

3rd quarter 2016

Oslo, 1 November 2016



Agenda

Highlights in the quarter

Operations and market

Financial update

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Q&A

Highlights in the quarter



Planned project: Universitetsgata 7-9, Oslo

Key figures:

	Q3-16	Q3-15
Rental income	477	459
Net income from property management	260	258
Net value changes	442	436
Profit before tax	757	681

Key events:

- Net letting of 44 million
- Signed lease contract at new-build project in Universitetsgata 7-9 in Oslo
- Finalised Gullfaks project in Stavanger
- Closing of 61,000 sqm Skøyen transaction

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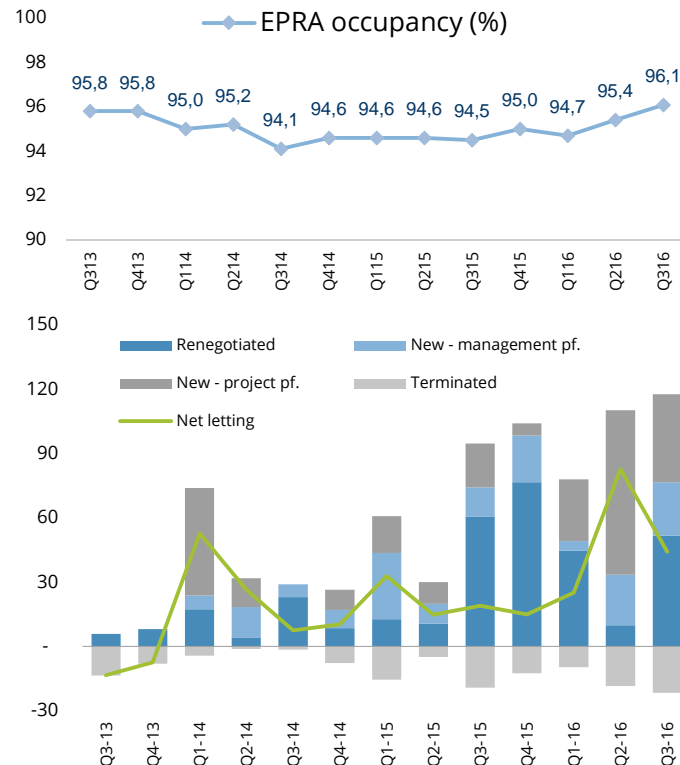
Q&A

Letting and occupancy

- New and renewed leases of 118 mill (60,000 sqm)
- Terminated contracts of 22 mill (8,400 sqm)
- Net letting of 44 mill
- Renegotiations on existing terms
- Occupancy at 96.1 %, WAULT at 6.8 yrs

Largest new and renegotiated contracts

Property	Tenant	Sqm	Contract
Universitetsgt 7-9 (project), Oslo	Law firm Hjort	5,100	New
Biskop Gunnerus' gt 14, Oslo	Norwegian Railway Directorate	4,000	New
Sundtkvartalet (project), Oslo	Knowit	4,000	New
Kongsgård Alle (project), Kristiansand	Kristiansand Municipality	2,250	New



* Net letting = new contracts + uplift on renegotiations - terminated contracts

Planned new-build project in Universitetsgata 7-9

- New office building of 19,000 - 21,000 sqm
 - Current building of approx. 13,000 sqm to be replaced
 - Expected to be finalised in 2020/2021
- Signed new 10 year lease contract with law firm Hjorth for 5,100 sqm
 - Also extended current lease contract for 6,300 sqm in Akersgata 51 until Universitetsgata 7-9 is finalised
- Universitetsgata 7-9 is part of the zoning of the Tullin quarter

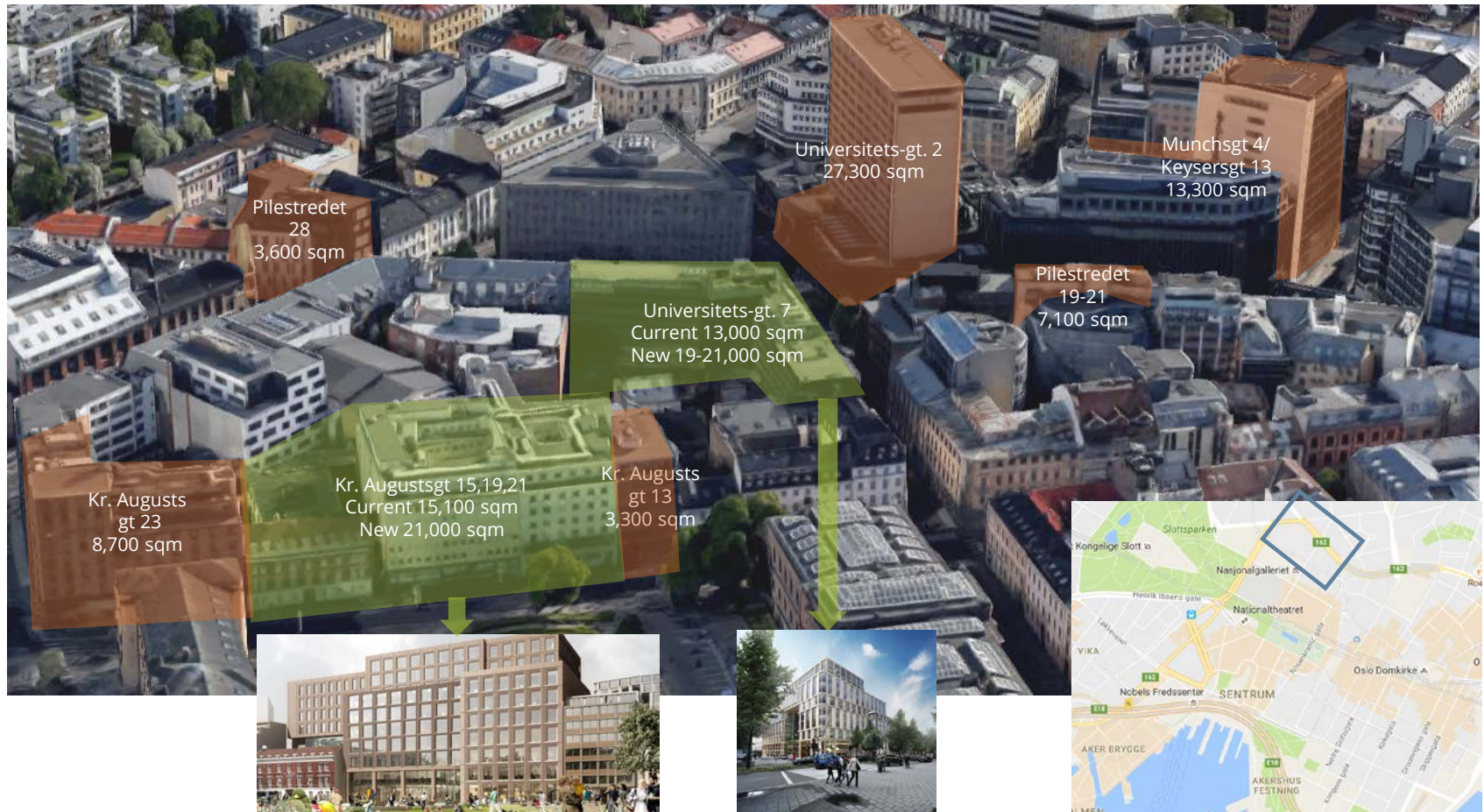


Existing building



New build-project

Developing the Tullin quarter



Oslo S Utvikling (33,3 %) – Status and remaining development



As of 30 September 2016:

Entra's share of property market value/NAV: NOK 1.4 bn/0,7bn

Remaining assets

- 1 • Retail space of 17,500 sqm on ground floor + parking/storage basement of 26,000 sqm

Remaining development

- 2 Eufemias Hage
 - Residential project of 145 apartments of which 87 % pre-sold
 - Completion in 2018
- 3 Eufemia
 - Office project of 20,000 sqm
 - ~ 50 % pre-let to PwC
 - Completion in 2019
- 4 Other
 - 1,350 apartments
 - 16,000 sqm retail area






Finalised Gullfaks project at Hinna Park

- New office building of 17,900 sqm
 - Total project cost: 539 mill
 - Wintershall main tenant
 - Yield on cost: 6.7 %
 - Completed according to plan in August 2016
- Sold to Wintershall for 727 mill (property value)
 - Closing on 31 October 2016
 - 67 mill booked as value gain in Q3 15
 - Approx. 9 mill in rental income in Q3 /Q4 16
 - Approx. 50 mill as other income in Q4 -16
 - Write down of associated goodwill (other costs) of approx. 35 mill in Q4-16, offset by a corresponding change in deferred tax



Gullfaks, Hinna Park, Stavanger

Project Portfolio per 30.09.16

	Ownership (%)	Location	Expected completion	Project area ('000 sqm)	Occupancy (%)	Estimated total project cost* (NOKm)	Of which accrued* (NOKm)	Yield on cost**
Group:								
Strømsveien 96	100	Oslo	Dec-16	18 100	48 	433	337	6.6
Cort Adelers gate 30	100	Oslo	Dec-16	4 700	100	162	134	6.3
Powerhouse Kjørbo, block 3	100	Sandvika	Jul-17	4 200	54	144	101	5.6
Trondheimsporten	100	Trondheim	Nov-17	28 600	77	680	360	6.4
Total Group				55 600		1 419	932	
Jointly controlled companies:								
Sundtkvartalet	50	Oslo	Dec-16	31 300	64 	1 056	946	6.9 
MediaCity Bergen	50	Bergen	Aug-17	45 000	73 	1 830 	1 385	6.1
Total Jointly controlled companies				76 300		2 886	2 331	

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

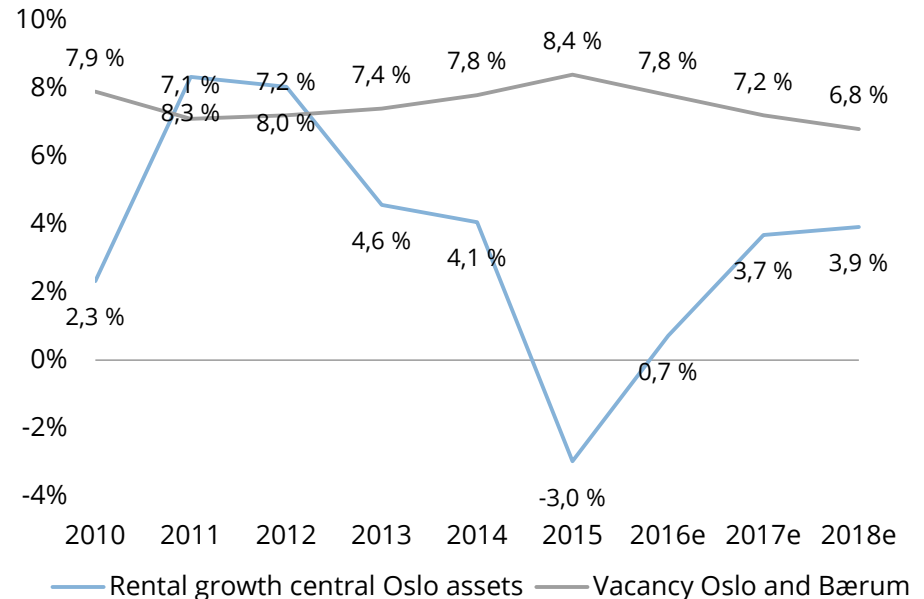
** Estimated net rent (fully let) at completion/total project cost (including cost of land)

Market development

Rent and vacancy

- Positive development in macro indicators
- Decreasing office vacancies and limited net supply expected to fuel new rental growth
 - Strong trend of office-to-residential conversion
- Property tax paid by tenants as common costs in revised market standard
 - Defined as common costs in all Entra's new lease contracts in 2016
- Vacancies levelling out in Bergen, Trondheim and Stavanger at around 10 percent
 - Large local differences

Rental growth and vacancy Oslo



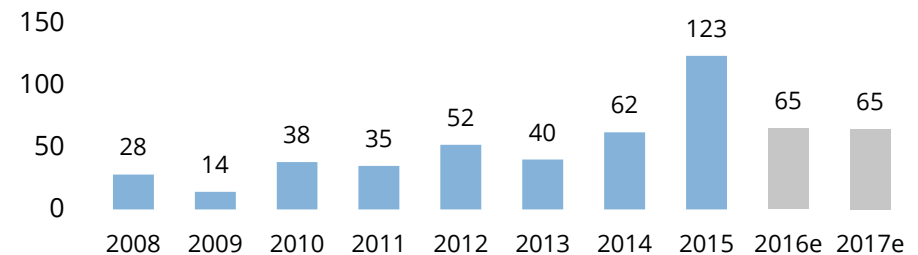
Source: Entra consensus report, average of estimates from leading market specialists in Norwegian market.

Market development

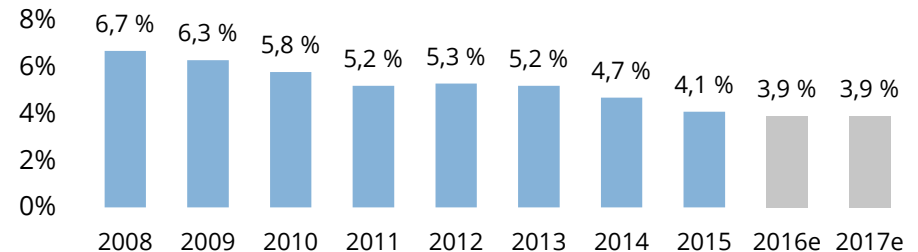
Transactions and yields*

- Active transaction market
 - About same number of transactions as in 2015 but lack of large portfolio sales
- Demand surplus with strong demand from both domestic and international investors
- Prime yield in Oslo further reduced to 3.9 %*

Total transaction volume (NOKbn)*



Prime yield Oslo*



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

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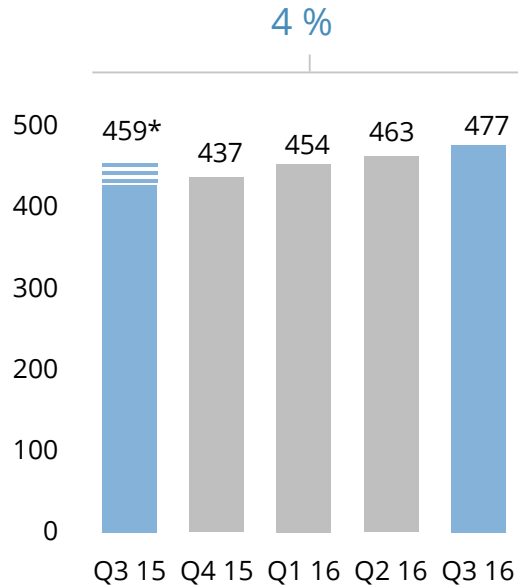
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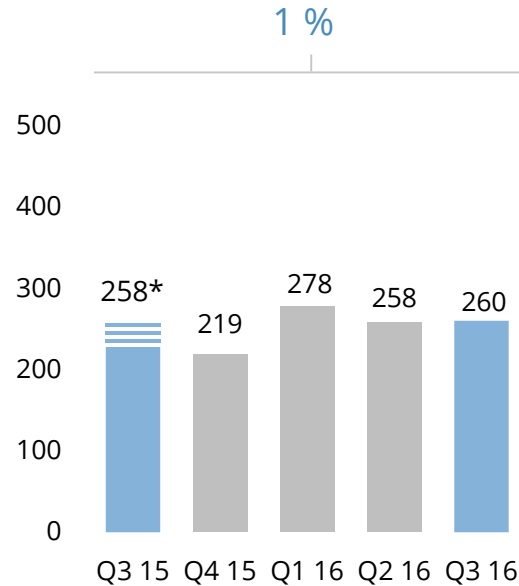
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Key financials

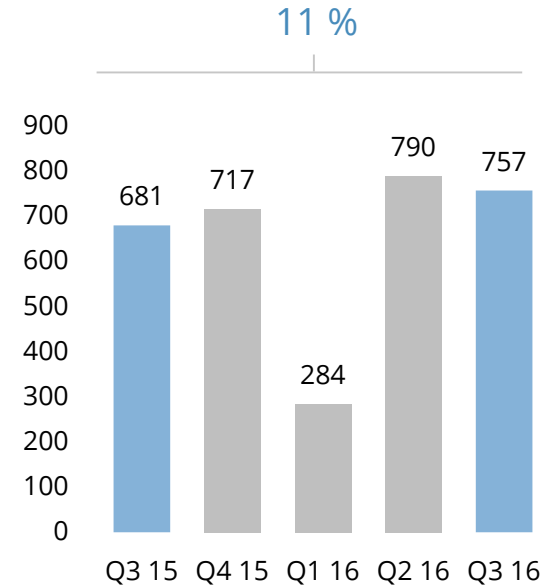
Rental income (NOKm)



Net income from property management (NOKm)



Profit before tax (NOKm)

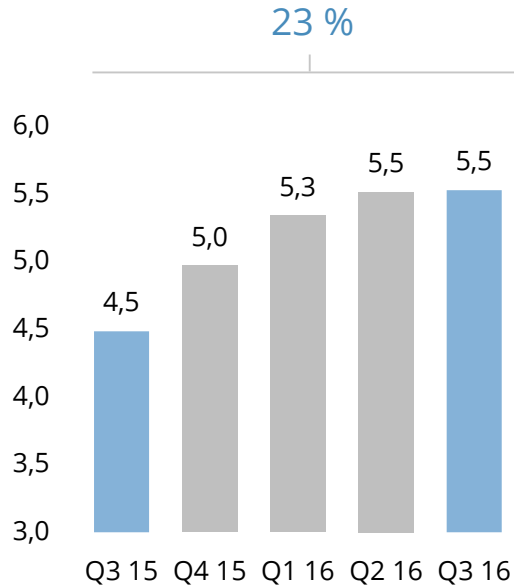


* Q315 affected by extraordinary rental income in relation to Berner buyout (30m)

Key financials - per share

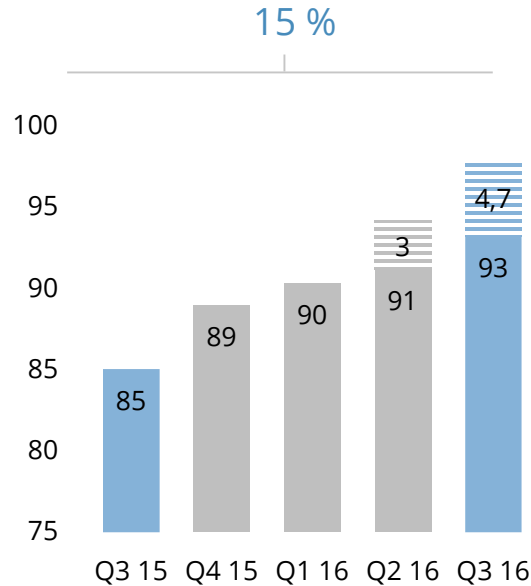
Cash Earnings*

(NOK per share)



EPRA NAV* + Dividends**

(NOK per share)



* Annualised, rolling 4 quarters. Including e/o revenue of NOK 30m in Q3 2015; impacting Q315-Q216

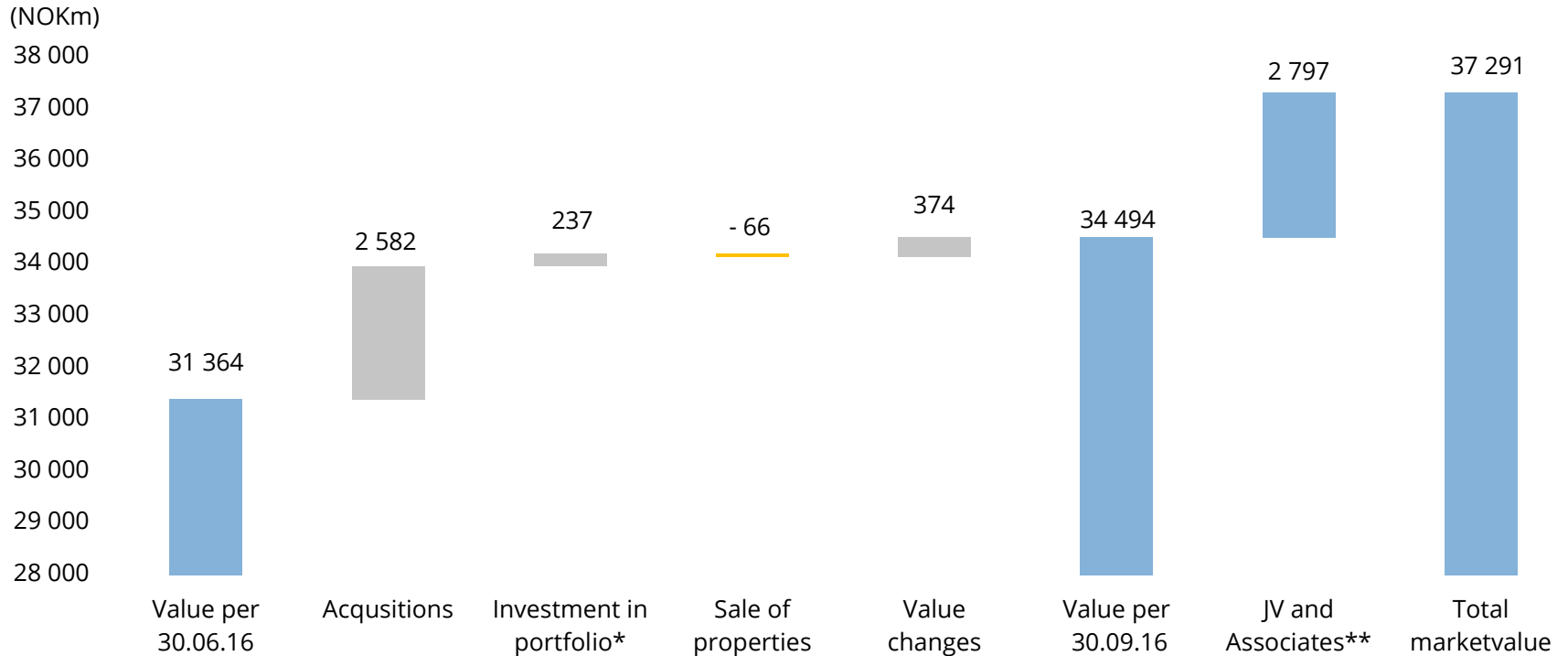
* EPRA NAV as of 30.09.16 is calculated after deducting the semi-annual dividend of NOK 1.70 per share that was paid out on 13 October 2016.

** Dividends presented in shaded area

Results

All figures in NOK millions	Q3-16	Q3-15	YTD Q3-16	YTD Q3-15	2015
Rental income	477	459	1 393	1 322	1 760
Repairs & maintenance	-14	-17	-30	-33	-56
Operating costs	-28	-31	-78	-91	-129
Net operating income	435	411	1 285	1 198	1 574
Other revenue	71	20	184	212	240
Other costs	-65	-17	-174	-197	-224
Administrative costs	-38	-36	-110	-123	-168
Share of profit from associates and JVs	57	-13	76	29	44
Net realised financials	-145	-120	-418	-514	-625
Net income	315	245	844	606	840
- of which net income from property management	260	258	797	579	799
Changes in value of investment properties	374	522	1 123	1 415	1 818
Changes in value of financial instruments	68	-86	-135	337	417
Profit before tax	757	681	1 831	2 358	3 075
Tax payable	0	0	0	0	0
Change in deferred tax	-175	-188	-425	-411	-354
Profit for period/year	582	492	1 407	1 947	2 721

Investment property value development



*In addition Entra has invested 125 NOKm through its non-consolidated J/Vs, Sundtkvartalet and Entra OPF (250 NOKm on a 100 % basis)

** Entra 's share of gross market value of JVs and Associates (book value equity = 1 585 million)

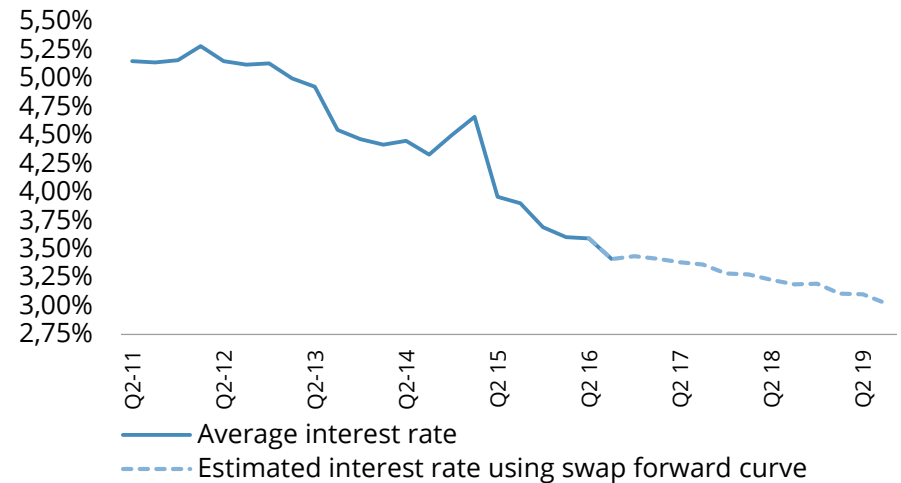
Balance sheet

All figures in NOK millions	30.09.2016	30.09.2015	31.12.2015
Book value of property portfolio	35 171	28 799	29 578
Investments in associates and JVs	1 585	1 121	2 789
Financial derivatives	574	532	530
Other assets	660	416	509
Cash and bank deposits	188	158	212
Total assets	38 178	31 027	33 618
Total equity	13 874	12 553	13 354
Interest-bearing debt	18 239	13 421	15 205
Deferred tax liability	3 698	3 363	3 324
Financial derivatives	1 130	1 136	1 121
Other liabilities	1 237	553	615
Total non-current liabilities	38 178	31 027	33 618

Financing activity Q3 2016

- New bond issues of 1.4 bn
 - Green bond of 1.0 bn
 - Reopening of 0.4 bn
- Commercial paper debt increased by 0.1 bn and refinanced by 0.6 bn
- Increased bank debt by 1.0 bn and opened new bank credit facility of 1.0 bn
- Average interest rate at 3.41 % as of 30.09.16

Development in average interest rate 2010 – 2019e



- Development in average interest rate 2010-2019(e) as reported per 30.09.16
- Changes in average interest rate is caused by expiration of interest rate swaps and start of forward swaps already entered into.
- Assumptions (2016-2019):
 - Stable debt level
 - All debt re-financed at existing terms
 - NIBOR forward curve

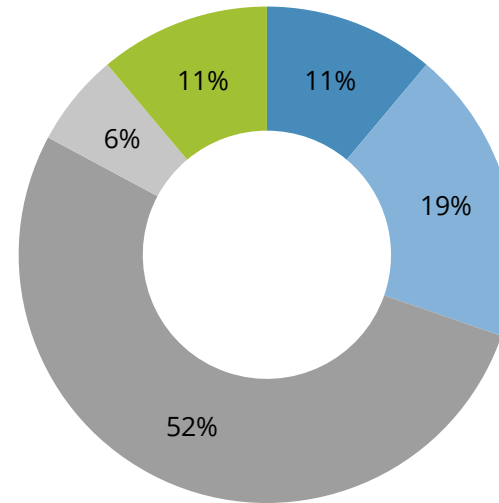
Financial update

Key debt metrics as of 30.09.16

Interest bearing nominal debt	17 516 mill
Unutilised credit facilities	4 955 mill
Loan-to-value	48.7 %
Weighted average maturity	4.6 yrs
Interest cover ratio	2.7
Average interest rate	3.41 %
Share at fixed rate	51 %
Average maturity of interest rate hedges	3.2 yrs

Composition of interest bearing debt

100% = 17 516 mill.



- Bank loans subsidiaries
- Bonds listed at OSE
- Commercial paper
- Drawn bank loans
- Secured Bond 2030

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- Significant income growth expected
 - Full effects of acquisitions, large projects being finalised and expected high CPI adjustment
 - Significant future project pipeline
- Expecting improving market sentiment in Oslo, with lower vacancies and increasing rents
- High letting activity going into Q4



Strømsveien 96, Oslo



Sundtkvartalet, Oslo

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Next event
4th quarter results
February 14, 2017

For more information see www.entra.no/investor-relations

