest for modern and central properties close to transportation hubs is still high and the yields have been decreasing in the first quarter of 2015. In the last part of 2014 and first quarter of 2015 there has also been more transactions outside the most central areas. These transactions can however also be characterised by high quality buildings, long lease contracts and solid tenants.

Transaction volume Norway



Source: Entra Consensus report

Rental market

Office vacancy has increased slightly in all Entra's markets due to the slower economic growth in the Norwegian economy. However, rent levels for modern and centrally located properties still remain solid.

Office vacancy in Oslo is around 8 per cent per, up from 7.5 per cent a year ago. Overall rents are slightly declining. Due to low vacancy, rents remains stable in city centre. Activity in the rental market has been somewhat moderate so far in 2015. Modern office premises located in the centre of Oslo obtain rents of about NOK 3,000 per square metre.

Office vacancy in Bergen is around 8 per cent, mostly among older, less efficient office buildings. Rents for modern offices in central Bergen have remained stable since our last report, and are obtaining rents of around NOK 2,200 per square metre.

In Trondheim, office vacancy has increased from around 6 per cent late 2014 to about 7 per cent now. Rents are unchanged. Modern centrally located premises in Trondheim obtain rents of approximately NOK 2,000 per square metre.

In Stavanger, office vacancy has increased to around 8 per cent. The vacancy rate is highest in the oil & gas intensive Forus area. Vacancy is still limited in city centre and Hinna Park. High standard, modern office premises located in the city centre and at Hinna Park, obtain rents of around NOK 2,200 - 2,500 per square metre.

Market data Oslo

	2012	2013	2014	2015e	2016e	2017e
Vacancy (%)*	7,2	7,4	7,8	8,4	8,4	8,0
Rental price (NOK/sqm)**	2 780	2 907	3 025	3 035	3 086	3 170
Prime yield (%)*	5,3	5,2	4,7	4,4	4,5	

* Oslo, including Lysaker and Fornebu

** High quality offices in Oslo

Source: Entra Consensus report

Organisation and HSE

At 31 March 2015 the Group had 170 employees, of whom 15 are employed in Hinna Park AS.

During the quarter there were two lost time injuries. Entra has implemented several initiatives to improve the HSE situation both in on-going projects and in the operations, and works continually to avoid injuries.

The Group had an LTIF rate (number of accidents with lost time per million hours worked in last 12 months) on ongoing projects of 5.8 as at the end of the period, up from 4.4 at the end of the previous quarter.

Risk and risk management

The Group is exposed to financial risk through considerable level of debt financing, and changes in interest rate levels on loans at floating rates will affect the Group's cash flow. The risks associated with the development in market rates are managed through active use of various interest hedging instruments. Liquidity/refinancing risk is reduced by entering into long-term loan agreements, as well as through establishing a diversified maturity structure and the use of various credit markets and counterparties.

The Group's equity is affected by value changes on properties and financial instruments that are due to changes in, among other things, interest and rent levels, yields and other market conditions.

Entra is exposed to the letting market, which is affected by macroeconomic changes in, among other things, GDP, the CPI rate and employment. Vacancy in the portfolio and rent changes on renegotiation of existing contracts affect the ongoing cash flow. Efforts are made to reduce the letting risk by systematic customer service, following up contract expiries and plans for letting work, as well as by adapting properties to customers' requirements. By entering into long leases with a diversified maturity structure, the Group achieves a stable and predictable cash flow.

Entra carries out major upgrading and development projects involving risks in relation to deadlines and costs.

There has for some time been a deviation between the rent adjustment on leases entered into (CPI) and the increase in building costs, a factor which it has been important to take into account when planning and implementing projects. This difference is expected to be less in the future.

Events after the balance sheet date

The Annual general meeting of Entra ASA was held on 29 April 2015. The general meeting approved the distribution of a dividend of NOK 2.50 per share for the financial year 2014. The dividend will be paid out on or about 12 May 2015 to the company's shareholders as of 29 April 2015.

For further information see www.entra.no.

Shareholder information

The 10 largest shareholders as registered in the VPS on 22 April 2015 were as follows:

Shareholder	Shareholding (%)
Norwegian Ministry of Trade, Industry and Fisheries	49.89
Geveran Trading	7.7
Folketrygdfondet	5.5
The Bank of New York (Nominee)	1.8
JP Morgan Clearing (Nominee)	1.8
J.P. Morgan Chase Bank (Nominee)	1.7
Danske Invest Norge	1.7
SEB (Nominee)	1.6
State Street Bank (Nominee)	1.1
State Street Bank (Nominee)	1.0
SUM 10 LARGEST SHAREHOLDERS (VPS 22.04.15)	76.3

Outlook

A weaker macro-economic development is expected in Norway. The current economic situation with lower oil prices is expected to lead to higher unemployment and increased uncertainty.

Office vacancies have increased slightly in despite the low volume of new buildings being completed. Sub markets with a high level of international tenants and oil exposure are expected to experience further increase in vacancies and pressure on rents. As seen in previous periods, modern offices located near public transportation still attract tenants and obtain solid rents compared to premises located in fringe areas. Rental growth is however expected to see a slow-down in 2015 compared to previous years.

Property investors seek quality properties with good locations and/ or long and secure cash flows. Centrally located properties with development potential are also greatly in demand. Entra is experiencing a favourable credit market environment with low interest rates and contracting credit margins. The market is characterised by high competition and willingness to lend, both by banks and in the debt capital markets. Entra expect these market conditions to continue and to support a positive value development for Entra's property portfolio.

Oslo, 6 May 2015

The Board of Entra ASA

Financial statements

Statement of comprehensive income

All figures in NOK millions	Q1-15	Q1-14	2014
Rental income	440	433	1,772
Other operating revenue	166	12	225
Total operating revenue	606	445	1,997
Repairs & maintenance	8	7	52
Operating costs	26	27	96
Other property costs	159	8	223
Administrative owner costs	54	61	227
Total operating costs	247	102	598
Net income from property management	360	343	1,399
Changes in value from investment properties	716	2	1,195
Share of profit from associates and jointly controlled entities	10	18	36
Operating profit	1,085	363	2,629
Interest and other finance income	3	3	21
Interest and other finance expense	-151	-161	-666
Net realised financials	-149	-158	-645
Unrealised changes in value of financial instruments	79	-114	-607
Net financials	-69	-272	-1,252
Profit before tax	1,016	91	1,377
Tax payable	-	-	-
Change in deferred tax	-68	-21	-351
Profit for period/year	948	70	1,026
Actuarial gains and losses, net of tax	-	-	-26
Total comprehensive income for the period/year	948	70	1,000
Profit attributable to:			
Equity holders of the Company	936	68	1,027
Non-controlling interest	12	3	-1
Total comprehensive income attributable to:			
Equity holders of the Company	936	68	1,001
Non-controlling interest	12	3	-1

Balance sheet

All figures in NOK millions	31.03.15	31.03.14	31.12.14
NON-CURRENT ASSETS			
Goodwill	146	132	146
Other intangible assets	41	31	34
Total intangible assets	187	164	180
Investment property	27,406	25,824	26,679
Property used by owner	7	7	7
Other operating assets	30	30	34
Total property, plant & equipment	27,443	25,861	26,721
Investments in associates and jointly controlled entities	1,122	1,146	1,074
Loan to associates and jointly controlled entities	0	-	62
Financial derivatives	537	239	550
Other long-term receivables	65	49	49
Total financial assets	1,724	1,434	1,736
TOTAL NON-CURRENT ASSETS	29,354	27,458	28,637
CURRENT ASSETS			
Housing-units for sale	51	277	197
Trade receivables	79	84	45
Other receivables	77	128	222
Total current receivables	207	490	464
Cash and bank deposits	127	219	198
TOTAL CURRENT ASSETS	334	709	662
Investment property held for sale	299	383	1,551
TOTAL ASSETS	29,986	28,550	30,850

All figures in NOK millions	31.03.15	31.03.14	31.12.14
EQUITY			
Paid-in equity	3,739	1,729	3,739
Retained earnings	7,974	6,105	7,039
Non-controlling interests	298	408	286
TOTAL EQUITY	12,012	8,243	11,064
LIABILITIES			
Interest-bearing debt	10,393	12,345	11,826
Pension liability	82	56	82
Deferred tax liability	3,025	2,674	2,984
Financial derivatives	1,274	900	1,353
Other liabilities	120	127	129
Total non-current liabilities	14,893	16,102	16,373
Trade payables and other payables	484	810	521
Interest-bearing debt	2,550	3,278	2,821
Tenants prepayments and provisions	47	118	70
Total current liabilities	3,081	4,205	3,412
TOTAL LIABILITIES	17,974	20,308	19,786
TOTAL EQUITY AND LIABILITIES	29,986	28,550	30,850

Consolidated statement of changes in equity

All figures in NOK millions	Share capital	Other paid-in capital	Other equity	Non-controlling interest	Total equity
Equity 31.12.2013	142	1,587	6,287	115	8,131
Profit for the year			1,027	-1	1,026
Other comprehensive income			-26		-26
Capital increase	42	2,658			2,700
Share issue costs net of tax		-40			-40
Dividend paid		-650	-250		-900
Additions with non-controlling interests				257	257
Repaid paid-in capital non-controlling interests				-85	-85
Equity 31.12.2014	184	3,556	7,039	286	11,064
Profit for period			936	12	948
Other comprehensive income					
Equity 31.03.2015	184	3,556	7,974	298	12,012

Consolidated statement of cash flows

All figures in NOK millions	Q1-15	Q1-14	2014
Profit before tax	1,016	91	1,377
Net expensed interest and fees on loans from financial institutions	145	151	695
Interest and fees paid on loans from financial institutions	-159	-155	-740
Share of profit from associates and jointly controlled entities	-10	-18	-36
Depreciation and amortisation	10	4	16
Change in market value investment properties	-716	-2	-1,200
Change in market value financial instruments	-79	114	607
Change in working capital	-14	-10	-52
Net cash flow from operating activities	194	175	668
Proceeds from sales of investment properties, companies and housing-units	1,598	191	511
Purchase of business net of cash	-	-187	-213
Purchase of investment properties	-	-	-287
Cost of upgrades of investment properties	-166	-260	-1,106
Investment in housing units for sale	-2	-50	-154
Purchase of intangible assets and other plant and equipment	-14	-4	-40
Net payment financial assets	-16	-	-
Net repayment of loans to associates and jointly controlled entities	62	-	-62
Net payments in associates and jointly controlled entities	-37	-	115
Dividends from associates and jointly controlled entities	-	-	80
Net cash flow from investment activities	1,426	-310	-1,157
Proceeds interest-bearing debt	850	2,970	11,910
Repayment interest-bearing debt	-2,540	-2,793	-13,086
Proceeds from/repayment of equity	-	-	2,645
Dividends paid	-	-	-960
Net cash flow from financing activities	-1,690	177	510
Change in cash and cash equivalents	-71	42	21
Cash and cash equivalents at beginning of period	198	177	177
Cash and cash equivalents at end of period	127	219	198

Notes to the income statement and balance sheet

1. Accounting principles

The results for the period have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles that have been used in the preparation of the interim financial statements are in conformity with the principles used in preparation of the annual financial statements for 2014. Reporting covers Entra ASA, subsidiaries, associated companies and jointly controlled entities. The interim financial statements have not been audited.

2. Segment information

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance. The accounting policies of the reportable segments are the same as for the Group's accounting policies. The Group reports its business under four geographic operating segments in line with IFRS 8: Central Oslo, Greater Oslo, South/West Norway and Mid/North Norway. Each of the operating segments has its own profit responsibility.

Segment information is reported to the group management team and to the CEO, which are the Group's highest decision-making authority.

Costs related to staff and support functions for the operating segments and group eliminations are included in the segment Group.

Operating segments Q1-2015

All figures in NOK millions	Central Oslo	Greater Oslo	South/West	Mid/North	Group	Consolidated
Rental income	197	120	70	53	-	440
Other operating revenue	15	142	7	2	0	166
Total operating revenue	212	262	77	55	0	606
Repairs & maintenance	3	2	2	1	-	8
Operating costs	7	6	6	6	0	26
Other property costs	0	148	0	1	9	159
Administrative owner costs	3	3	3	2	44	54
Total operating costs	14	159	12	9	53	247
Net income from property management	198	103	65	46	-53	360
Carrying amount of investment property						
Investment property	14,188	6,312	4,280	2,551		27,331
Investment property held for sale	-	-	48	251		299

Operating segments Q1-2014

All figures in NOK millions	Central Oslo	Greater Oslo	South/West	Mid/North	Group	Consolidated
Rental income	194	120	66	53	-	433
Other operating revenue	4	2	5	1	0	12
Total operating revenue	198	122	71	54	0	445
Repairs & maintenance	3	2	1	1	-0	7
Operating costs	9	6	7	5	0	27
Other property costs	4	-0	0	1	4	8
Administrative owner costs	3	4	7	2	45	61
Total operating costs	19	12	16	7	48	102
Net income from property management	179	110	55	46	-48	343
Carrying amount of investment property						
Investment property	12,158	6,828	4,212	2,626		25,824
Investment property held for sale	209	-	111	63		383

Operating segments 2014

All figures in NOK millions	Central Oslo	Greater Oslo	South/West	Mid/North	Group	Consolidated
Rental income	781	502	285	204	-	1,772
Other operating revenue	7	184	26	7	2	225
Total operating revenue	788	686	311	211	2	1,997
Repairs & maintenance	25	14	10	4	-	52
Operating costs	31	25	21	18	0	96
Other property costs	18	187	1	2	15	223
Administrative owner costs	14	13	26	7	166	227
Total operating costs	89	240	58	30	182	598
Net income from property management	700	446	253	181	-180	1,399
Carrying amount of investment property						
Investment property	13,704	6,172	4,291	2,512		26,679
Investment property held for sale	-	1,193	110	248		1,551

3. Investment properties

All figures in NOK millions	Q1-15	Q1-14	31.12.14
Closing balance previous period	28,230	24,818	24,818
Purchase of investment property	-	1,293	1,581
Investment in the property portfolio	162	277	1,077
Capitalised borrowing costs	9	9	37
Sale of investment property	-1,412	-191	-477
Changes in value from operational lease	1	1	36
Changes in value from investment properties	715	2	1,158
Closing balance	27,705	26,207	28,230
Investment property held for sale	299	383	1,551
Investment property	27,406	25,824	26,679

Investment properties held for sale include the properties Grønnegata 122 and Strandveien 13 in Tromsø and Kirkegaten 2B in Arendal. Grønnegata 122 is delivered to the buyer in April 2015.

The value change on operational lease agreements relates to the property Langkaia 1, which is owned under a lease that expires on 31 December 2030. The property will then revert without consideration to the Oslo Harbour Authority. The property is classified as an investment property under IAS 40 and is valued at NOK 705 million as at the end of the first quarter of 2015. The Group records quarterly a negative value change on the property as the maturity date of the lease approaches.

4. Contingencies

Entra is currently involved in legal or arbitration proceedings or disputes with Norwegian Datasenter Group AS, Greenfield Property AS, Evry ASA/Evry AS, Skanska Norge AS and Caverion Norge AS. Refer to the annual report 2014 for further explanations regarding these proceedings.

The hearing of the dispute with Norwegian Datasenter Group AS and Greenfield Property AS took place in Oslo District Court in January 2015 and Entra prevailed on all counts. The judgment has been appealed by the counterparty.

The hearing of the dispute with Evry ASA/Evry AS took place in Oslo District Court in February 2015 and Evry ASA/Evry AS prevailed. Entra disagree with the verdict and the ruling will be appealed.

Entra has not made any provision for the claims as the Group considers it not probable that an outflow of resources involving economic benefits will be required to settle the obligation.

5. Information on the fair value of assets and liabilities

The valuation methods and principles are unchanged in the quarter. See the annual financial statements for 2014 for further information. Set out below is a summary of financial instruments divided between the different valuation hierarchies set out in IFRS 7.

With the exception of equity capital instruments of NOK 0.6 million (level 3) all financial instruments are level 2.

All figures in NOK millions	31.03.15	31.03.14	31.12.14
Assets measured at fair value			
Assets measured at fair value with change over the result			
- Investment property	27,406	25,824	26,679
- Investment property held for sale	299	383	1,551
- Derivatives	537	239	550
Financial assets held for sale			
- Equity instruments	1	1	1
Total	28,243	26,447	28,781
Liabilities measured at fair value			
Financial liabilities measured at fair value with change over the result			
- Derivatives	1,274	900	1,353
- Bonds	3,845	4,197	3,859
- Commercial paper	1,350	2,100	1,350
Total	6,469	7,197	6,561

6. Sales of property portfolio

The Group has completed a sale of a portfolio of six properties in Østfold and Lillestrøm with a total property value of NOK 1,375 billion in the first quarter of 2015. Closing and settlement took place at 24 February 2015. All properties involved are located in the Greater Oslo region.

Key figures for the property portfolio in total are listed below:

All figures in NOK millions	2013	2014
Total income	101	103
Property costs	7	6
Net income from property management	94	97
Book value as of 31.12	1,163	1,189

The properties were sold as sales of shares and thus the transaction was tax exempted.

Calculation of key figures and definitions

Reconciliation of investment properties to property market value

All figures in NOK millions	Q1-15	Q1-14	31.12.14
Investment property	27,406	25,824	26,679
Investment properties held for sale	299	383	1,551
Properties for use of the group	8	8	9
Housing units held for sale	51	277	197
Prepaid VAT compensation	-75	-89	-78
Property market value	27,689	26,404	28,358

Interest coverage ratio (ICR)

All figures in NOK millions	Q1-15	Q1-14	2014
Net income from property management	360	343	1399
Depreciation	10	4	18
EBITDA adjusted	369	347	1418
Share of EBITDA Entra OPF Utvikling	1	12	16
EBITDA adjusted for share of Entra OPF Utvikling	371	359	1434
Interest cost	151	165	682
Other finance expense	8	4	19
Applicable net interest cost	159	169	701
Interest Coverage Ratio (ICR)	2.3	2.1	2.0

Debt ratio (LTV)

All figures in NOK millions	Q1-15	Q1-14	2014
Net nominal interest-bearing debt	12,271	15,199	13,890
Total market value of the property portfolio	28,087	26,772	28,720
Market value of the property portfolio	27,689	26,404	28,358
Share of Entra OPF Utvikling (50%)	398	368	362
Debt ratio (LTV) %	43.7	56.8	48.4

Net asset value - EPRA NAV and EPRA NNAV

All figures in NOK millions	Q1-15	Q1-14	2014
Book value of investment properties	27,705	26,207	28,230
Net interest-bearing debt	12,816	15,404	14,449
Other debt-like items	2,877	2,561	2,718
Total equity	12,012	8,243	11,064
Less: Non-controlling interests	298	408	286
NAV per financial statement	11,714	7,835	10,778
Add: Adjustment to property portfolio	1	1	2
Add: Revaluation of investments made in the JV	211	351	194
Add: Net market value on financial derivatives	736	661	803
Add: Deferred tax arising on revaluation moments	2,289	2,179	2,252
EPRA NAV	14,951	11,027	14,029
Market value on property portfolio	27,689	26,404	28,358
Tax value on property portfolio	12,739	13,334	13,124
Basis for calculation of tax on gain on sale	14,950	13,070	15,234
Less: Market value of tax on gain on sale (5% tax rate)	748	654	762
Net market value on financial derivatives	736	661	803
Tax expense on realised net financial derivatives (27% tax rate)	199	178	217
Less: Net result from realisation of financial derivatives	538	482	586
Book value of interest bearing debt	12,943	15,623	14,647
Nominal value of interest bearing debt	12,398	15,418	14,088
Basis for calculation of tax on realisation of interest bearing debt	545	205	559
Less: Market value of tax on realisation (27% tax rate)	147	55	151
EPRA NNAV	13,519	9,836	12,531

EPRA Earnings

All figures in NOK millions	Q1-15	Q1-14	2014
Profit for period/year - Earnings per IFRS income statement	948	70	1,026
Add:			
Change in value from investment property	-716	-2	-1,195
Tax on changes in value of investment property (27% tax rate)	193	1	323
Reversal of deferred tax arising from sales of properties (tax exempted)	-208		
Unrealised changes in value of financial instruments	-79	114	607
Tax on unrealised changes in value of fin. instr. (27% tax rate)	21	-31	-164
Profit or losses on disposal of inventory in Oslo S Utvikling AS	-6	-6	-23
Share of profit jointly controlled entities - fair value adjustments	-7	0	6
Non-controlling interests of subsidiaries	-6	-4	-24
EPRA earnings	140	142	555

Definitions

12 months rolling rent	- The contractual rent of the management properties of the Group for the next 12 months as of a certain date, adjusted for (i) signed new contracts and contracts expiring during such period, (ii) contract based CPI adjustments based on Independent Appraisers' CPI estimates and (iii) the Independent Appraisers' estimates of letting of current and future vacant areas.
Contractual rent EPRA Earnings	- Annual cash rental income being received as of relevant date - Net income after tax excluding value changes on investment properties, unrealised changes in the market value of financial derivatives and gains/losses on the sale of properties and their associated tax effects. All adjustments are also made for jointly controlled entities. EPRA earnings are intended to give an indication of the underlying development in the property portfolio
EPRA NAV	- Net asset value adjusted to include market value of all properties in the portfolio and interest-bearing debt, and to exclude certain items not expected to crystallise in a long-term investment property business model such as e.g. financial derivatives and deferred tax on the market value of investment properties. The objective with EPRA NAV is to demonstrate the fair value of net assets given a long-term investment horizon
EPRA NNAV	- EPRA NNAV is EPRA NAV adjusted to reflect the fair value of debt and derivatives and in order to include deferred tax on value changes. The objective with EPRA NNAV is to report the fair value of net assets in the Group on the basis that these are immediately realised
Gross yield	- 12 months rolling rent divided by the market value of the management portfolio
Independent Appraisers	- Akershus Eiendom and DTZ
Land and development properties Like-for-like	- Property / plots of land with planning permission for development The percentage change in rental income from one period to another given the same income generating property portfolio in the portfolio. The figure is thus adjusted for purchases and sales of properties and active projects
Loan-to-value ("LTV")	- Net nominal value of interest-bearing liabilities divided by the market value of the property portfolio and the market value of the jointly controlled entity Entra OPF Utvikling
Management properties	- Properties that are actively managed by the company
Market rent	- The annualised market rent of the management properties, fully let as of the relevant date, expressed as the average of market rents estimated by the Independent Appraisers
Market value of property portfolio	- The market value of all the properties owned by the parent company and subsidiaries, regardless of their classification for accounting purposes. Does not include the market value of properties in associates and jointly controlled entities
Net rent	- 12 months rolling rent less the Independent Appraisers' estimate of ownership costs of the management properties of the Group
Net yield	- Net rent divided by the market value of the management properties of the Group
Occupancy	- Estimated market rent of occupied space of the management properties, divided by the market rent of the total space of the management portfolio. Based on EPRA standard
Project properties	- Properties where it has been decided to start construction of a new building and/or renovation
Interest Coverage Ratio ("ICR")	- Net income from property management excluding depreciation and amortisation for the Group including Entra OPF, divided by net interest on interest-bearing nominal debt and fees and commitment fees related to investment activities
Total area	- Total area including the area of management properties, project properties and land / development properties
WAULT	- Weighted Average Unexpired Lease Term measured as the remaining contractual lease amounts of the current lease contracts of the management properties of the Group, including areas that have been re-let and signed new contracts, adjusted for termination rights and excluding any renewal options, divided by Contractual Rent, including renewed and signed new contracts



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