INTERIM REPORT

01.10. - 31.12.2015

Papirbredden 2 + 3, Drammen

entra

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 96 buildings with a total area of approximately 1.2 million square metres. Each day over 30,000 people work in buildings owned by Entra. As of 31.12.15 the real estate portfolio had a market value of around NOK 29.6 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 2015 Entra achieved an aggregate customer satisfaction rating of 82, against an industry average of 77. The result for 2015 is a significant improvement compared to the score of 74 achieved in 2014.

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 yielding results. Important quality criteria for Entra's new buildings are to achieve a passive building standard and BREEAM classification "Excellent" or better, 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 in two units: Oslo and Regional cities. Entra has its head office in Oslo.

Entra is listed on Oslo Stock Exchange with the ticker ENTRA.

Highlights

- Rental income was NOK 437 million (NOK 449 million) in the fourth quarter and NOK 1,760 million (NOK 1,772 million) in 2015. Adjusting for the sales of non-core assets, with rental income of NOK 112 million in 2014, the income growth was 5.3 per cent in the quarter and 6.0 per cent year-on-year.
- Positive value changes in the property portfolio amounted to NOK 403 million (NOK 560 million) in the quarter. For 2015 the value changes amounted to NOK 1,818 million (NOK 1,195 million)
- Profit before tax was NOK 717 million (NOK 435 million) in the quarter and NOK 3,075 million (NOK 1,377 million) in 2015
- The board proposes a dividend of NOK 3 per share for 2015, which is in line with the Group's dividend policy
- Net letting was approximately NOK 15 million in the quarter and NOK 82 million in 2015
- Acquisition of office part of Oslo City in Oslo and Trondheimsporten in Trondheim.

Key figures

	Q4-15	Q4-14	2015	2014
Operational				
Market value of real estate portfolio (NOKm)	29,598	28,358	29,598	28,358
Total area (Gross sqm)	1,229,976	1,292,107	1,229,976	1,292,107
Occupancy rate of management portfolio (%)	95.0	94.6	95.0	94.6
WAULT (years)	7.6	7.7	7.6	7.7
Financial				
Rental income (NOKm)	437	449	1,760	1,772
Profit before value adjustments and tax (NOKm)	235	167	840	790
Profit after tax (NOKm)	800	311	2,750	1,000
EPRA Earnings (NOKm)*	141	139	597	555
Net cash flow from investment activities (NOKm)	-2,062	-204	-1,010	-1,157
Net nominal interest-bearing debt (NOKm)	14,640	13,890	14,640	13,890
Debt ratio (LTV) (%)*	46.1	48.4	46.1	48.4
Interest coverage ratio (ICR) (%)*	2.4	1.8	2.5	2.0
Equity ratio (%)	39.7	35.9	39.7	35.9
Net asset value - EPRA NAV (NOKm)*	16,342	14,029	16,342	14,029
EPRA NNNAV (NOKm)*	14,955	12,531	14,955	12,531
Cash earnings (NOKm)*/**	219	173	911	754
Numbers per share*				
Earnings (NOK)	4.2	1.8	14.4	5.6
EPRA Earnings (NOK)	0.8	0.8	3.2	3.0
Cash earnings (NOK)*/**	1.2	0.9	5.0	4.1
Net asset value - EPRA NAV (NOK)	88.9	76.4	88.9	76.4
EPRA NNNAV (NOK)	81.4	68.2	81.4	68.2
Number of shares (million)	183.7	183.7	183.7	183.7

* See section "Calculation of key figures and definitions"

** Cash earnings in 2015 has been adjusted by NOK 115m due to termination of swap contracts in Q2-2015. The termination fee is defined as a one-off item and will thus not reduce cash earnings as a basis for dividend for 2015.

Financial developments

Results for the fourth quarter

The Group's rental income was NOK 437 million (NOK 449 million) The year-on-year reduction is mainly explained by the sale of non-core assets in Q4 2014 and throughout 2015, as well as reduced rental income caused by the start-up of the rehabilitation project in Strømsveien 96 in the beginning of 2015. The decrease is partly offset by the completion of the projects in Schweigaardsgate 16 and Akersgata 34/36 in Oslo and Papirbredden 3 in Drammen during the second half of 2015. Underlying like-for-like rental growth on the lease contracts was 2.6 per cent compared to the same quarter last year. Adjusting for the sales of non core assets, with rental income of NOK 34 million in Q4 2014, the income growth was 5.3 per cent quarter-on-quarter.

Other operating revenue amounted to NOK 27 million, against NOK 113 million in the same period in 2014. Other operating revenue in 2014 was affected by 16 delivered apartments at Ringstabekk. During the fourth quarter of 2015 the company delivered 2 apartments at Ringstabekk to the buyers, and thus recognised NOK 7 million in income. In addition, NOK 12 million is related to Youngskvartalet in Oslo, that has been reclassified from investment property to construction contracts in the quarter, following start-up of the project. Until the project is delivered to the buyer, the Group will recognise other income and other property costs based on the completion level. Other operating income also consists of income from services provided to tenants.

Maintenance costs were stable and amounted to NOK 23 million (NOK 21 million), while operating costs amounted to NOK 38 million (NOK 25 million). The increase is mainly related to the reclassification of property management personnel costs from administrative owner costs to operating costs, which in the quarter amounted to NOK 9 million.

Other property costs amounted to a total of NOK 27 million (NOK 124 million) and were affected by costs of NOK 9 million related to the apartments sold at Ringstabekk and NOK 12 million to the start-up of the project in Youngskvartalet (both referred to above). Otherwise other property costs are mainly related to depreciation and rental expenses.

Administrative owner costs amounted to NOK 45 million (NOK 64 million). The reduction is mainly a result of streamlining of the cost base and NOK 9 million being reclassified to operating costs as mentioned above.

The net income from property management amounted to NOK 331 million (NOK 328 million) in the fourth quarter of 2015. The reduced rental income, stemming from the sale of non-core assets, has been more than compensated by lower operating costs.

The valuation of the property portfolio resulted in a net positive value change of NOK 403 million, compared to NOK 560 million in the fourth quarter of 2014. The positive value change is mainly attributable to yield compression for centrally located properties in Oslo as well as in the main regional cities, a lower required return for high quality tenants with long-term lease contracts, a higher CPI adjustments on lease contracts than expected, and signing of new and renegotiated lease contracts. The positive value changes in the quarter is somewhat offset by the estimated full impact of the introduction of property tax in Oslo from 2017.

The share of profit from associates and jointly controlled entities was NOK 16 million compared to NOK -6 million in the fourth quarter last year. In the fourth quarter of 2015 the result was affected by a positive change in the market value of the property Sundtkvartalet.

The net unrealised value change on financial instruments was NOK 79 million (NOK -292 million) in the quarter. The positive development can mainly be explained by an increase in credit margins leading to decreased liabilities relating to the Group's fixed rate loans.

Net realised financial expenses amounted to NOK 112 million (NOK 155 million). The net interest-bearing debt has on average been slightly lower than the same quarter last year. In addition, lower market interest rates and the expiry of historical interest hedging agreements have contributed to lower realised financial expenses.

The profit before tax was NOK 717 million (NOK 435 million) in the fourth quarter of 2015, while total comprehensive income after tax in the period was NOK 800 million (NOK 311 million). Comprehensive income after tax has been impacted by change in tax rate from 27 per cent to 25 per cent by NOK 265 million.

Results for the 2015 financial year

The Group's rental income was NOK 1,760 million (NOK 1,772 million) The year-on-year reduction is mainly explained by the sale of non-core assets in Q4 2014 and during 2015, and is partly offset by the completion of development projects such as Schweigaardsgate 16 and

Akersgata 34/36 in Oslo, and Papirbredden 3 in Drammen. The underlying like-for-like growth amounted to 2.2 percent. Adjusting for the sales of non core assets, with rental income of NOK 112 million in 2014, the income growth was 6 % year-on-year.

Other operating revenue amounted to NOK 240 million against NOK 225 million in 2014. The company delivered 32 apartments at Ringstabekk to buyers and thus recognised income of NOK 184 million. Otherwise, other operating income mainly consists of income from administration charges, invoicing of additional services to the tenants and the effects from the start-up of the project at Youngskvartalet that will influence both other income and other property costs as the project move forward.

Repairs and maintenance amounted to NOK 56 million (NOK 52 million) in 2015.

Operating costs were NOK 129 million (NOK 96 million) in 2015. The increase is mainly related to the reclassification of property management personnel costs from administrative owner costs to operating costs. In 2015 the total effect amounted to around NOK 29 million.

Other property costs amounted to NOK 224 million in 2015 against NOK 223 million in 2014. Other property costs in 2015 mainly consist of apartments sold at Ringstabekk (as referred to above) of NOK 186 million.

Administrative owner costs amounted to NOK 168 million in 2015 against NOK 227 million in 2014. The decrease is related to streamlining of the cost base, and a reclassification of property management personnel from administrative costs to operating costs. In 2014 the administrative owner costs were affected by the listing of Entra ASA on the Oslo Stock Exchange.

For 2015 the net income from property management totalled NOK 1,421 million against NOK 1,399 million in 2014.

The valuation of the property portfolio resulted in positive value changes of NOK 1,818 million in 2015 compared with NOK 1,195 million in 2014. The positive value changes are mainly due to decreasing yield levels as well as commencement and completion of projects.

The share of the result from associated companies and jointly controlled entities amounted to NOK 44 million in 2015 against NOK 36 million in 2014. In 2015 the result has mainly been affected by a positive value change in Sundkvartalet AS.

The net unrealised positive value change on financial instruments was NOK 417 million (NOK - 607 million) in 2015. The positive development is mainly due to decreased liabilities on the Group's fixed rate loans as a result of increased credit margins, reduced time to maturity of the existing high interest rate swaps and termination of interest rate swaps with a market value of NOK 115 million in Q2 2015.

Net realised financial costs amounted to NOK 625 million (NOK 645 million). The reduction is caused by lower interest bearing debt compared to 2014 due to repayment of debt in connection with the IPO in October 2014 and the sale of non-core properties in the first quarter of 2015. In addition, falling market interest rates and the expiry of historical interest hedging agreements have contributed to a decrease in realised financial expenses, somewhat offset by NOK 115 million in fees related to the termination of a swap portfolio of NOK 2 billion ultimo June 2015.

For 2015 the profit before tax totalled NOK 3,075 million, against NOK 1,377 million in 2014, and total comprehensive income after tax was NOK 2,750 million against NOK 1,000 million in 2014. Comprehensive income after tax has been positively impacted by NOK 265 million as a result of the change in tax rate from 27 per cent to 25 per cent.

Balance sheet at 31.12.2015

The Group's assets amounted to NOK 33,619 million (NOK 30,850 million) as at 31.12.15. Of this, investment property amounted to NOK 28,823 million (NOK 26,679 million) and investment property held for sale to NOK 165 million (NOK 1,551 million). Two properties were classified as held for sale as at 31.12.15.

Other intangible assets were NOK 15 million (NOK 34 million) at year end 2015. The decrease is due to reclassification of intangible assets to investment properties related to the project at Tullinkvartalet.

Investments in associated companies and jointly controlled entities were NOK 2,789 million (NOK 1,074 million). The increase is mainly due to the purchase of 33.3 per cent of Oslo City Kjøpesenter AS, of which Steen og Strøm owns the remaining part. The property will as soon as possible, and most likely during Q2 2016, be sectioned and Oslo City Kjøpesenter AS will be demerged into three separate companies where Entra will own 100 per cent of a fully consolidated office section and 50 per cent of a parking section in a jointly controlled entity. Until the demerger is finalised the share in Oslo City Kjøpesenter AS will be treated as a jointly controlled entity and recorded applying the equity method in Entra´s accounts.

Property and housing units for sale amounted to NOK 589 million (NOK 197 million) at year-end 2015 mainly impacted by the reclassification of the property “Gullfaks” at Hinna following the forward sale of the property with expected delivery to the buyer Wintershall in Q3 2016. At year-end 2014 the amount comprised the housing unit project at Ringstabekk of which the major part of the apartments had been sold during 2015.

The Group's interest bearing debt as of 31.12.15 was NOK 15,206 million (NOK 14,647 million). Since mid 2014 the Group has decreased its interest bearing debt primarily as a result of the IPO in October 2014 and the sale of investment properties in Q4 2014 and during 2015. In connection with the acquisition of Oslo City Kjøpesenter AS for approximately NOK 1.6 bn and the development project “Trondheimsporten” for NOK 132 million in Q4 2015, the interest bearing debt increased at year end 2015.

The pension liability was NOK 40 million (NOK 82 million) at the end of the fourth quarter. The decrease is due to changes in actuarial assumptions, particularly impacted by a higher discount rate on the pension liability. With effect from year-end 2015 the existing pension scheme in Statens Pensjonskasse was closed for employees born after 1960, who will from 1.1.2016 be included in a newly established pension contribution scheme.

Trade payables and other payables were NOK 310 million (NOK 521 million). The decrease is mainly related to lower trade payables due to a lower ongoing investments at year-end 2015 compared to 2014.

The Group's equity capital, including non-controlling interests, was NOK 13,354 million (NOK 11,064 million) as of 31.12.15, which corresponds to an equity ratio of 39.7 per cent (35.9 per cent). The increase is affected by the sale of properties in 2015 and the positive result.The increase in non-controlling interests from NOK 286 million at 31.12.14 to NOK 383 million at 31.12.15 is mainly explained by a positive share of profit in 2015 from Hinna Park and Papirbredden.

Cash flow statement

Fourth quarter 2015

The Group's cash flow from operations amounted to NOK 265 million (NOK 190 million) in the fourth quarter. The change mainly relates to lower fees and interest paid on loans to financial institutions in the fourth quarter of 2015 compared to the same quarter last year.

Net cash flow from investments was NOK -2.062 million (NOK -204 million).

Proceeds from the sale of investment properties, companies and housing-units was NOK 52 million (NOK 255 million) and consist of proceeds from the sale of the properties Hans Kiærsgate 1B og C in Drammen and Tollbugata 2 in Bodø and from the sale of two housing units at Ringstabekk.

The purchase of investment properties amounted to NOK 132 million (NOK 0) in the quarter and relates to the purchase of Trondheimsporten.

The cost of upgrades to investment properties amounted to NOK 238 million (NOK 334 million) in the quarter and mainly relates to Fredrik Selmers 4, Strømsveien 96 and several minor projects.

Investment in property and housing units for sale of NOK 50 million (NOK 31 million) relates to investments in the properties Gullfaks and Youngskvartalet in the quarter. In the fourth quarter of 2014 the amount is related to the housing unit project at Ringstabekk.

Net payment of financial assets of NOK -24 million (NOK 0) relates to a subordinated loan to the seller of Trondheimsporten.

Net payments to associates and jointly controlled entities amounted to NOK -1,652 million (NOK -10 million) in the fourth quarter of 2015 and mainly relates to the purchase of Entra´s 33.3 per cent share in Oslo City Kjøpesenter AS.

Net cash flow from financing was NOK 1,851 million (NOK 71 million) in the quarter and mainly relates to a net borrowing of NOK 1,750 million in bank debt and NOK 1,300 million in commercial paper, partly offset by a repayment of NOK 1,200 million of bond loans. The borrowing is mainly related to the financing of the purchase of Trondheimsporten and Entra´s share in Oslo City Kjøpesenter AS. The fourth quarter of 2014 was impacted by proceeds from the share issue in October 2014 and repayment of debt.

The net change in liquid assets was NOK 53 million (NOK 58 million) during the period.

Financial year 2015

The Group's cash flow from operations for 2015 amounted to NOK 849 million (NOK 668 million). The change from the previous year is mainly related to positive change in working capital and lower fees and interest paid on loans to financial institutions.

The net cash flow from investments was NOK -1,010 million (NOK -1,157 million).

Proceeds from the sale of investment properties and housing units of NOK 1,792 million (NOK 511 million) mainly consist of proceeds from the sale of investment properties of which the largest contribution comes from the sale of the six properties in Østfold and Lillestrøm in Q1

2015 with a total property value of NOK 1,375 million and the sale of housing units at Ringstabekk.

The cost of upgrades to investment properties amounted to NOK 911 million (NOK 1,106 million) in the 2015.

Investment in property and housing units for sale of NOK 82 million (NOK 154 million) related to investments in the property "Gullfaks" in Stavanger in 2015 and for 2014 related to the housing unit project in Ringstabekk.

Net payment of financial assets of NOK -30 million (NOK 0 million) relates to a subordinated loan to the seller and contractor of "Trondheimsporten" and to the buyer of Skansegaten 2/Tollpakkhuset in Stavanger.

Net payment of loans to associates and jointly controlled entities of NOK 62 million (NOK -62 million) relates to repayment of loans from the jointly controlled entity Sundtkvartalet Holding AS.

Net payments to associates and jointly controlled entities amounted to NOK -1,720 million (NOK 115 million) in 2015 and mainly relates to the purchase of Entra´s 33.3 per cent share in Oslo City Kjøpesenter AS. In addition it consists of investments of NOK 128 million in the jointly controlled entity Entra OPF.

Net cash flow from financing was NOK 174 million (NOK 510 million). During 2015 the Group had net borrowings of NOK 1,013 million in bank debt and NOK 550 million in commercial paper, partly offset by a repayment of NOK 800 million of bond loans. The borrowing is mainly related to the financing of the purchase of Trondheimsporten and Entra´s share in Oslo City Kjøpesenter AS. 2014 was impacted by proceeds from the share issue in October 2014 and repayment of debt.

The net change in liquid assets was NOK 14 million (NOK 21 million) in 2015.

Financing

During the fourth quarter, the Group has refinanced and secured new bank loans for a total NOK 2,250 million. Commercial paper issuances in the quarter amounted to NOK 1,900 million. Bond financing has been reduced during the fourth quarter, as a floating rate note of NOK 1,200 millioon was repaid at maturity. The Group's bank debt increased by NOK 1,750 million, mainly due to the financing of the Oslo City and Trondheimsporten transactions.

The Group's nominal interest-bearing debt was NOK 14,851 million as at 31.12.15 (NOK 14,088 million as at 31.12.14), with a diversified maturity profile. The average remaining term of the Group's debt portfolio was 4.4 years at 31.12.15 (4.6 years as at 30.09.15). The calculation takes into account that available long-term credit facilities can replace short-term debt.

Maturity structure of interest-bearing debt at 31.12

NOK in millions	Credit line	Share of total debt %	Acc. Share of total debt %
0-3 months	1,300	9	9
4-12 months	1,800	12	21
1-2 years	2,402	16	37
2-4 years	4,844	33	70
4-6 years	2,034	14	83
>6 years	2,471	17	100
Total	**14,851**		

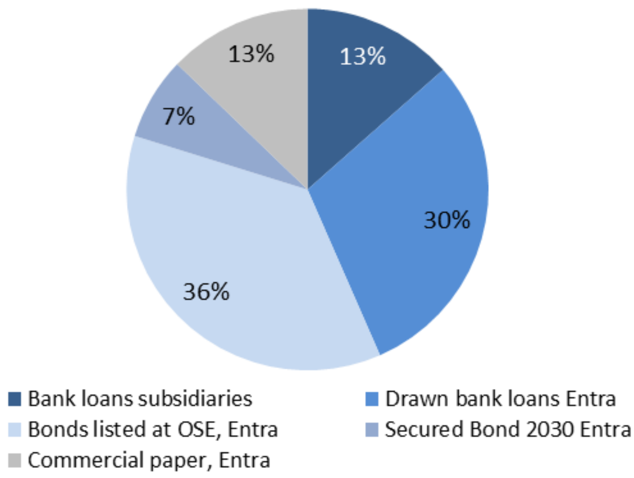
The Group's liquid assets as at 31.12.15 amounted to NOK 212 million (NOK 198 million as at 31.12.14). The Group had unutilised credit facilities totalling NOK 3,435 million as at 31.12.15 (NOK 3,965 million as at 31.12.14).

Maturity structure unutilised credit facilities at 31.12

NOK in millions	Amount	Share %
0-3 months	-	-
4-12 months	1,000	29
1-2 years	1,048	31
2-4 years	56	2
4-6 years	1,332	39
>6 years	-	-
Total*	**3,435**	

*) Commitment fee is charged for undrawn credit facilities.

Composition of interest-bearing debt at 31.12



The figure above shows the composition of interest-bearing debt. At the end of the period 57 percent of the Group's financing was from the capital market.

54 per cent of the Group's financing was hedged at a fixed interest rate as at 31.12.15. The average remaining term to maturity of the Group's fixed interest rate portion was 3.6 years as at 31.12.15 (3.7 years as at 31.12.14).

The Group's average interest rate was 3.69 per cent as at 31.12.15, down from 3.90 per cent as at 30.09.15. The decrease in the average interest rate is mainly due to increased floating interest rate debt.

Interest rate and maturity structure at 31.12

The Group's interest-bearing debt is subject to a variable interest rate, including fixed rate bonds that are swapped to a 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	%
NIBOR on debt	1.16
Swap interest rate (net)	1.53
Credit margin on debt	1.00
Total	3.69

	Pay fixed / receive floating swaps[1]		Forward starting swaps[2]			Average credit margin on debt	
	Amount (NOKm)	Interest rate (%)	Amount	Interest rate (%)	Tenor (years)	Amount (NOKm)	Credit margin (%)
<1 year	170	3.13	500	2.83	8	6,851	0.96
1-2 years	242	4.57				3,100	1.14
2-3 years	1,700	3.78	1,300	2.30	7	1,200	1.20
3-4 years	1,650	4.12	300	2.29	7	1,000	0.92
4-5 years	1,700	4.05				700	1.24
5-6 years	650	4.65				-	-
6-7 years	350	3.36				400	0.59
7-8 years	350	4.76				500	1.63
8-9 years	400	2.56				-	-
9-10 years	-	-				-	-
>10 years	510	5.36				1,100	0.39
Total	**7,722**	**4.06**				**14,851**	**1.00**
Pay fixed	7,722	4.06					
Receive float	-7,722	1.12					
Swap interest rate (net)		**2.95**					
Hedge ratio adjusted rate[3]		**1.53**					

[1]Excluding forward starting swaps.

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

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

The business

Letting situation

At the end of the fourth quarter the Group had an economic occupancy rate in the management portfolio of 95.0 per cent (94.6 per cent). The weighted average unexpired term for the Group's leases was 7.6 years (7.7) for the management portfolio and 7.8 years (7.8) when the project portfolio is included.

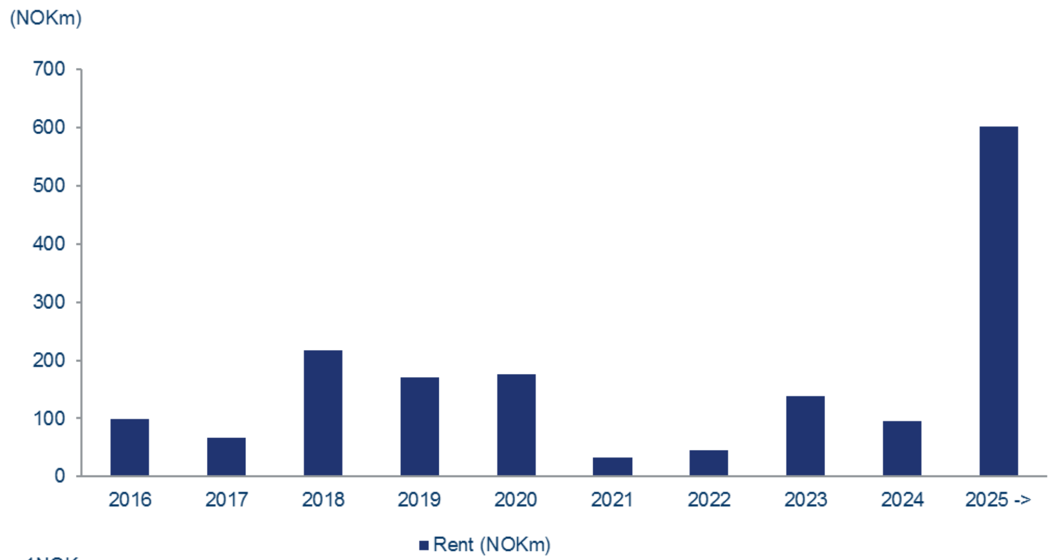
During the fourth quarter Entra signed new and renegotiated leases with an annual rent totalling NOK 104 million (53,000 square metres) and received notices of termination on leases with an annual rent of NOK 13 million (2,600 square metres). The increase in rent from the total amount of renegotiated contracts signed within the quarter was about 0.2 per cent. Net letting was NOK 15 million in the quarter. Net letting is calculated as the annualised rent of new lease contracts plus lease-up on renegotiated contracts less terminated contracts.

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

- Renegotiated contract for 10 years (~8 years extension) and 9,700 sqm in Biskop Gunnerusgate 14 in Oslo with Norway Post.
- Renegotiated contract for 4 years 7,800 sqm in Biskop Gunnerusgate 14 in Oslo with the Norwegian National Rail Administration
- New lease contract for 10 years and 1,000 sqm in Lars Hillesgate 30 (Media City Bergen) in Bergen with the University in Bergen (DigUiB)
- New lease contract for 12 years (~5 years extension) and 1,100 sqm in Tordenskjoldsgate 65 in Kristiansand with the County Social Welfare Board
- New lease contract for 7 years and 800 sqm in Langkaia 1 in Oslo with Resurs bank

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

Maturity structure, management portfolio*



*Contracts > 1NOKm

The property portfolio

Key figures property portfolio at 31.12.15

	Area	Occupancy	Number of properties	Wault	Market value		12 month rolling rent		Net yield	Market rent	
	(sqm)	(%)	(#)	(year)	(NOKm)	(NOK/sqm)	(NOKm)	(NOK/sqm)	(%)	(NOKm)	(NOK/sqm)
Oslo	514,532	95.8	38	7.1	17,533	34,076	1,068	2,076	5.6	1,062	2,065
Sandvika	100,047	90.1	10	10.7	2,170	21,693	127	1,274	5.4	127	1,274
Drammen	70,814	89.7	7	9.1	1,701	24,024	107	1,514	5.9	104	1,466
Bergen	57,119	99.4	6	5.4	1,202	21,042	85	1,492	6.3	92	1,605
Trondheim	117,186	96.7	9	6.6	2,408	20,546	178	1,516	6.6	165	1,408
Stavanger	78,921	93.8	6	10.2	2,075	26,290	138	1,750	6.2	131	1,661
Kristiansand	45,158	93.4	8	9.1	608	13,464	50	1,110	7.2	48	1,069
Other	21,384	90.7	3	6.8	228	10,650	23	1,090	8.9	25	1,181
Total management portfolio	**1,005,162**	**95.0**	**87**	**7.6**	**27,925**	**27,782**	**1,777**	**1,768**	**5.9**	**1,755**	**1,746**
Project portfolio	95,103		3	14.9	1,228	12,909					
Regulated development sites	129,711		6	0.2	446	3,436					
Total property portfolio	**1,229,976**		**96**	**7.8**	**29,598**	**24,064**					

Ringstabekk housing project is included in market value of management portfolio at cost price of NOK 19 million.Youngsgt. 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 31.12 corresponds to 8.1 per cent of market rent.

Transactions in the quarter

In December 2015 Entra and Steen & Strøm AS signed a share purchase agreement regarding Oslo City Kjøpesenter AS. Oslo City is a combined shopping centre and office property of 80,535 sqm. Entra acquired the offices and Steen & Strøm the shopping centre. The parking basement will be held 50/50. Oslo City was completed in 1964/1988 and enjoys a prime location next to the Oslo Central Station. Entra´s share of the property value was approximately NOK 1.65 bn of the NOK 5 bn total property value. The office part of the property is fully let, mainly to public tenants. Closing took place on 31.12.15.

In December 2015 Entra also entered into an agreement to purchase the development project "Trondheimsporten", a new-build project centrally located in Holtermanns veg 70 in Trondheim. When finalised, the property will be a 15-floor building of approx. 28,600 sqm. office/education including 65 parking spaces in the basement. The property is 77 per cent pre-let to Trondheim Municipality and the Norwegian Labour and Welfare Administration on 10-year contracts. The tenants have options to rent the remaining areas in the building. Construction started in January 2016. The building is expected to be finalised during the third quarter of 2017 with a Breeam Very Good classification. Entra acquired 100 per cent of the shares in Sorgenfri Trondheim AS as of 17 December 2015. The purchase price was approximately NOK 680 mill, of which NOK 163 mill was paid upon closing on 18 December 2015 and the remainder wiil be paid when construction commences.

In November 2015 Entra sold the property Tollbugata 2 in Bodø for NOK 14 million and the property Hans Kiersgate 1 b and c in Drammen for NOK 10.5 million. Closing took place on 30.10.15 and 1.12.15 respectively. In December 2015 Entra furthermore sold the property Strandveien 13 in Tromsø for NOK 158 million. Closing took place on 1.1.2016. The sales were conducted in accordance with Entra's strategy of growth in the four largest cities in Norway and to divest non-core assets.

Project development

Ongoing projects with a total investment exceeding NOK 50 million are presented below. The table includes jointly controlled entities not consolidated in the financial accounts but that are managed by Entra.

Project	Ownership (%)	Location	Expected completion	Project area ('000 sqm)	Occupancy %	Estimated total project cost* (NOKm)	Of which accrued* (NOKm)	Yield on cost**
Group:								
Fredrik Selmers vei 4 (phase 2)	100	Oslo	Jan-16	7,400	52	212	183	6.7
Strømsveien 96	100	Oslo	Dec-16	18,100	46	433	162	6.6
Total Group				**25,500**		**645**	**346**	
Jointly controlled companies:								
Sundtkvartalet	50	Oslo	Dec-16	31,300	45	1,055	616	6.7
MediaCity Bergen	50	Bergen	Aug-17	45,000	67	1,677	941	6.1
Total Jointly controlled companies				**76,300**		**2,733**	**1,556**	
Forward sold property projects:								
Gullfaks***	50	Stavanger	Aug-16	17,900	100	539	456	6.7
Total Forward sold projects				**17,900**		**539**	**456**	

* 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

Phase two of the project in Fredrik Selmersvei 4 involves completing remaining interior works on 7,400 sqm in one of the blocks. The project was completed in January 2016 and 3,700 sqm is let to the Norwegian Tax Administration.

At Strømsveien 96 in Oslo the refurbishment of 18,100 square metres (12,500 sqm offices) is ongoing. Work on the façade has started. The Norwegian Medicines Agency will be one of the tenants, renting approximately 6,500 square metres. The project aims to obtain a BREEAM Very Good classification and will obtain energy class B. The refurbishment will be completed in December 2016.

In Sundtkvartalet in Oslo, a new, environmentally leading office building of approximately 31,300 square metres is under construction. Assembly of precast concrete has been completed. Construction of the facade and internal works is currently ongoing. The ambition is to obtain a BREEAM Excellent classification, a passive house with energy class A. The project is organised through a joint venture where Skanska and Entra own 50 per cent each. Skanska is the building contractor and has also signed a lease for approximately 8,000 square metres in the new property.

In Lars Hilles gate 30 (MediaCity Bergen) construction of the façade has been completed and internal work is ongoing in the first block, construction of the façade is ongoing in the middle block and internal demolition is ongoing in the third. The project includes total renovation of 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. The largest media companies such as TV2, NRK, Bergensavisen, Bergens Tidene, the Media Faculty of Bergen University, and Vizrt have signed lease contracts. The property is 50 per cent owned by Entra through Entra OPF.

In July Wintershall exercised its option to acquire the property project Gullfaks in Stavanger when finalised in August 2016. Gullfaks is a 17,900 sqm office building under construction at Hinna Park in Stavanger. The transaction also includes part of an underground car park. The property is 50 per cent owned by Entra through Hinna Park Eiendom AS.

Entra has started a project in Youngskvartalet in Oslo, involving both a new building and refurbishment of an existing building. The project consists of 9,400 square metres and will be finalised in Q4 2017. The project has been forward sold to Industri Energi as part of a larger transaction that took place in 2012 where Entra booked a total value gain of NOK 134 million. When finalised, Entra will deliver the project at cost plus a project management fee. Total project cost (incl. land) is approximately NOK 340 million.

In Q4 the new-built passive building at Papirbredden 3 in Drammen was completed on time and on budget (yield on cost 8.1 %). The property is 11,400 sqm and Husbanken is the main tenant. As of 31.12.15 the property was 61 % let. Papirbredden 3 is 60 % owned by Entra through Papirbredden Eiendom AS.

Consolidated partly owned entitites

Papirbredden Eiendom AS (60 % ownership)

Entra and Drammen Municipality own Papirbredden Eiendom AS that owns six properties in Drammen totalling 54,000 sqm.

Hinna Park Eiendom AS (50 % ownership)

Entra owns 50 per cent of the shares in Hinna Park Eiendom AS. The remaining 50 per cent is owned by Camar Eiendom AS. The entity is controlled by Entra in accordance with a share agreement between the owners and is as such consolidated into the Entra group.

Hinna Park Eiendom AS owns the management properties Jåttåvågveien 18 (Troll), Jåttåvågveien 7 (Blokk C) and Laberget 22 (Fjordpiren) and the parking garage Gullhallen. Hinna Park Eiendom AS also owns the development project Gullfaks which has been forward sold to Wintershall, as described under the project development section above, as well as development potential for two new office properties totalling around 29,300 sqm.

The following table sets out the complete financial figures for the entities based on 100 per cent ownership

All figures in NOK millions	2015 Hinna Park	 Papir-bredden	 Total
Total operating revenue	90	79	169
Total operating costs	30	7	37
Net income from property management	**60**	**72**	**132**
Changes in value from investment properties	32	76	108
Share of profit from associates and jointly controlled entities	-	-	
Operating profit	**93**	**148**	**241**
Net realised financials	-38	-23	-61
Unrealised changes in value of financial instruments	32	7	39
Net financials	**-6**	**-16**	**-22**
Profit before tax	86	132	218
Tax expense	-25	-26	-51
Profit after tax	**61**	**106**	**167**
Equity holders of the Company	31	64	94
Non-controlling interest	31	43	73
Market value of real estate portfolio	1,677	1,473	3,150

Jointly controlled entities

Entra OPF Utvikling AS, Oslo S Utvikling AS, Sundtkvartalet Holding AS and Oslo City Kjøpesenter AS are accounted for applying the equity method.

Entra OPF Utvikling AS (50 % ownership)

Entra and Oslo Pensjonsforsikring (OPF) own the jointly controlled entity 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 ("MediaCity Bergen") is under development and is described under the project development section earlier. The property Allehelgens gate 6 is fully let to Hordaland Politidistrikt. 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 entity Sundtkvartalet Holding AS. The company will build a new office building of approximately 31,000 square metres in Lakkegata/Vahlsgate. The property is under development and is described under the project development section earlier.

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 have 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 540 million in the consolidated financial statements as at 31.12.2015.

The market value of the properties and projects in OSU is estimated at approximately NOK 3.8 billion (100 per cent). Entra's ownership of 33.33 per cent gives a market value of NOK 1.3 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 31.12.2015 was NOK 658 million after taking into account estimated deferred tax of 10 per cent.

The following table sets out the complete financial figures for the entities based on 100 per cent ownership.

	2015					
All figures in NOK millions	Entra-OPF	Sundt-kvartalet	Oslo S Utvikling	Oslo City Kjøpe-senter AS	Other	Total
Total operating revenue	24	-	459	-	9	492
Total operating costs	15	3	391	-	6	415
Net income from property management	**9**	**-3**	**67**	**-**	**3**	**76**
Changes in value from investment properties	-5	97	-	-	-	92
Share of profit from associates and jointly controlled entities	-	-	0	-	-	0
Operating profit	**-**	**94**	**68**	**-**	**3**	**164**
Net realised financials	-0	-2	-54	-	-1	-57
Unrealised changes in value of financial instruments	-	-	45	-	-	45
Net financials	**-0**	**-**	**-9**	**-**	**-1**	**-10**
Profit before tax	4	92	59	-	2	157
Tax expense	-3	-31	-22	-	-1	-57
Profit after tax	**2**	**61**	**36**	**-**	**1**	**100**
Entra´s share of profit	1	30	12	-	0	44
Market value of real estate portfolio	1,063	763	3,766	4,988	na	10,580

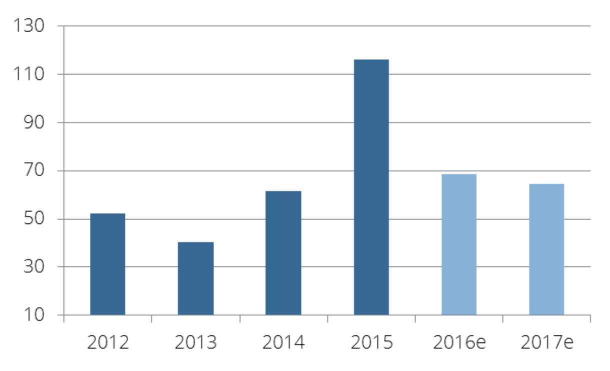
Market development

Transaction market

In 2015 the transaction volume in the Norwegian market was at a record high and totalled close to NOK 120 billion according to Entra´s consensus report. Office and retail made up roughly a third of the total transaction market each. International investors accounted for around 35 per cent of transaction values in 2015.

The interest for modern and central properties close to transportation hubs has been very high and has pushed down the prime office yield in Oslo to record low levels of around 4.1 per cent, according to Entra's consensus report. The overall high demand for Norwegian properties has led to lower yield levels also in other cities and segments.

Transaction volume



Source: Entra Consensus report

Rental market

Office vacancies have continued to increase slightly despite the relatively low volume of new buildings being completed. Sub markets with a high level of oil sector exposure are experiencing increasing vacancies and pressure on rents. Entra however is in a relatively good position having long lease contracts with solid tenants and a low exposure towards the oil sector. Modern offices located near public transportation are attractive and obtain solid rents compared to premises located in less central areas. Although market rent levels have decreased slightly in 2015 a positive trend from 2016 and onwards is expected, driven primarily by limited new capacity.

Office vacancy in Oslo and Bærum increased to around 8.5 per cent by the end of 2015, compared to 7.8 per cent at year-end 2014. Rent levels in the region decreased by around 7 per cent in 2015 compared to an equal increase in 2014. Rent levels remained stable for high-quality offices in central Oslo. Rents in the city centre of Bergen remained relatively stable in 2015, and demand for modern, centrally located office premises was good. Office vacancy in Bergen overall increased to around 10%, mainly due to increased vacancies in the oil and gas related clusters outside the city centre. In Stavanger, office vacancy has continued to rise to around 10 % by the end of the year. Lower activity within the oil- and oil service industry may contribute to a further increase in the vacancy level in 2016. The Forus area outside Stavanger is particularly exposed towards this trend and has started experiencing significant downward pressure on rents. In Stavanger city centre and at Hinna Park, vacancy is lower and rent levels remain more stable. Rents in Trondheim decreased by about 5 per cent in 2015. Strong competition in the new building market put pressure on rental growth and contributed to somewhat higher office vacancies at the end of 2015 compared to 2014. The vacancy level was around 10 per cent at the end of the year.

Market data Oslo

	2012	2013	2014	2015	2016e	2017e
Vacancy (%)*	7.2	7.4	7.8	8.4	8.6	8.3
Rental price (NOK/sqm)**	2 780	2 907	3 025	2 930	2 940	3 015
Prime yield (%)*	5.3	5.2	4.7	4.1	4.2	4.3

* Oslo, including Lysaker and Fornebu
** High quality offices in Oslo
Source: Entra Consensus report

Organisation and HSE

At 31 December 2015 the Group had 162 employees, of whom 13 are employed in Hinna Park AS.

During the quarter there were two injuries that caused absence from work. Entra has implemented several initiatives to improve the HSE focus 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 5.2 in 2015, up from 4.4 in 2014.

Risk and risk management

The Group is exposed to financial risk through its 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 rate 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.

Due to recent political changes in the city council in Oslo, Entra will be exposed to property tax on all its properties in Oslo, effective from 2017.

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

Events after the balance sheet date

There have been no significant events after the balance sheet date.

Shareholder information

As of 31 December 2015 Entra had 5,847 shareholders holding a total of 183,732,461 shares. Norwegian shareholders held 69.4 per cent of the shares, whereas foreign shareholders held 30.6 per cent. The 10 largest shareholders as registered in the VPS on 31 December 2015 were as follows:

Shareholder	Shareholding (%)
Norwegian Ministry of Trade, Industry and Fisheries	49.7
Geveran Trading	7.7
Folketrygdfondet	5.8
Danske Invest Norske	2.3
State Street Bank (Nominee)	2.2
JP Morgan Bank Luxemburg (Nominee)	2.0
The Bank of New York (Nominee)	1.5
Danske Invest Norske	1.3
State Street Bank (Nominee)	1.0
The Bank of New York (Nominee)	0.9
SUM 10 LARGEST SHAREHOLDERS (VPS 31.12.15)	**74.4**

Annual general meeting

The annual general meeting in Entra ASA will be held on 28 April 2016.

In line with the dividend policy of distributing approximately 60 % of Cash Earnings, the board of Entra will propose to distribute a dividend of NOK 3 per share for the financial year 2015 compared to NOK 2.5 per share for the financial year 2014.

The Cash Earnings calculation has in 2015 been adjusted by NOK 115 million due to termination of swap contracts in Q2-2015 which has been defined as a one-off item and will thus not reduce cash earnings as a basis for dividend for 2015. Cash Earnings is defined as result from property management less net realised financials and payable tax

Outlook

The Norwegian economy is currently influenced by a weaker macroeconomic development and general uncertainty. Office vacancies have continued to increase slightly despite the relatively low volume of new buildings being completed. Sub markets with a high level of oil sector exposure are experiencing increasing vacancies and pressure on rents. Entra is in a relatively good position having long lease contracts with solid tenants and a low exposure towards the oil sector.

Particularly in Oslo, that constitutes some 60% of Entra's revenues, we expect the level of vacancies to stabilise and eventually be reduced as net new office space coming into the market during 2016 and 2017 is marginal due to low levels of newbuilds and high conversion from commercial to residential buildings. Market rent levels have decreased slightly in 2015 but one expects a positive trend from 2016 and onwards driven primarily by limited new capacity.

Modern offices located near public transportation are attractive and obtain solid rents compared to premises located in less central areas.

The credit market environment has become less favourable over the last months as credit margins have risen. However, credit markets are still attractive for property investors with good credit availability and historically low market interest rates for all maturities.

Property investors seek quality properties with good locations and long and secure cash flows. International investors have been particularly active in the Norwegian market in 2015 driving transaction volumes to a record high.

The yield compression in the Norwegian market is expected to level out. However, Entra's portfolio with a healthy mix of attractive properties and value enhancing development projects, should provide a continued positive value development, albeit at a significantly slower pace.

With its flexible properties in attractive locations, strong tenant base with long lease contracts, exciting project pipeline and solid financial position, the Board believe that Entra is well positioned for the future.

Oslo, 15 February 2016

The Board of Entra ASA

Financial statements

Statement of comprehensive income

All figures in NOK millions	Q4-15	Q4-14	2015	2014
Rental income	437	449	1,760	1,772
Other operating revenue	27	113	240	225
Total operating revenue	**465**	**562**	**1,999**	**1,997**
Repairs & maintenance	23	21	56	52
Operating costs	38	25	129	96
Other property costs	27	124	224	223
Administrative owner costs	45	64	168	227
Total operating costs	**134**	**234**	**578**	**598**
Net income from property management	**331**	**328**	**1,421**	**1,399**
Changes in value from investment properties	403	560	1,818	1,195
Share of profit from associates and jointly controlled entities	16	-6	44	36
Operating profit	**750**	**881**	**3,284**	**2,629**
Interest and other finance income	13	7	19	21
Interest and other finance expense	-125	-161	-645	-666
Net realised financials	**-112**	**-155**	**-625**	**-645**
Unrealised changes in value of financial instruments	79	-292	417	-607
Net financials	**-33**	**-447**	**-209**	**-1,252**
Profit before tax	**717**	**435**	**3,075**	**1,377**
Tax payable	-	-	-	-
Change in deferred tax	57	-109	-354	-351
Profit for period/year	**774**	**326**	**2,721**	**1,026**
Acturial gains and losses, net of tax	26	-15	28	-26
Total comprehensive income for the period/year	**800**	**311**	**2,750**	**1,000**
Profit attributable to:				
Equity holders of the Company	766	338	2,648	1,027
Non-controlling interest	9	-12	73	-1
Total comprehensive income attributable to:				
Equity holders of the Company	791	323	2,677	1,001
Non-controlling interest	9	-12	73	-1

Balance sheet

All figures in NOK millions	31.12.15	31.12.14
NON-CURRENT ASSETS		
Goodwill	146	146
Other intangible assets	15	34
Total intangible assets	**161**	**180**
Investment property	28,823	26,679
Property used by owner	7	7
Other operating assets	28	34
Total property, plant & equipment	**28,859**	**26,721**
Investments in associates and jointly controlled entities	2,789	1,074
Loan to associates and jointly controlled entities	-	62
Financial derivatives	530	550
Other long-term receivables	53	49
Total financial assets	**3,372**	**1,736**
TOTAL NON-CURRENT ASSETS	32,391	28,637
CURRENT ASSETS		
Property and housing-units for sale	589	197
Trade receivables	56	45
Other receivables	206	222
Total current receivables	**850**	**464**
Cash and bank deposits	212	198
TOTAL CURRENT ASSETS	1,062	662
Investment property held for sale	165	1,551
TOTAL ASSETS	33,619	30,850

All figures in NOK millions	31.12.15	31.12.14
EQUITY		
Paid-in equity	3,739	3,739
Retained earnings	9,255	7,039
Non-controlling interests	359	286
TOTAL EQUITY	**13,354**	**11,064**
LIABILITIES		
Interest-bearing debt	12,083	11,826
Pension liability	40	82
Deferred tax liability	3,324	2,984
Financial derivatives	1,121	1,353
Other liabilities	196	129
Total non-current liabilities	**16,764**	**16,373**
Trade payables and other payables	310	521
Interest-bearing debt	3,123	2,821
Tenants prepayments and provisions	68	70
Total current liabilities	**3,501**	**3,412**
TOTAL LIABILITIES	**20,265**	**19,786**
TOTAL EQUITY AND LIABILITIES	**33,619**	**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 cost 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			2,648	73	2,721
Other comprehensive income			28		28
Dividend paid			-459		-459
Acquired own shares - employee saving scheme	-0	-6	-1		-7
Sold own shares - employee saving scheme	0	6	0		6
Equity 31.12.2015	**184**	**3,556**	**9,256**	**359**	**13,354**

Consolidated statement of cash flows

All figures in NOK millions	Q4-15	Q4-14	2015	2014
Profit before tax	717	435	3,075	1,377
Expensed interest and fees on loans from financial institutions	125	208	645	695
Interest and fees paid on loans from financial institutions	-120	-237	-584	-740
Share of profit from associates and jointly controlled entities	-16	6	-44	-36
Depreciation and amortisation	2	2	18	16
Change in market value investment properties	-403	-565	-1,818	-1,200
Change in market value financial instruments	-79	292	-417	607
Change in working capital	39	49	-26	-52
Net cash flow from operating activities	**265**	**190**	**849**	**668**
Proceeds from sales of investment properties, companies and housing-units	52	255	1,792	511
Purchase of business net of cash	-	6	-	-213
Purchase of investment properties	-132	-	-132	-287
Cost of upgrades of investment properties	-238	-334	-911	-1,106
Investment in property and housing units for sale	-50	-31	-82	-154
Purchase of intangible assets and other plant and equipment	-20	-28	-41	-40
Net payment financial assets	-24	-	-30	-
Net payment of loans to associates and jointly controlled entities	0	-62	62	-62
Net payments in associates and jointly controlled entities	-1,652	-10	-1,720	115
Dividends from associates and jointly controlled entities	-	-	51	80
Net cash flow from investment activities	**-2,062**	**-204**	**-1,010**	**-1,157**
Proceeds interest-bearing debt	7,997	4,609	19,126	11,910
Repayment interest-bearing debt	-6,147	-6,474	-18,492	-13,086
Proceeds from/repayment of equity	-0	2,645	-1	2,645
Dividends paid	-	-710	-459	-960
Net cash flow from financing activities	**1,851**	**71**	**174**	**510**
Change in cash and cash equivalents	53	58	14	21
Cash and cash equivalents at beginning of period	158	141	198	177
Cash and cash equivalents at end of period	**212**	**198**	**212**	**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.

Except for the accounting principle applied for the newly introduced employee share-based saving scheme and the long-term performance based share incentive program for Group management ("LTI"), 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.

Sales of shares to employees in the share saving scheme are reported in accordance with IFRS 2 "Share-based payments". The recognised discount is calculated as the difference between market price and purchase price at the time of purchase, taking into account the agreed lock-in period for the shares. The effect of the agreed lock-in period is calculated as the value of a put option using the Black-Scholes model. The discount is recognised as payroll expenses at the time of allocation. The assumptions relating to volatility are based on the actual fluctuations in the price of Entra´s shares.

The LTI scheme is reported in accordance with IFRS 2 "Share-based payments". LTI remuneration is share-based and has a vesting period of one year and a lock-up period of three years. The fair value at the grant date is measured applying Black & Scholes based on the market price. The fair value of the shares allocated through the LTI is calculated on the basis of the share price at grant date, taking into account the likelihood of the employee still being employed after three years.The amount is recognised as payroll expenses at grant date and accrued for the vesting period from grant date to the reception of shares without any restrictions.

The financial reporting covers Entra ASA, subsidiaries, associated companies and jointly controlled entities. The interim financial statements have not been audited.

2. Segment information

The Group has since 2013 reported four geographic operating segments in line with IFRS 8: Central Oslo, Greater Oslo, South/West Norway and Mid/North Norway.

In order to adapt the organisational structure to how the Group is run on a daily basis, the Group reorganised the former four geographic operating segments into two geographic units from Q4 2015: Oslo and Regional Cities. These units are supported by a Letting and Business Development division and a Development and Technology division. In addition, Entra has group and support functions within accounting and finance, legal, procurement, communication and HR.

Each of the geographic units are organised and monitored by management teams in seven geographic areas: Oslo, Bergen, Trondheim, Stavanger, Sandvika, Drammen and Kristiansand.

As the geographic units no longer have their own profit responsibility, financial results are reported as economical and non-economical key figures ("key performance indicators"). These key performance indicators are reported and analysed by geographic area to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance. Hence, the Group will going forward report their segment information based upon these seven geographic areas. Comparable figures have been made.

Operating segments Q4-2015

	Area (sqm)	Occupancy (%)	Number of properties (#)	Wault (year)	Market value (NOKm)	Market value (NOK/sqm)	12 month rolling rent (NOKm)	12 month rolling rent (NOK/sqm)	Net yield (%)	Market rent (NOKm)	Market rent (NOK/sqm)
Oslo	514,532	95.8	38	7.1	17,533	34,076	1,068	2,076	5.6	1,062	2,065
Sandvika	100,047	90.1	10	10.7	2,170	21,693	127	1,274	5.4	127	1,274
Drammen	70,814	89.7	7	9.1	1,701	24,024	107	1,514	5.9	104	1,466
Bergen	57,119	99.4	6	5.4	1,202	21,042	85	1,492	6.3	92	1,605
Trondheim	117,186	96.7	9	6.6	2,408	20,546	178	1,516	6.6	165	1,408
Stavanger	78,921	93.8	6	10.2	2,075	26,290	138	1,750	6.2	131	1,661
Kristiansand	45,158	93.4	8	9.1	608	13,464	50	1,110	7.2	48	1,069
Other	21,384	90.7	3	6.8	228	10,650	23	1,090	8.9	25	1,181
Total management portfolio	**1,005,162**	**95.0**	**87**	**7.6**	**27,925**	**27,782**	**1,777**	**1,768**	**5.9**	**1,755**	**1,746**
Project portfolio	95,103		3	14.9	1,228	12,909					
Regulated development sites	129,711		6	0.2	446	3,436					
Total property portfolio	**1,229,976**		**96**	**7.8**	**29,598**	**24,064**					

Ringstabekk housing project is included in market value of management portfolio at cost price of NOK 19 million.Youngsgt. 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 31.12 corresponds to 8.1 per cent of market rent.

Operating segments Q4-2014

	Area (sqm)	Occupancy (%)	Number of properties (#)	Wault (year)	Market value (NOKm)	Market value (NOK/sqm)	12 month rolling rent (NOKm)	12 month rolling rent (NOK/sqm)	Net yield (%)	Market rent (NOKm)	Market rent (NOK/sqm)
Oslo	502,132	93.1	36	7.2	15,130	30,131	961	1,914	5.9	1,013	2,018
Sandvika	100,721	95.9	8	9.3	2,066	20,509	139	1,380	6.2	133	1,322
Drammen	61,757	99.1	8	9.3	1,322	21,403	92	1,494	6.5	83	1,341
Bergen	57,084	99.2	6	5.8	1,099	19,259	82	1,436	6.6	89	1,553
Trondheim	117,186	97.9	9	7.2	2,270	19,368	173	1,476	6.8	163	1,388
Stavanger	80,698	93.0	8	8.9	2,139	26,500	147	1,826	6.5	146	1,811
Kristiansand	46,033	91.0	8	9.9	574	12,469	46	995	6.9	48	1,050
Other	97,716	98.4	12	8.4	1,560	15,960	133	1,365	7.7	123	1,259
Total management portfolio	**1,063,327**	**94.6**	**95**	**7.7**	**26,158**	**24,600**	**1,774**	**1,668**	**6.3**	**1,798**	**1,691**
Project portfolio	86,637		4	10.7	1,727	19,939					
Regulated development sites	142,143		6	0.6	472	3,321					
Total property portfolio	**1,292,107**		**105**	**7.8**	**28,358**	**21,947**					

Ringstabekk housing project is included in market value of management portfolio at cost price of NOK 197 million.Youngsgt. 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 31.12 corresponds to 7.7 per cent of market rent.

3. Investment properties

All figures in NOK millions	Q4-15	Q4-14	31.12.15	31.12.14
Closing balance previous period	28,243	27,548	28,230	24,818
Purchase of investment property	213	-	213	1,581
Investment in the property portfolio	213	280	807	1,077
Capitalised borrowing costs	1	15	22	37
Sale of investment property	-24	-172	-1,548	-477
Reclassified to property and housing-units for sale	-0	-	-493	-
Reclassified to construction contracts	-60		-60	
Changes in value from operational lease	-40	32	-59	36
Changes in value from investment properties	443	528	1,877	1,158
Closing balance	**28,989**	**28,230**	**28,989**	**28,230**
Investment property held for sale	165	1,551	165	1,551
Investment property	**28,823**	**26,679**	**28,823**	**26,679**

Investment properties held for sale include the properties Strandveien 13 in Tromsø and Telemarksgata 11/Lundegata 4 in Skien.

Sale of properties in Q4-15 relates to the sale of the properties Hans Kiærsgate 1B og C in Drammen and Tollbugata 2 in Bodø.

Furthermore, the Group has sold the following properties in 2015; Brochsgate 3 and Gunnar Nilsens gate 25 in Fredrikstad, Vogtsgate 17 and Prins Chr August plass 3 in Moss, Jonas Lies gate 20-28 in Lillestrøm, Kunnskapsveien 55 at Kjeller, Kirkegaten 2B in Arendal, Grønnegt. 122 in Tromsø, Keysersgate 15 in Oslo and Skansegaten 2 and Tollpakkhuset in Stavanger. In 2015 the Group has purchased Trondheimsporten.

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 649.3 million (NOK 711.7 million) as at the end of the fourth 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 arbitration proceedings or disputes with Norwegian Datasenter Group AS/ Greenfield Property AS and Evry ASA/Evry AS.

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 and the hearing of the dispute will take place in March 2016.

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 has been appealed. The hearing of the dispute will take place in June 2016.

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. Share saving scheme employees and LTI

The Board of Entra ASA has decided to establish a share saving scheme in 2015, offering all employees, including management, the opportunity to purchase shares in Entra ASA at a 20 per cent discount. The shares are subject to two-year lock-in period. The purchase price in the employee offering is calculated as the average share price the last 30 days (VWAP) until and including 29 May 2015 less a 20 per cent discount. Total subscription amounted to NOK 4.9 million after discount.

Entra has acquired in Q2-15 a total of 83,129 of its own shares. The total amount paid to acquire the shares was NOK 6.1 million. All shares were sold to the employees in connection with the share saving scheme to employees in June 2015. The Group has expensed NOK 0.5 million in the income statement.

The Group has established a long-term performance based share incentive program for Group management (“LTI”). LTI remuneration is share-based and has a vesting period of three years and a lock-up period of three years. The fair value at the grant date is measured applying Black & Scholes based on the market price. The fair value of the shares allocated through the LTI is calculated on the basis of the share price at grant date, taking into account the likelihood of the employee still being employed after three years.The amount is recognised as payroll expenses at grant date and accrued for the vesting period from grant date to the reception of shares without any restrictions.

Total allocation in LTI scheme in 2015 for executives was NOK 1.9 million , of which NOK 0.4 million is earned in 2015. The LTI scheme require executives to be employed until 31.12.2018 in order to receive the total allocated LTI payment.

6. Information on the fair value of financial 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 assets and liabilities measured at fair value 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. Investment properties of NOK 28,989 million are classified at level 3.

All figures in NOK millions	31.12.15	31.12.14
Assets measured at fair value		
Assets measured at fair value with		
change over the result		
- Investment property	28,823	26,679
- Investment property held for sale	165	1,551
- Derivatives	530	550
Financial assets held for sale		
- Equity instruments	1	1
Total	**29,520**	**28,781**
Liabilities measured at fair value		
Financial liabilitites measured at fair value with		
change over the result		
- Derivatives	1,121	1,353
- Bonds	4,054	3,859
- Commercial paper	1,900	1,350
Total	**7,075**	**6,561**

Calculation of key figures and definitions

Reconciliation of investment properties to property market value

All figures in NOK millions	31.12.15	31.12.14
Investment property	28,823	26,679
Investment properties held for sale	165	1,551
Properties for use of the group	8	9
Property and housing units held for sale	617	197
Construction contracts	60	
Prepaid VAT compensation	-76	-78
Property market value	**29,599**	**28,358**

Interest coverage ratio (ICR)

All figures in NOK millions	Q4-15	Q4-14	2015	2014
Net income from property management	331	328	1,421	1,399
Depreciation	2	5	18	18
EBITDA adjusted	**333**	**332**	**1,440**	**1,418**
Share of EBITDA Entra OPF Utvikling	**1**	**1**	**5**	**16**
EBITDA adjusted for share of Entra OPF Utvikling	**334**	**333**	**1,444**	**1,434**
Interest cost	128	177	548	682
Other finance expense	12	7	24	19
Applicable net interest cost	**139**	**184**	**572**	**701**
Interest Coverage Ratio (ICR)	**2.4**	**1.8**	**2.5**	**2.0**

Debt ratio (LTV)

All figures in NOK millions	2015	2014
Net nominal interest-bearing debt	14,640	13,890
Total market value of the property portfolio	31,777	28,720
Market value of the property portfolio	29,598	28,358
Share of Entra OPF Utvikling (50%)	525	362
Share of Oslo City Kjøpesenter AS (33,3%)	1,654	
Debt ratio (LTV) %	**46.1**	**48.4**

Net asset value - EPRA NAV and EPRA NNNAV

All figures in NOK millions	2015	2014
Book value of investment properties	28,989	28,230
Net interest-bearing debt	14,994	14,449
Other debt-like items	642	2,718
Total equity	**13,354**	**11,064**
Less: Non-controlling interests	359	286
NAV per financial statement	**12,995**	**10,778**
Add: Adjustment to property portfolio	89	2
Add: Revaluation of investments made in the JV	118	194
Add: Net market value on financial derivatives	591	803
Add: Deferred tax arising on revaluation moments	2,550	2,252
EPRA NAV	**16,342**	**14,029**
Market value on property portfolio	29,598	28,358
Tax value on property portfolio	12,476	13,124
Basis for calculation of tax on gain on sale	17,123	15,234
Less: Market value of tax on gain on sale (5% tax rate)	**856**	**762**
Net market value on financial derivatives	591	803
Tax expense on realised net financial derivatives*	148	217
Less: Net result from realisation of financial derivatives	**443**	**586**
Book value of interest bearing debt	15,205	14,647
Nominal value of interest bearing debt	14,851	14,088
Basis for calculation of tax on realisation of interest bearing debt	354	559
Less: Market value of tax on realisation*	**89**	**151**
EPRA NNNAV	**14,955**	**12,531**

** Applied 27% tax rate 2014, 25% tax rate 2015*

EPRA Earnings

All figures in NOK millions	Q4-15	Q4-14	2015	2014
Profit for period/year - Earnings per IFRS income statement	774	326	2,721	1,026
Add:				
Change in value from investment property	-403	-560	-1,818	-1,195
Tax on changes in value of investment property (27% tax rate)	109	151	491	323
Reversal of deferred tax arising from sales of properties (tax excempted)	-3		-218	
Unrealised changes in value of financial instruments	-79	292	-417	607
Tax on unrealised changes in value of fin. instr. (27% tax rate)	21	-79	112	-164
Profit or losses on disposal of inventory in Oslo S Utvikling AS	-5	-11	-25	-23
Share of profit jointly controlled entities – fair value adjustments	-19	28	-34	6
Non-controlling interests of subsidiaries	-2	-9	-25	-24
Significant one-off items	-		62	
Change in tax rate	-252	-	-252	-
EPRA earnings	**141**	**139**	**597**	**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	- Annual cash rental income being received as of relevant date
EPRA Earnings	- 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 NNNAV	- EPRA NNNAV 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 NNNAV 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	- Property / plots of land with planning permission for development
Like-for-like	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 entities Entra OPF Utvikling and Oslo City Kjøpesenter AS
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 rent 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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