

1st quarter 2015

Oslo, 7th May 2015



Agenda



- **Highlights in the quarter**
- Operations and market
- Financial update
- Closing remarks
- Q&A

Highlights in the quarter

- Rental income of 440 NOKm (433 NOKm)*
- Net income from property management of 360 NOKm (343 NOKm)*
- Positive value changes of 716 NOKm (2 NOKm)
- Net letting of 45 NOKm (~ 21,500 sqm)
- Finalised projects at Ringstabekk and Langkaia



Langkaia 1, Oslo

* The Q1 14 numbers are restated as a result of changed accounting principle for three properties from IFRIC12 to IAS 40

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Letting and occupancy

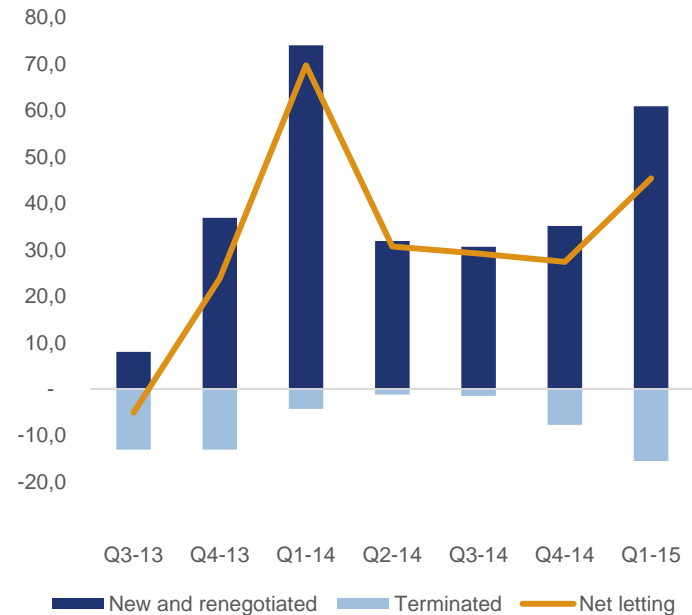


- New and renewed leases, 60.8 NOKm (28,750 sqm)
- Lease-up of 1.8% on renegotiated contracts
- Terminated contracts, 15.5 NOKm (7,250 sqm)
- Occupancy at 94.6%, WAULT at 7.4 yrs

Largest new and renegotiated contracts

Property:	Tenant:	Sqm:	Contract:
Strømsveien 96	Norwegian Medicines Agency	6,500	New
Professor O. Hanssens vei 10	Norwegian Mapping Authority	4,000	Renegotiation
Grenseveien 92	Scala Prosessteknikk	1,500	New
Biskop Gunnerus gate 14	Vitec Midas	1,500	New

Quarterly net letting (Annual rent, NOKm)



Sale of portfolio of six properties in Lillestrøm and Østfold to Hemfosa Fastigheter AB



- Total of 62,918 sqm,
- 12 months rolling rent of NOKm 104 as of 31 Dec 2014
- Total property value of NOK 1.375 bn (15 % above book values per 31 Dec 2014.)
- Closing and settlement: 24 Feb 2015



Kunnskapsveien 55, Kjeller

Finalised two development projects



Langkaia 1



- Refurbishment of 9th and 10th floor and new office premises in the old loading balcony (1st and 2nd floor)
- Total of 8,530 sqm
- Occupancy: 76%
- Total project cost: NOKm 161
- Yield on cost: 13.5%

Ringstabekk



- Ringhøyden (commercial premises and apartments) and Slottshagen (apartments)
- Commercial premises let to Bærum Municipality from 2014
- All apartments at Slottshagen and 31 of the 49 apartments at Ringhøyden sold as of 31 Mar 15
- Total project cost: NOKm 486

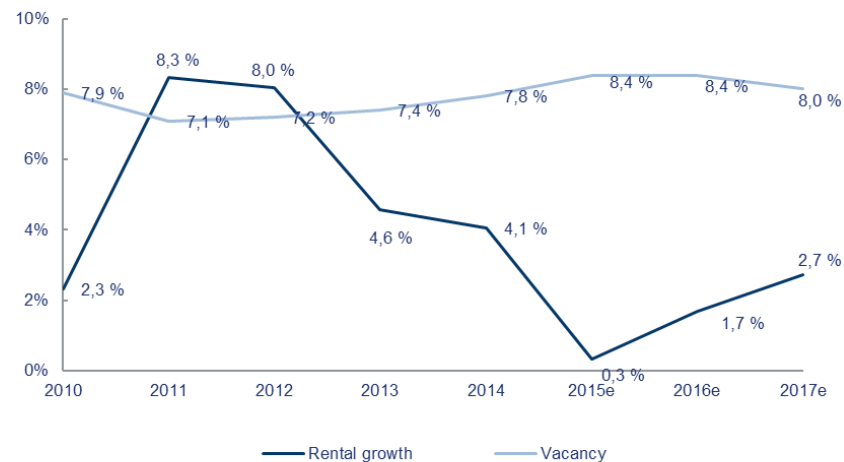
Market development

Rent and vacancy



- Slightly increasing vacancies and decreasing rental growth
- Cautious market, micro location and product flexibility of greater importance
- Limited supply side balances the market
- Stable vacancy and rent levels in Trondheim
- Increasing vacancies in Stavanger and Bergen
 - Large local variations in the markets
 - City centre/attractive office areas holding up well

Rental growth and vacancy Oslo



Source: Entra consensus report, average of estimates from leading market specialists in Norwegian market.

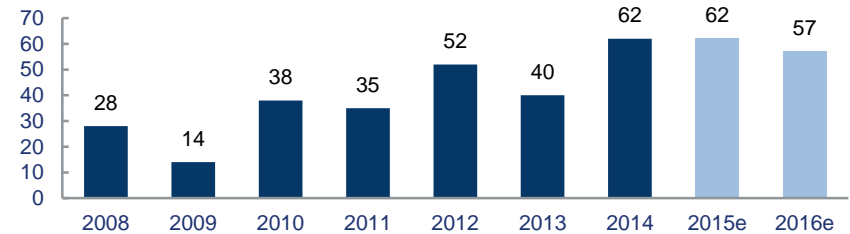
Market development

Transactions and yields

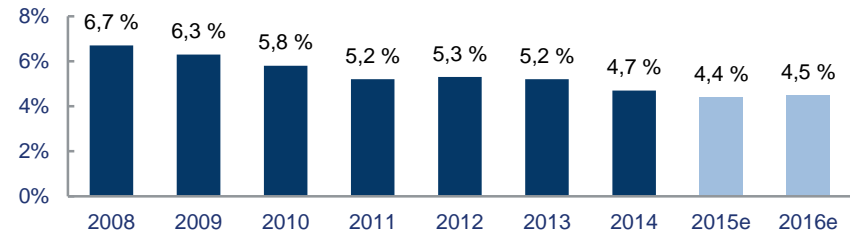


- Property investments still attractive relative to other investment alternatives
- Transaction market remains strong
- International investors are the largest net buyers of commercial properties in Norway
- Yields levels still contracting, expected to level out in 2015-16

Total transaction volume (NOKbn)



Prime yield Oslo



Source: Entra consensus report, estimates from leading market specialists in Norwegian market

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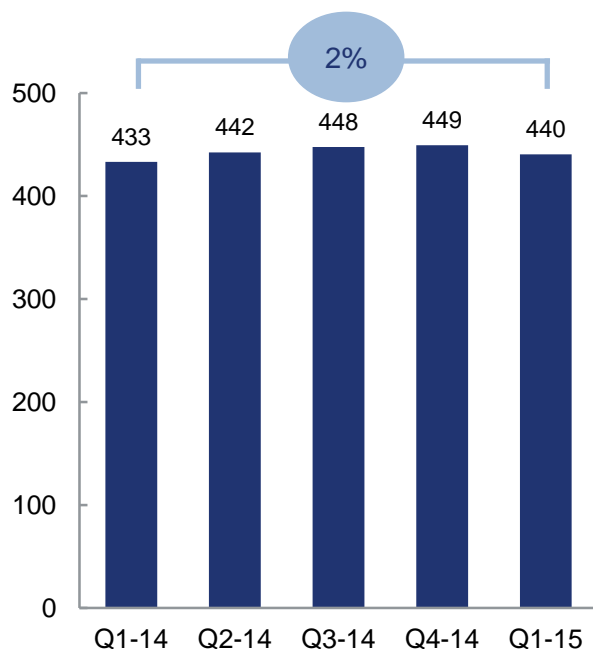


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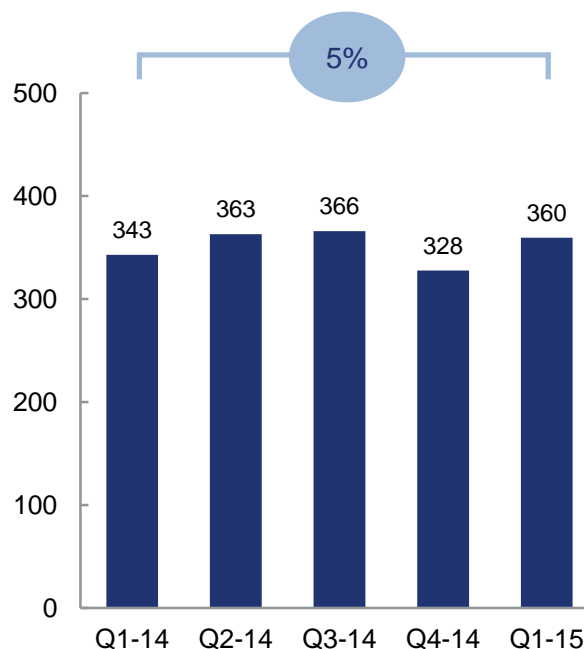
Key financials*



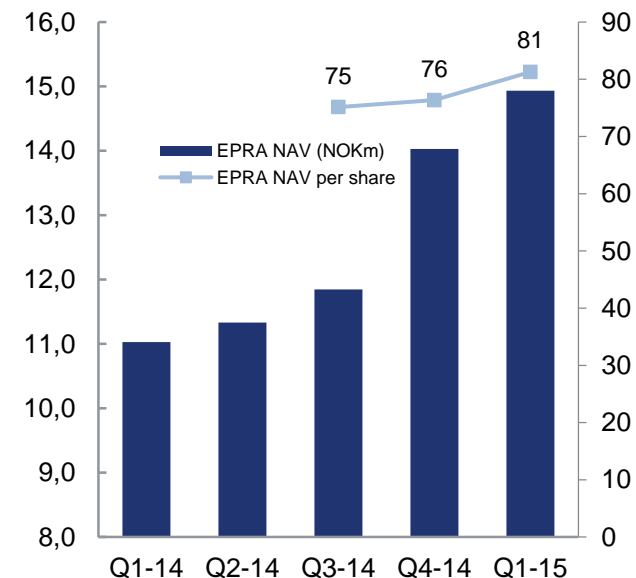
Rental income (NOKm)



Net income from property management (NOKm)



EPRA NAV (NOKbn / NOK per share)



* Q1-14 to Q3-14 numbers are restated as a result of changed accounting principle for three properties from IFRIC 12 to IAS 40

Q3 14 post IPO pro forma EPRA NAV = 13,8 NOKbn / 75 NOK per share

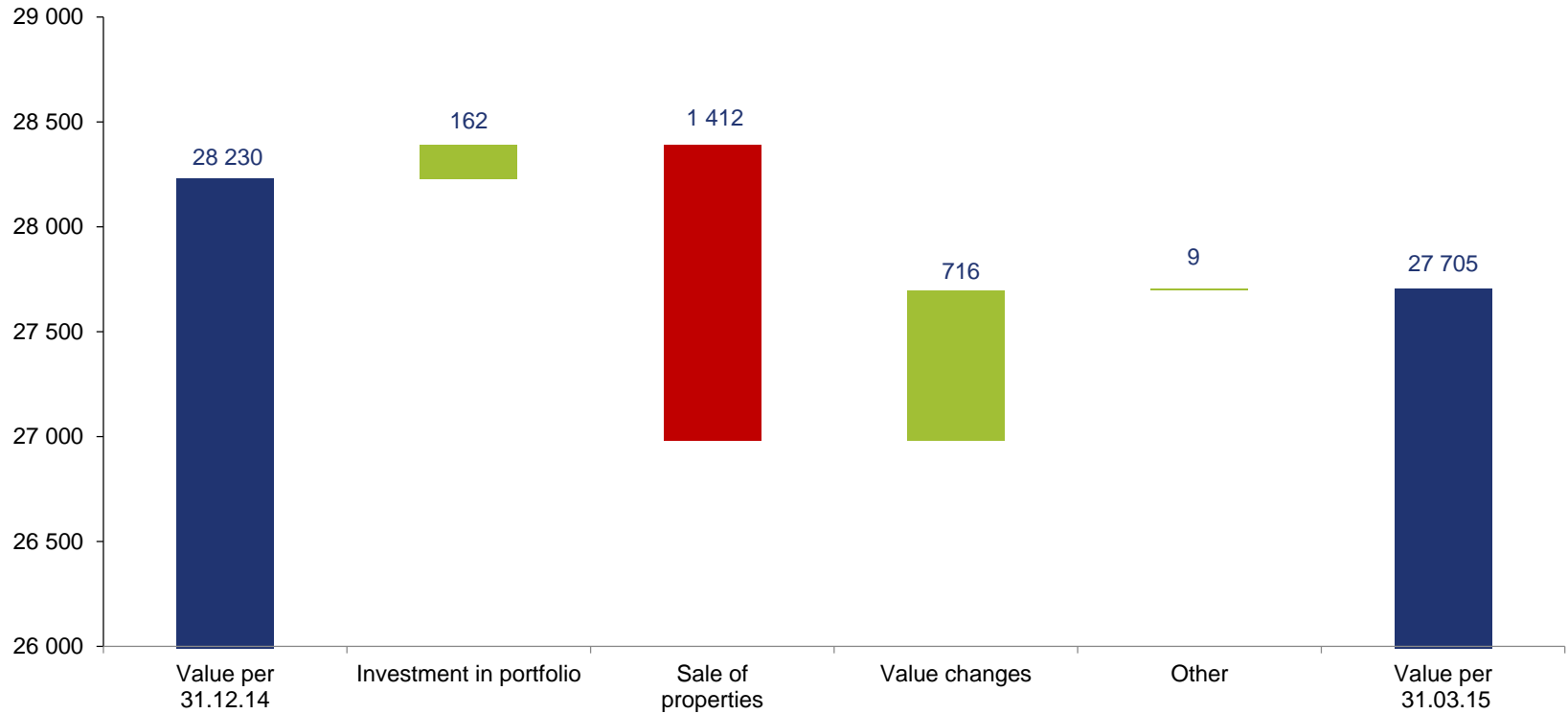
Results*



All figures in NOKm	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 and 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
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	0	0	0
Change in deferred tax	-68	-21	-351
Profit after tax	948	70	1,026

* The numbers are restated as a result of changed accounting principle for three properties from IFRIC 12 to IAS 40

Investment property value development



Project Portfolio



Property	Ownership (%)	Location	Expected Completion	Project area ('000 sqm)	Occupancy (%)	Est. total project cost* (NOKm)	Of which accrued* (NOKm)	Yield on cost** (%)
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	
Joint ventures:								
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 Joint ventures				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

Balance sheet*



All figures in NOKm	31.03.2015	31.03.14	31.12.2014
Intangible assets	187	164	180
Book value of property portfolio	27,763	26,492	28,434
Associated companies	1,122	1,146	1,137
Financial derivatives	537	239	550
Other current assets	250	291	350
Cash and cash equivalents	127	219	198
Total assets	29,986	28,550	30,850
Equity	12,012	8,243	11,064
Interest bearing debt	12,943	15,623	14,647
Deferred tax	3,025	2,674	2,984
Financial derivatives	1,274	900	1,353
Other liabilities	733	1,111	802
Total equity and liabilities	29,986	28,550	30,850

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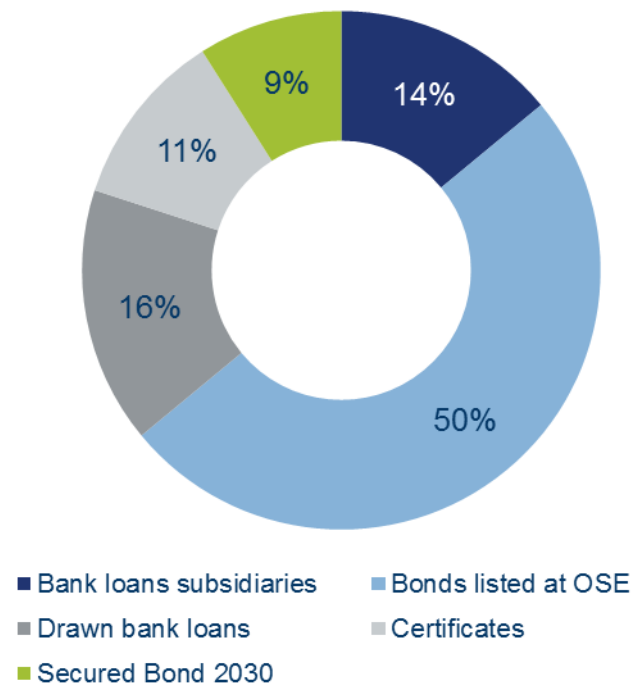
Financial update



Key debt metrics as of 31.03.15

Interest bearing nominal debt	12,398 NOKm
Unutilised credit facilities	4,652 NOKm
Loan-to-value	43.7%
Weighted average maturity	5.3 yrs
Average interest rate	4.7%
Share at fixed rate	75%
Average duration of interest rate hedges	3.7 yrs

Composition of interest bearing debt

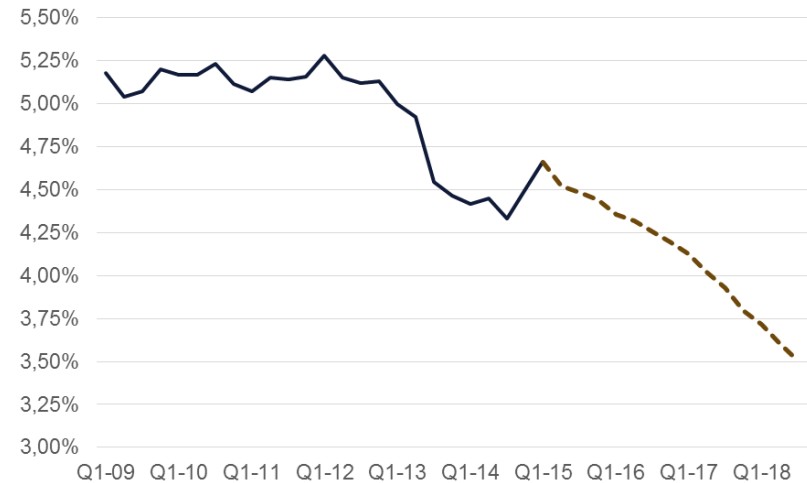


Financial update



- Average interest rate at 4.66% as of 31.03.15
- Interest bearing debt reduced by NOK 1.7 bn in the quarter due to divestment of non-core assets
- Short term increase in average interest rates
 - lower floating interest rate exposure/higher relative share of contribution from old swaps

Development in average interest rate 2009 – 2018e



- Changes in average interest rate is caused by expiration of interest rate swaps and start of forward swaps already entered into.
- Assumptions (2015-2018):
 - Stable debt level
 - All debt re-financed at existing terms
 - NIBOR forward curve

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Closing remarks

- Entra competes well in an otherwise cautious letting market
- Several new and significant lease contracts signed in the quarter
- Sale of remaining non core assets ongoing
- Two new projects to start in Q2 2015
- Dividend of NOK 2.50 per share to be paid on 12 May



Candidates: Urban+ design contest

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