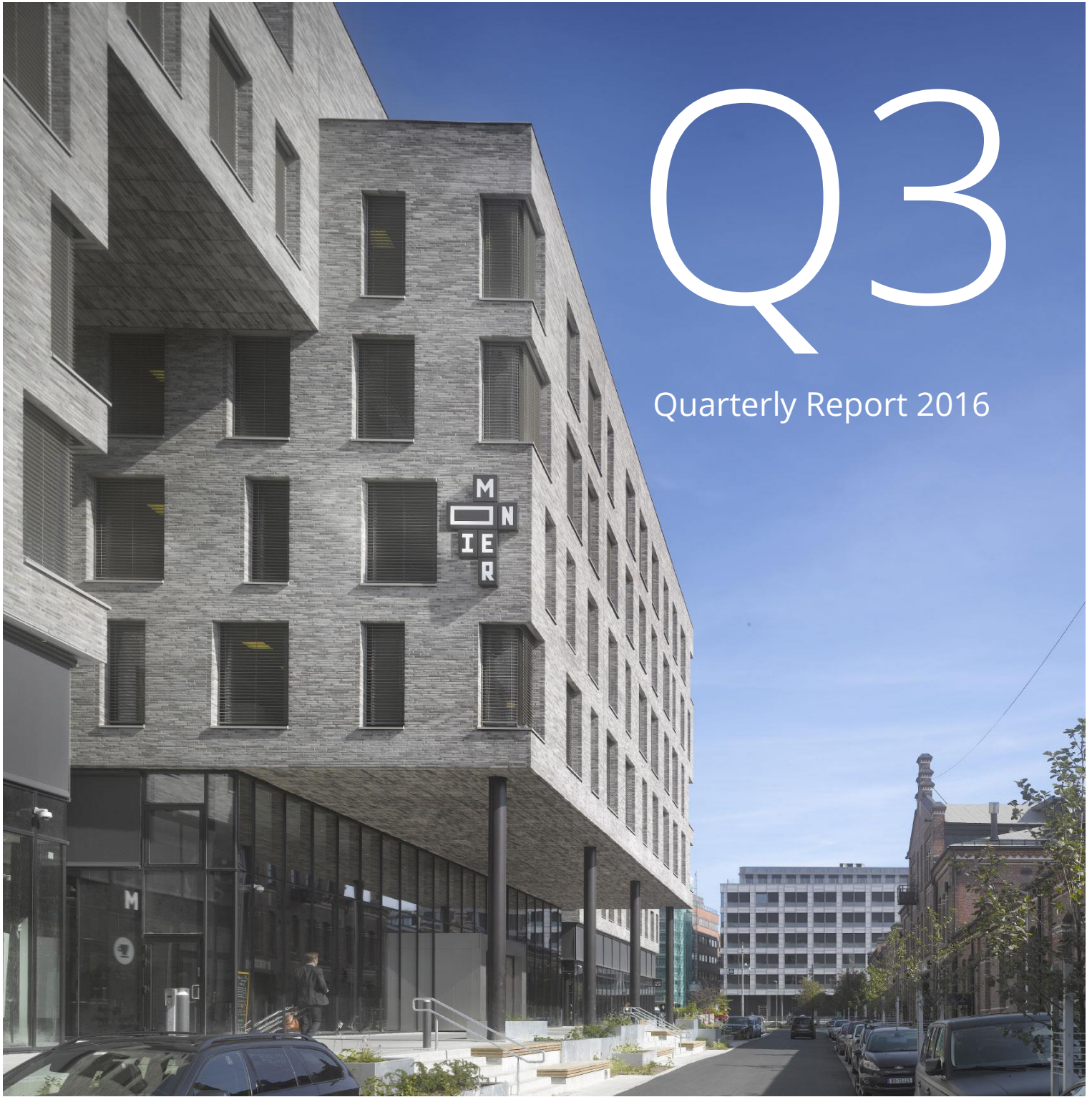


Q3

Quarterly Report 2016



Central, flexible and environment friendly office properties



Financial highlights

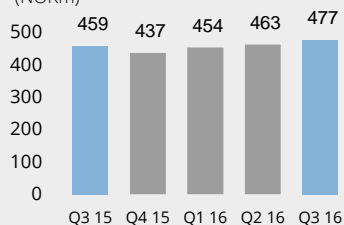
- Rental income of 477 million (459 million) in the quarter
- Net income from property management of 260 million (258 million)
- Positive portfolio value changes of 374 million (522 million)
- Profit before tax of 757 million (681 million)
- Net letting of 44 million in the quarter

Rental income

+ 18 mill.

Rental income

(NOKm)

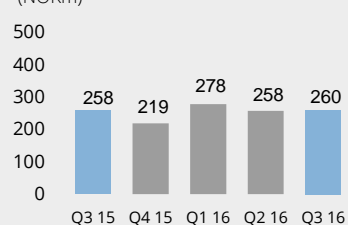


Property management

+ 2 mill.

Net income from PM

(NOKm)

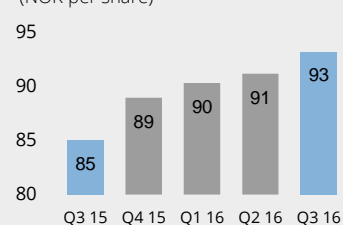


EPRA NAV excl. dividend

+ 10 %

EPRA NAV

(NOK per share)



Key figures

All figures in NOK millions	Q3-16	Q3-15	YTD Q3-16	YTD Q3-15	2015	2014	2013
Rental income	477	459	1 393	1 322	1 760	1 772	1 632
Change period-on-period	4%	2%	5%	0%	-1%	9%	3%
Net operating income	435	411	1 285	1 198	1 574	1 624	1 475
Change period-on-period	6%	1%	7%	-2%	-3%	10%	3%
Net income from property management	260	258	797	579	799	774	525
Change period-on-period	1%	15%	38%	-10%	3%	47%	na
Profit before tax	757	681	1 831	2 358	3 075	1 377	458
Change period-on-period	11%	29%	-22%	150%	123%	201%	-43%
Profit after tax	582	492	1 407	1 947	2 721	1 026	466
Change period-on-period	18%	28%	-28%	178%	165%	120%	-35%
Market value of the property portfolio*	35 191	28 756	35 191	28 756	29 598	28 358	24 963
Net nominal interest-bearing debt	17 516	12 843	17 516	12 843	14 640	13 890	14 350
Loan to value*	48.7%	43.9%	48.7%	43.9%	46.1%	48.4%	56.6%
Interest coverage ratio*	2.7	2.9	2.7	2.6	2.5	2.0	1.8
Number of shares	183.7	183.7	183.7	183.7	183.7	183.7	0.1
All figures in NOK per share*	Q3-16	Q3-15	YTD Q3-16	YTD Q3-15	2015	2014	2013
EPRA Earnings	1.0	0.8	3.1	2.5	3.2	3.0	3 158
Change period-on-period	13%	na	24%	na	8%	na	na
EPRA NAV **	93	85	93	85	89	76	76 998
Change period-on-period	10%	na	10%	na	16%	na	na
EPRA NNAV **	85	78	85	78	81	68	69 253
Change period-on-period	9%	na	9%	na	20%	na	na
Cash earnings***	1.4	1.4	4.3	3.8	5.0	4.1	3 833.3
Change period-on-period	1%	na	15%	na	21%	na	na
Dividend per share	0	0	1.7	na	3.0	2.5	na
Change period-on-period	0	0	100%	na	20%	na	na

Reference

* See section "Calculation of key figures and definitions"

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

*** Cash earnings in 2015 has been adjusted by 115 million due to termination of swap contracts in Q2-2015.

The termination fee was defined as a one-off item and did not reduce cash earnings as a basis for dividend for 2015.

Cash earnings definition changed from Q1-16 to also include net income from property management for JVs excluding Oslo S Utvikling. See definitions.

Several of the numbers are marked as not applicable ("na") as the figures are not comparable either due to historical changes in the P&L or due to changes in the outstanding shares of Entra ASA.

Financial developments

Results

Rental income

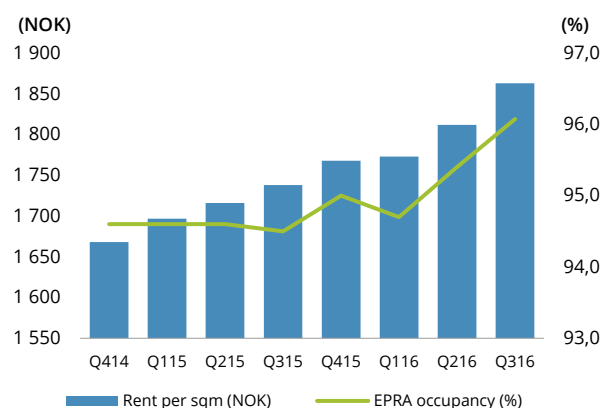
The Group's rental income was up by 4 per cent from 459 million to 477 million quarter on quarter. The increased rental income can be explained by the factors in the below income bridge.

All figures in NOK millions	Q315 - Q316
Rental income previous period	459
Development projects	14
Acquisitions	33
Disposals	-8
Other*	-35
Like-for-like growth	15
Rental income	477

*Extraordinary lease buy-out in Q3-15 (30 mill)

On a like-for-like basis the rental growth was 4.1 per cent compared to the same quarter last year, of which the annual indexation of the lease contracts constituted 2.8 per cent. The remaining growth is mainly driven by income effects from high letting activity and increased occupancy in Biskop Gunnerus gate 14 in Oslo. Average 12 months rolling rent per square meter was 1,836 (1,716) as of 30.09.16. Near all of Entra's lease contracts are 100 per cent linked to positive changes in CPI. The annual adjustment is mostly made on a November to November basis.

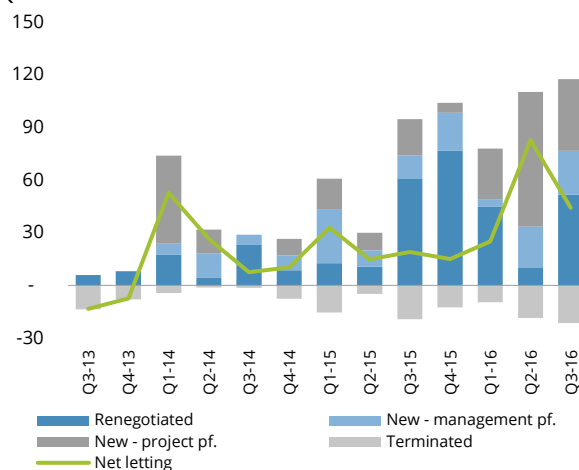
RENT (12M ROLLING) PER SQM AND EPRA OCCUPANCY



The occupancy rate increased to 96.1 per cent (94.5 per cent) as of 30.09.16. The rental value of vacant space as of 30.09.16

was approximately 79 million (95 million) on an annualised basis. Gross letting including re-negotiated contracts was 118 million in the quarter of which 41 million is attributable to letting in the project portfolio. Lease contracts with a total value of 22 million were terminated in the quarter. Net letting defined as new lease contracts plus lease-up on renegotiated contracts less terminated contracts came in at 44 million (19 million) in the quarter. The time difference between the net letting in the management portfolio in the quarter and its effect on the financial results is normally 6-12 months. Estimated income effects from letting in the project portfolio can be found in the project table under the section Investments and Divestments.

QUARTERLY NET LETTING



Property costs

Total property costs amounted to 42 million (48 million) in the third quarter 2016. Total property costs is split as follows:

All figures in NOK millions	Q3-16	Q3-15	YTD Q3-16	YTD Q3-15
Maintenance	14	17	30	33
Tax, leasehold, insurance	11	12	25	28
Letting and prop. adm.	10	5	27	28
Direct property costs	7	14	26	36
Total operating costs	28	31	78	91
Total property costs	42	48	108	124

Net operating income

As a consequence of the effects explained above, net operating income came in at 435 million (411 million) in the third quarter 2016.

Other revenues and other costs

Other revenues was 71 million (20 million) and other costs was 65 million (17 million) in the third quarter 2016. In the quarter, revenues of 48 million was related to Youngskvartalet in Oslo which is classified as a construction contract. Until the project is delivered to the buyer, the Group will recognise other revenue and other costs based on the completion level. Other costs associated with the project amounted to 47 million in the quarter.

In addition, other revenue consists of 16 million (2 million) in the third quarter 2016 related to services provided to tenants.

Other costs also consists of other property costs mainly related to depreciation and rental expenses.

Administrative costs

Administrative costs amounted to 38 million (36 million) in the quarter.

Result from associates and JVs

Entra`s share of profit from associates and JVs was 57 million (-13 million) in the third quarter 2016. The result in the quarter is impacted by positive value changes in associates and JVs and a positive result from Oslo S Utvikling due to sales and delivery of apartments. In Q3 2015 the result was impacted by negative value change in Entra OPF.

Entra`s share of profit from associates and JVs is composed as follows:

All figures in NOK millions	Q3-16	Q3-15	YTD Q3-16	YTD Q3 15
Income from property management	3	1	29	2
Changes in market value	37	-18	42	27
Tax	-10	5	-18	-12
Other income and costs	28	-1	23	12
Results from associates and JVs	57	-13	76	29

For a more detailed breakdown of the results from associates and JVs see the section on Partly owned companies.

Net realised financials

Net realised financials amounted to 145 million (120 million) in the quarter and is composed as follows:

All figures in NOK millions	Q3-16	Q3-15	YTD Q3-16	YTD Q3-15
Interest and other finance income	3	3	6	6
Interest and other finance expense	-148	-122	-425	-520
Net realised financials	-145	-120	-418	-514

Net realised financials has increased in the third quarter of 2016 compared to 2015, and this is mainly due to increased interest bearing debt of approximately 5 billion compared to the same quarter last year, following the acquisition of the Oslo City and Skøyen properties. The increase in net realised financial is somewhat offset by lower interest rates on floating rate debt (Nibor).

The average interest rate was 3.41 per cent (3.90 per cent) as at 30.09.16.

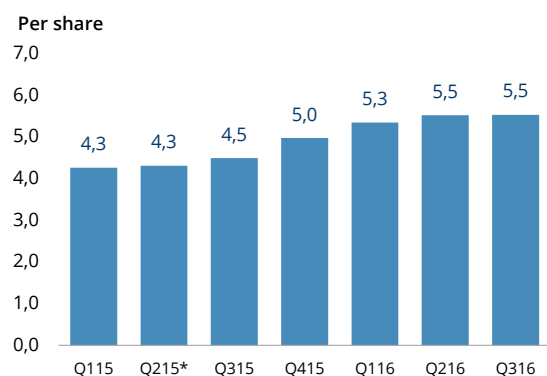
Net income and net income from property management

Net income came in at 315 million (245 million) in the quarter. When including only the income from property management in the results from JVs, the net income from property management was 260 million (258 million) in the quarter, representing a year-on-year increase of 2 per cent.

All figures in NOK millions	Q3-16	Q3-15	YTD Q3-16	YTD Q3-15
Net income	315	245	844	606
Less:				
Value changes in associates and JVs	37	-18	42	27
Tax from associates and JVs	-10	5	-18	-12
Other income and costs	28	-1	23	12
Net income from property management	260	258	797	579

NET INCOME FROM PROPERTY MANAGEMENT PER SHARE

(Annualised, rolling 4 quarters)



* Q215 adjusted for 115 million swap termination fee.

Value changes

The valuation of the property portfolio resulted in a net positive value change of 374 million (522 million) in the third quarter 2016. In the quarter, about 150 million of the value changes is attributable to yield compression, 32 million relates to the current project portfolio and 124 million is the result of new and renegotiated lease contracts signed in the quarter. The remaining changes are related to terminations of contracts, transactions in the quarter and other property related changes.

Net changes in the value of financial instruments was 68 million (-86 million) in the quarter. The positive development in the quarter is mainly explained by higher market interest rates and reduced time to maturity on high interest rate swaps, partly offset by a negative contribution related to decreasing credit margins on existing fixed rate debt.

Tax

The Group, except for certain partly owned companies with marginal tax effect, is currently not in a tax payable position due to tax loss carry forward. At year-end 2015, the tax loss carry forward for the Group was 1,272 million. The change in deferred tax was 175 million (188 million) in the quarter. The current tax rate is 25 per cent. However, the effective tax rate is less than 25 per cent mainly due to sales of properties without tax effect.

Profit

Profit before tax was 757 million (681 million) and profit after tax was 582 million (492 million) in the quarter. The total comprehensive income was 562 million (495 million) in the quarter impacted by actuarial differences related to the groups closed defined benefit scheme.

EPRA Earnings

EPRA Earnings amounted to 175 million (152 million) in the third quarter. The increase in EPRA earnings in the quarter is mainly related to increased net income from property management.

EPRA Earnings net of tax amounted to 244 million (242 million) in the third quarter.

Balance sheet

The Group's assets amounted to 38,178 million (31,027 million) as at 30.09.16. Of this, investment property amounted to 34,356 million (28,093 million) and investment property held for sale to 138 million (150 million). Two properties were classified as held for sale as at 30.09.16. Intangible assets were 162 million (194 million) at the end of the quarter of which 145 million is goodwill related to Hinna Park.

Investments in associates and jointly controlled entities were 1,585 million (1,121 million). The increase is mainly related to capital injection in the jointly controlled entity Entra OPF that develop MediaCity Bergen, as this company is funded only by equity, and the purchase of 50 per cent of Oslo City Parkering AS, of which Steen & Strøm AS owns the remaining part.

Property and housing-units for sale amounted to 676 million (557 million) at the end of the quarter, mainly impacted by the property Gullfaks at Hinna Park. The property had closing at the end of October 2016. At the end of the third quarter 2015 the amount comprised the housing unit project at Ringstabekk of which the major part of the apartments were sold during 2015.

Other receivables was 344 million (99 million) at the end of September 2016. The increase compared to the third quarter 2015 was affected by capitalised construction costs of 223 million related to the property Youngskvartalet that will be delivered to the buyer in the fourth quarter of 2017.

The Group held 188 million (158 million) in cash and cash equivalents at 30.09.16. In addition, the Group has 4,955 million (3,690 million) in unutilised credit facilities.

The Group had interest bearing debt of 18,239 million (13,421 million) as of 30.09.16. The increase is mainly explained by the acquisition of the Skøyen portfolio for approximately 2.5 billion, the office section of Oslo City Kjøpesenter AS for approximately 1.6 billion, the development project "Trondheimsporten" for 132 million in Q4 2015 and payment of dividend of 551 million year to date in 2016.

Other current liabilities was 707 million (184 million) at the end of third quarter 2016. The increase is mainly explained by half-year dividend paid of 312 million to the shareholders at the beginning of October 2016. In addition, Entra has recorded a liability in connection with the the settlement of the purchase

of the Skøyen portfolio of 92 million and capital injection in Entra OPF to be paid in October 2016.

Book equity totaled 13,874 million (12,553 million), representing an equity ratio of 36.3 per cent (40.5 per cent). Book equity per share was 76 (68). Equity per share was 93 (85) based on the EPRA NAV standard and 85 (78) based on EPRA NNAV. Outstanding shares at 30.09.16 totalled 183.7 million (183.7 million)

Cash flow statement

Net cash flow from operating activities came to 263 million (264 million) in the third quarter 2016.

The net cash flow from investment activities was - 2,721 million (-191 million) in the quarter. Proceeds from property transactions of 64 million (14 million) in the quarter was mainly related to the delivery of Fritznerns gate 12 in Oslo and Telemarksgata 11 in Skien. In the third quarter of 2015, the amount mainly relates to proceeds from the sale of housing units in Ringstabekk outside Oslo.

Purchase of investment properties of 2,548 million (0) relates to the acquisition of the Skøyen portfolio in Oslo and the land plot Lars Hillesgate 25 in Bergen.

The cash effect from upgrades of investment properties amounted to 192 million (217 million) in the quarter. Investment in property and housing units for sale of 52 million (29 million) in the quarter is mainly related to investments in the property "Gullfaks" in Stavanger and Youngskvartalet in Oslo.

Net payments in associates and jointly controlled entities amounted to -42 million (-14 million) in the quarter of which 42 million in the quarter relates to capital increase in Entra OPF that develop MediaCity Bergen..

Net cash flow from financing activities was 2,488 million (12 million) in the quarter.

During the quarter Entra has had a net repayment of bank loans of 943 million, net issued bond loans amounting to 1,400 million and paid withholding tax related to dividend paid in Q2 2016 of 19 million.

The net change in cash and cash equivalents was 31 million (85 million) in the third quarter 2016.

Financing

During the third quarter, Entra's total interest bearing debt increased by 2,508 million, mainly due to the settlement of the Skøyen-transaction. The debt increase was composed by new bond issues totalling 1,400 million, increased bank debt by 1,008 million, and 100 million in new commercial paper financing.

Entra's bond issues during the quarter consisted of a new 5-year green bond of 1,000 million, as well as reopening of a 6-year fixed rate bond with 400 million. Entra has also refinanced commercial paper loans for a total of 600 million.

During the quarter, Entra has established a new 4-year bank credit facility of 1,000 million.

Interest bearing debt and maturity structure

As at 30.09.16, net interest-bearing nominal debt after deduction of liquid assets of 188 million was 17,516 million.

The average remaining term of the Group's debt portfolio was 4.6 years at 30.09.16 (4.6 years as at 30.09.15). The calculation takes into account that available long-term credit facilities can replace short-term debt.

Entra's financing is mainly based on negative pledge of the Group's assets, which enables a broad and flexible financing mix. Entra's financing structure includes bank loans, bonds and commercial papers. At the end of the period, 69 per cent of the Group's financing was from the capital market.

Maturity profile and composition interest bearing debt

Maturity profile	0-1 yrs	1-2 yrs	2-3 yrs	3-4 yrs	4+ yrs	Total
Commercial paper (NOKm)	2 000	-	-	-	-	2 000
Bonds (NOKm)	1 029	1 700	1 200	1 200	5 100	10 229
Bank loans (NOKm)	700	110	2 182	20	2 463	5 475
Total (NOKm)	3 729	1 810	3 382	1 220	7 563	17 704
Commercial paper (%)	54	0	0	0	0	11
Bonds (%)	28	94	35	98	67	58
Bank loans (%)	19	6	65	2	33	31
Total (%)						100
Unutilised credit facilities (NOKm)	500	1 300	1 518	980	657	4 955
Unutilised credit facilities (%)	10	26	31	20	13	100

Sources of financing	NOKm	%
Bonds listed at OSE	9 129	52
Secured bond 2030 Entra	1 100	6
Bank loans Entra	3 440	19
Bank loans subsidiaries	2 035	11
Commercial paper	2 000	11
Total	17 704	100

Financing policy and status

All figures in NOK millions	30.09.2016	Target
Loan-to-value (LTV)	48.7%	Approx. 50%
Interest coverage ratio (ICR)	2.7	Min. 1.65x
Debt maturities <12 months	21%	Max 30%
Maturity of hedges <12 months	49%	Max 50%
Average time to maturity (hedges)	3.2	2-6 years
Financing commitments next 12m	133%	Min. 100%
Average time to maturity (debt)	4.6	Min. 3 years

Interest rates and maturity structure

The average interest rate of the debt portfolio was 3.41 per cent as at 30.09.16. 51 per cent of the Group's financing was hedged at a fixed interest rate as at 30.09.16, with a weighted maturity of 3.2 years.

The Group manages interest rate risk mainly by entering into floating-to-fixed interest rate swaps and issuance of fixed rate bonds. The table below shows the maturity profile and contribution from fixed rate instruments, as well as maturity profile for credit margins on debt.

The Group's total debt in millions:	17 704
The Group's average interest rate (%) ¹	3.41

Fixed rate instruments ²			Forward starting swaps ⁴			Average credit margin	
	Amount (NOKm)	Interest rate (%) ³	Amount	Interest rate (%)	Tenor (years)	Amount (NOKm)	Credit margin (%)
<1 year	152	3.57				7 734	1.06
1-2 years	1 810	3.89	900	2.33	7	2 450	1.09
2-3 years	1 000	4.05	1 200	2.02	7	1 200	0.86
3-4 years	2 100	3.94				1 220	1.22
4-5 years	950	4.86				1 000	1.07
5-6 years	750	2.07				800	0.78
6-7 years	1 050	2.51				2 200	1.14
7-8 years	900	2.71					
8-9 years							
9-10 years							
>10 years	510	5.36				1 100	0.39
Total	9 222	3.67	2 100	2.15		17 704	1.02

¹Average reference rate (nibor) is 1.00 per cent as of the reporting date.

²Excluding forward starting swaps.

³Excluding forward starting swaps and credit margins on fixed rate bonds (credit margins are displayed in the table to the right)

⁴The table displays future starting point, notional principle amount, average fixed rate and tenor for forward starting swaps.

The property portfolio

Entra owns and manages 87 buildings with a total area of approximately 1.1 million square metres. As of 30.09.16, the management portfolio had a market value of around 33 billion. The occupancy rate was 96.1 per cent (94.5 per cent). The weighted average unexpired terms for the Group's leases was 6.8 years (7.4) for the management portfolio and 7.2 years (7.5) when the project portfolio is included. The public sector represents approximately 70 per cent of the total customer portfolio. Total market value of the entire property portfolio is about 35 billion and consist of 98 properties. Entra focuses the portfolio on the major cities in Norway; Oslo and the surrounding region, Bergen, Stavanger and Trondheim. Entra has its head office in Oslo.

Entra's properties are valued by two external appraisers (Akershus Eiendom and DTZ) on a quarterly basis. The market value of the portfolio in Entra's balance sheet is based on the

average of the two external appraiser's valuation of each individual property. Valuation of the management portfolio is performed on a property-by-property basis, using individual DCF models and taking into account the property's current characteristics combined with the external valuer's estimated return requirements and expectations on future market development. The market value is defined as the external valuer's estimated transaction value of the individual properties on valuation date. The project portfolio is valued based on the same principles, but with deduction for remaining investments and specific project risk on valuation date. The land and development portfolio is valued based on actually zoned land.

Year-on-year, the portfolio net yield is reduced from 6.0 per cent to 5.6 per cent. 12 months rolling rent has increased from 1,738 to 1,863 per square meter, whereas the market rent has increased from 1,737 to 1,858 per square meter.

	Number (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value (NOKm) (NOK/sqm)		12 months rolling rent (NOKm) (NOK/sqm)		Net yield (%)	Market rent (NOKm) (NOK/sqm)	
Oslo	41	610 033	96.7	6.3	22 382	36 690	1 327	2 175	5.5	1 315	2 155
Trondheim	9	117 187	98.2	5.9	2 501	21 339	176	1 504	6.4	170	1 447
Sandvika	9	94 594	91.6	10.3	2 142	22 647	118	1 247	5.0	125	1 321
Stavanger	6	79 078	92.2	9.5	2 076	26 257	128	1 617	5.6	134	1 694
Drammen	8	70 067	94.7	8.5	1 874	26 746	114	1 623	5.7	106	1 516
Bergen	6	57 119	98.8	5.0	1 268	22 196	89	1 566	6.3	95	1 656
Kristiansand	7	45 158	92.9	9.9	665	14 718	51	1 139	6.7	54	1 185
Other	1	5 531	93.5	4.3	63	11 472	7	1 182	8.9	7	1 195
Management portfolio	87	1 078 767	96.1	6.8	32 971	30 564	2 010	1 863	5.6	2 004	1 858
Project portfolio	6	98 941		13.9	1 704	17 226					
Development sites	5	126 711		2.2	516	4 069					
Property portfolio	98	1 304 418		7.2	35 191	26 978					

Youngsqt. 7-9 is included in market value of the management portfolio at sales price of 60 million.

The calculation of net yield is based on the valuers' assumption of ownership costs, which at 30.09 corresponds to 8.1 per cent of market rent.

Reconciliation of investment properties to property market value

The below table reconciles the individual balance sheet items to the property market value presented above.

All figures in NOK millions	Q3-16	Q3-15	2015
Investment property	34 356	28 093	28 823
Investment properties held for sale	138	150	165
Properties and housing-units held for sale	702	576	617
Other	-5	-62	-7
Property market value	35 191	28 756	29 599

Letting activity

During the third quarter, Entra signed new and renegotiated leases with an annual rent totalling 118 million (60,000 square metres) and received notices of termination on leases with an annual rent of 22 million (8,400 square metres). The impact in rent from the total amount of renegotiated contracts signed

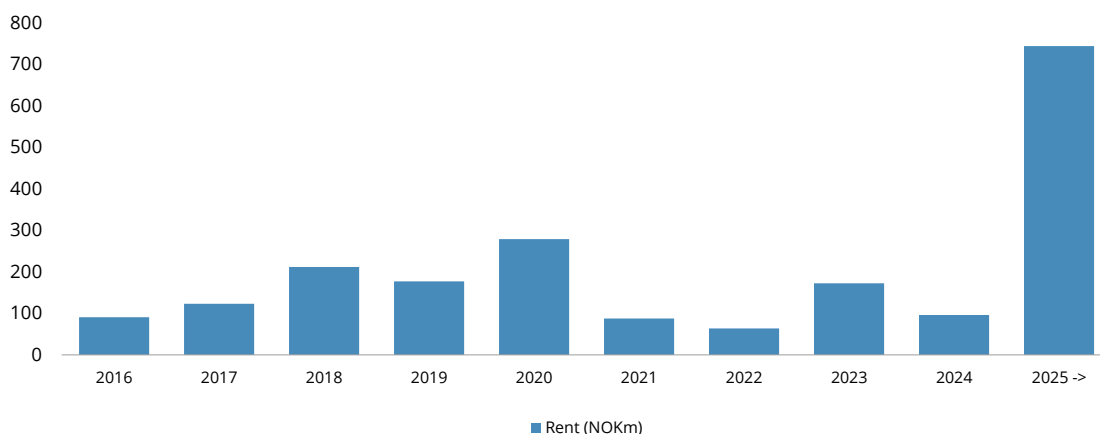
within the quarter was negative with -0.4 per cent. Net letting was 44 million in the quarter. Net letting is calculated as the annualised rent of new lease contracts plus lease-up on renegotiated contracts less terminated contracts.

Large contracts signed in the quarter (> 20 million in total value):

- New lease contract for 10 years and 5,100 sqm at Universitetsgata 7-9 in Oslo with the law firm Hjort
- New lease contract for 10 years and 4,000 sqm. at Biskop Gunnerus` gate 14 in Oslo with the Railway Directorate
- New lease contract for 10 years and 4,000 sqm. in Sundtkvartalet in Oslo with KnowIT
- New lease contract for 20 years and 2,250 sqm. in Kongsgaard Alle 20 in Kristiansand with Kristiansand Municipality
- Renegotiated contract for 5 years and 14,000 sqm. in Allehelgens gate 6 in Bergen with the Police District West
- Renegotiated contract for 3 years and 6,300 sqm. in Akersgata 51 in Oslo with the law firm Hjort

MATURITY PROFILE OF THE MANAGEMENT PORTFOLIO:

(NOKm)



Investments and divestments

Entra has invested 237 million in the portfolio of investment properties in the third quarter. In addition, Entra has invested 125 million through its non-consolidated jointly controlled entities (250 million on a 100 per cent basis). In addition, Entra has acquired the Skøyen portfolio in Oslo and Lars Hillesgate 25 in Bergen for a total of 2,582 million in the third quarter 2016 and Entra has sold the properties Fritznerns gate 12 in Oslo and Telemarksgata 11 in Skien of a total consideration of 64 million.

Project development

	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 Adellers 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)

Status ongoing project

At Strømsveien 96 in Oslo, the refurbishment of 18,100 square metres (12,500 sqm offices) is on-going. Completion of the facade and internal work are the main ongoing activities and functional testing of technical systems has commenced. The Norwegian Medicines Agency will be one of the tenants, letting approximately 6,500 square metres. The building will obtain a BREEAM Very Good classification and energy class B. The project will be completed in December 2016.

Cort Adellersgate 30 in Oslo is under refurbishment with completion in December 2016. Entra has signed a 10 year lease contract with the Oslo Municipality Education Authority for 4,750 sqm and the building is fully let. Main activities in the period have been work on technical installations and interior work.

In December 2015, Entra purchased the development project "Trondheimsporten", a new-build project centrally located in Holtermanns veg 70 in Trondheim. When completed, the property will be a 15-floor building of approx. 28,600 sqm. office/education and parking. 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 let the remaining areas in the building. Construction started in January 2016. The building is expected to be finalised during the fourth quarter of 2017 with a BREEAM Very Good classification. During the quarter, the construction works up until the fifth floor is completed, and technical installations have started.

In Sandvika Entra is refurbishing the third block at Kjørbo into a new Powerhouse with a BREEAM Excellent classification. A Powerhouse shall during its lifetime produce more renewable energy than it uses for materials, production, operation, renovation and demolition. The property is 4,200 sqm and is 54 per cent pre-let to Asplan Viak.

Sundtkvartalet in Oslo is a new, environmentally leading office building of approximately 31,300 sqm. The project is in the final phase, and will be completed in December 2016. 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. A new lease contract with Knowlt for 4,400 sqm/10 years has been signed in the quarter.

Media City Bergen, in Lars Hilles gate 30 in Bergen, includes total renovation of approximately 35,000 sqm and an extension of approximately 10,000 sqm. 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, technology, education and research companies/ organisations. 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. Interior work at tower 3 is completed during Q3 and testing of technical systems will start. At tower 1 and 2, interior work is on-going. The project will be completed in August 2017.

In July 2015, Wintershall exercised its option to acquire the property project Gullfaks in Stavanger. Gullfaks is a 17,900 sqm office building 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. The project was completed in the beginning of August in accordance with the plan and Winterhall has moved in to the new building. Closing has been completed at the end of October 2016.

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

Transactions

Entra actively seeks to improve the quality of its property portfolio through a disciplined strategy of acquisitions and divestments. Entra focuses on acquisition of large properties and projects in specific areas within our four core markets; Oslo, Bergen, Trondheim and Stavanger. Target areas include areas in the city centers and selected clusters and communication hubs outside the city centers, allowing Entra to offer rental opportunities at a price range that fits its customer base. Entra's experience, financial strength and knowledge of its tenants makes the company well positioned to make

acquisitions that meet these acquisition criteria. Also, Entra actively divests smaller properties and properties outside its core markets. The acquisition and divestment strategy is flexible, allowing Entra to respond to market opportunities as they arise.

Closing of the Skøyen transaction comprising three high quality assets of about 61,000 sqm gross area, took place on 1 September 2016.

Transactions in 2015 and YTD 2016

Purchased properties	Area	Transaction quarter	No of sqm	Transaction value (NOKm)	Closing date
Skøyen portfolio (three properties)	Oslo	Q2 2016	61 000	2 529	01.09.2016
Land plot, Lars Hillesgate 25	Bergen	Q2 2016	TBD	53	01.09.2016
Office part of Oslo City*	Oslo	Q4 2015	40 250	1 650	31.12.2015
Trondheimsporten	Trondheim	Q4 2015	28 600	163	18.12.2015
Sum			129 850	4 395	

Sold properties	Area	Transaction quarter	No of sqm	Transaction value (NOKm)	Closing date
Kalfarveien 31	Bergen	Q2 2016	8,440	85	01.11.2016
Fritznersgate 12	Oslo	Q2 2016	824	53	15.09.2016
Telemarksgata 11	Skien	Q2 2016	4 300	11	01.07.2016
Ringstabekk AS**	Bærum	Q1 2016	5 570	114	06.04.2016
Strandveien 13, Tromsø	Tromsø	Q4 2015	11 560	158	28.01.2016
Tollbugata 2, Bodø	Bodø	Q4 2015	940	14	01.12.2015
Hans Kiersgate 1 b and c	Drammen	Q4 2015	2 230	11	30.10.2015
Kirkegata 2 B	Arendal	Q3 2015	5 800	33	30.09.2015
Gullfaks, Hinna Park (forward sale)	Stavanger	Q3 2015	17 900	Est. 700	30.10.2016
Keysersgate 15	Oslo	Q1 2015	315	16	01.03.2015
Portfolio of six properties	Moss, Skien, Lillestrøm	Q1 2015	62 918	1 375	24.02.2015
Grønnegaten 122	Tromsø	Q4 2014	6 600	72	07.04.2015
Skansegaten 2	Stavanger	Q4 2014	4 379	110	09.01.2015
Sum			131 776	2 751	

* Included 50 per cent of parking basement

** Commercial areas included in number of sqm (residential not included)

Partly owned companies

Entra selectively gains access to development projects through its shareholding in subsidiaries with non-controlling interests and jointly controlled entities. Entra's ownership interests currently include the following companies:

Papirbredden Eiendom AS (60 %)

Entra and Drammen Municipality own Papirbredden Eiendom AS. The company owns six office properties and a future development potential for around 39,000 sqm in Drammen.

Hinna Park Eiendom AS (50 %)

Entra and Camar Eiendom own Hinna Park Eiendom AS. The company owns three office properties and development potential for two new office properties totalling around 29,300 sqm. The company also owns the project Gullfaks that was completed as planned at the beginning of August 2016 and handed over to Wintershall at the end of October 2016..

Entra OPF Utvikling AS (50 %)

Entra and Oslo Pensjonsforsikring (OPF) own Entra OPF Utvikling AS. The company owns two properties in Bergen of which one is the project property MediaCity Bergen in Lars Hilles gate 30. According to the agreement between Entra and Oslo Pensjonsforsikring, Entra OPF Utvikling AS is not to be financed with debt, any capital requirements are thus to be financed with equity contributions from the owners.

Sundtkvartalet Holding AS (50 %)

Entra and Skanska Commercial Development own Sundtkvartalet Holding AS. The company will build a new office building of approximately 31,000 square meters as described under the project development section above.

Oslo City Parkering AS (50 %)

Entra and Steen & Strøm own Oslo City Parkering AS. The company owns the parking basement of the property Oslo City.

Oslo S Utvikling AS "OSU" (33.33 %)

OSU is a property development company that is undertaking the development of parts of the city district Bjørvika in Oslo. Entra's share of the market value of the properties and projects in OSU is estimated at approximately 1.4 billion as of 30.09.16. The estimate is based on valuations from two external appraisers. Entra's share of the net asset value as at 30.09.16 was 0.7 billion after taking into account estimated latent deferred tax of 10 per cent.

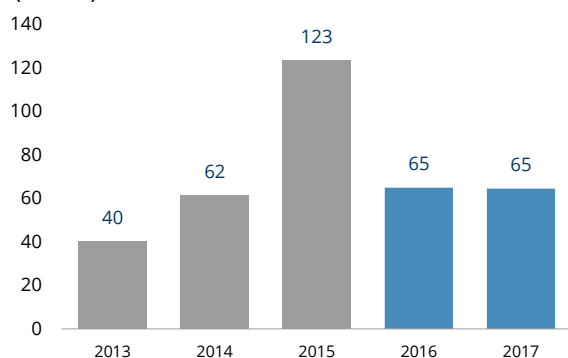
Financial figures for the first nine months of 2016 for partly owned entities and JVs (based on 100 % ownership)

All figures in NOK millions	Papirbredden Eiendom AS	Hinna Park Eiendom AS	Sum consolidated companies	Entra OPF Utvikling AS	Sundtkvartalet Holding AS	Oslo S Utvikling AS	Oslo City Parkering AS	Other	Sum associated companies & JVs
Share of ownership (%)	60	50		50	50	33	50	33	
Rental income	69	60	130	14	0	65	12	66	158
Net operating income	68	52	120	9	-1	65	10	65	148
Net income	42	22	64	7	-3	19	10	63	98
Changes in value of investment properties	144	-46	98	67	13	0	5	0	85
Changes in value of financial instruments	3	6	9	0	0	47	0	0	47
Profit before tax	189	-18	171	74	10	67	16	63	229
Tax	-47	4	-43	-19	-3	1	-4	-16	-40
Profit for period/year	141	-14	128	56	7	68	12	47	190
<i>Non-controlling interests</i>	57	-7	50						
<i>Entras share of profit</i>				28	4	23	6	16	76
<i>Book value</i>				757	161	513	148	6	1 585
Market value properties	1 625	1 037	2 662	1 575	1 113	3 914	295		6 898
<i>Entras share of market value properties</i>	975	519	1 493	788	557	1 305	147		2 797

Market development

The transaction market is highly active and characterised by high demand for properties in the largest cities. There has been almost as many transactions in 2016 as in 2015, however there has been relatively few large transactions/portfolio sales. The total transaction volume is thus down at more normalised levels. The demand surplus in the market is pushing yields further down and prime yield is now down at 3.9 per cent according to Entra's consensus report, summarising inputs from leading Norwegian commercial property brokers and analysts.

TRANSACTION VOLUME NORWAY (NOK bn)



Source: Entra Consensus report

The Office vacancy in Oslo is expected to drop to 7.8 per cent by the end of 2016 and 7.2 per cent in 2017 according to Entra's consensus report. A slight increase in rents for modern offices in the city centre is observed, a trend which is expected to continue in 2017 and 2018 due to low construction activity, office to residential conversion and increasing employment.

In Bergen and Stavanger, the office vacancy seems to be levelling out at about 10 per cent. Stavanger the numbers are uncertain due to potential hidden vacancy. The negative impact from reduced activity in the oil and gas industry seems to be flattening out. In Trondheim the office vacancy may increase above 10 per cent due to high construction activity.

Rent levels in the centre of Bergen is slightly up due to more high quality office space being offered in the market combined with relatively low office vacancy. The office vacancy in Bergen is mainly related to properties situated around the oil and gas intensive office areas at Kokstad / Sandsli / Flesland. Rent levels in the city centre of Trondheim remain stable. The office vacancy in city centre of Trondheim is 6-8 per cent. In Stavanger there has been increasing activity in the office letting market. However, Stavanger is still experiencing downward pressure on rent levels due to significant vacancy.

Overall, we see relatively low office vacancy and stable or slightly increasing rent levels in the city centres. Entra is in a good position with a portfolio located in central areas of the four largest cities and its long lease contracts with solid tenants.

Market data Oslo

	2013	2014	2015	2016e	2017e	2018e
Vacancy Oslo and Bærum (%)	7.4	7.8	8.4	7.8	7.2	6.8
Rent per sqm, high standard Oslo office	2 907	3 025	2 935	2 956	3 065	3 185
Prime yield (%)	5.2	4.7	4.1	3.9	3.9	na

Source: Entra Consensus report

Other information

Organisation and HSE

At 30.09.16, the Group had 166 employees. During the quarter, there were no injuries that caused absence from work. Entra has a continuous 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 1.7 at the end of the period vs 3.9 at the end of the previous quarter.

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 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.

Business and strategic risks include the possible impact on the Group's operations of political decisions, regulations and significant unforeseen non-recurring events. Entra will be exposed to property tax on a majority of its properties in Oslo 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 has been no significant events after the balance sheet date.

Share and shareholder information

Entra's share capital is NOK 183,732,461 divided into 183,732,461 shares, each with a par value of NOK 1 per share. Entra has one class of shares and all shares provide equal rights, including the right to any dividends.

As of 21.10.16, Entra had 5,870 shareholders. Norwegian investors held 61 per cent of the share capital and foreign investors 39 per cent.

On 15 September 2016 the Norwegian Ministry of Trade, Industry and Fisheries, sold a total of 30 million shares through a secondary placement.

The 10 largest shareholders as of 21.10.16 were:

Shareholder	% holding
Norwegian Ministry of Trade, Industry and Fisheries	33.4
Folketrygdfondet	8.8
Geveran Trading	8.2
State Street Bank (Nominee)	2.6
Danske Invest Norske	2.1
The Bank of New York (Nominee)	1.8
JP Morgan Bank Luxemburg (Nominee)	1.4
The Bank of New York (Nominee)	1.4
Danske Invest Norske	1.1
State Street Bank (Nominee)	1.0
SUM 10 LARGEST SHAREHOLDERS	61.7

Outlook

The Norwegian economy is still influenced by a weaker macroeconomic development and general uncertainty even though one over several quarters has seen positive development in certain key macro indicators.

The downturn in the oil sector and related industries has primarily had a negative impact in the southern and western part of Norway, and 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 low exposure to the geographical areas being hit by the downturn, long lease contracts with solid tenants and a low exposure towards the oil sector.

In Oslo, that constitutes around 66 per cent of Entra's revenues, we expect vacancy levels to have peaked and to see a falling trend going forward as net new office space coming into the market in 2017 and 2018 is marginal due to low new building activity and high conversion from commercial to residential buildings. The slight decrease in market rent levels in previous quarters has flattened out, and we expect a positive trend from 2017.

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

The good credit availability and historically low market interest rates for all maturities has continued. The volatility and uncertainty in the financial markets is high, but Entra, with its strong balance sheet and predictable cash flow, is in a very good position to secure favourable financing also going forward.

Property investors seek quality properties with good locations and long and secure cash flows. 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, 31 October 2016

The Board of Entra ASA

Financial statements

Statement of comprehensive income

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
Actuarial gains and losses	-28	4	-28	4	39
Change in deferred tax on comprehensive income	7	-1	7	-1	-10
Total comprehensive income for the period/year	562	495	1 386	1 950	2 750
Profit attributable to:					
Equity holders of the Company	575	452	1 357	1 883	2 648
Non-controlling interest	8	41	50	64	73
Total comprehensive income attributable to:					
Equity holders of the Company	554	454	1 336	1 885	2 677
Non-controlling interest	8	41	50	64	73

Balance sheet

All figures in NOK millions	30.09.2016	30.09.2015	31.12.2015
Intangible assets	162	194	161
Investment property	34 356	28 093	28 823
Other operating assets	27	30	35
Investments in associates and JVs	1 585	1 121	2 789
Financial derivatives	574	532	530
Long-term receivables	66	51	53
Total non-current assets	36 770	30 021	32 391
Property and housing-units for sale	676	557	589
Investment property held for sale	138	150	165
Trade receivables	61	42	55
Other receivables	344	99	206
Cash and bank deposits	188	158	212
Total current assets	1 408	1 006	1 226
Total assets	38 178	31 027	33 618
Shareholders equity	13 466	12 204	12 995
Non-controlling interests	409	350	359
Total equity	13 874	12 553	13 354
Interest-bearing debt	14 488	11 600	12 083
Deferred tax liability	3 698	3 363	3 324
Financial derivatives	1 130	1 136	1 121
Other non-current liabilities	255	203	237
Total non-current liabilities	19 570	16 302	16 764
Interest-bearing debt	3 752	1 821	3 123
Trade payables	275	165	142
Other current liabilities	707	184	236
Total current liabilities	4 733	2 171	3 501
Total liabilities	24 304	18 473	20 265
Total equity and liabilities	38 178	31 027	33 618

Changes in equity

All figures in NOK millions	Share capital	Other paid-in capital	Retained earnings	Non-controlling interest	Total equity
Equity 31.12.2014	184	3 556	7 039	286	11 064
Profit for the year			2 648	73	2 721
Other comprehensive income			28		28
Dividend			-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	9 255	359	13 354
Profit for period			1 357	50	1 407
Other comprehensive income			-21		-21
Dividend			-864		-864
Net equity effect of employee share saving scheme			-1		-1
Net equity effect of LTI share program			0		0
Equity 30.09.2016	184	3 556	9 727	409	13 874

Statement of cash flows

All figures in NOK millions	Q3 16	Q3 15	YTD Q3 16	YTD Q3 15	2015
Profit before tax	757	681	1 831	2 358	3 075
Net expensed interest and fees on loans	145	158	418	436	645
Net interest and fees paid on loans	-111	-158	-390	-464	-584
Share of profit from associates and jointly controlled entities	-57	13	-76	-29	-44
Depreciation and amortisation	2	4	7	16	18
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
Change in working capital	-30	2	-61	19	-26
Net cash flow from operating activities	263	264	741	584	850
Proceeds from property transactions	64	14	329	1 740	1 792
Purchase of investment properties	-2 548	0	-2 547	0	-132
Upgrades of investment properties	-192	-217	-539	-673	-911
Investment in property and housing-units for sale	-52	-29	-177	-32	-82
Purchase of intangible and other operating assets	-2	-5	-8	-21	-41
Net payment financial assets	0	10	5	-6	-30
Net repayment of loans to associates and JVs	0	0	0	62	62
Net payments in associates and JVs	-42	-14	-173	-69	-1 720
Dividends from associates and JVs	51	51	51	51	51
Net cash flow from investment activities	-2 721	-191	-3 059	1 052	-1 010
Proceeds interest-bearing debt	6 332	7 565	14 425	11 129	19 126
Repayment interest-bearing debt	-3 825	-7 552	-11 577	-12 345	-18 492
Proceeds from/repayment of equity	0	-1	-1	-1	-1
Dividends paid	-19	0	-551	-459	-459
Net cash flow from financing activities	2 488	12	2 295	-1 677	174
Change in cash and cash equivalents	31	85	-24	-40	14
Cash and cash equivalents at beginning of period	158	73	212	198	198
Cash and cash equivalents at end of period	188	158	188	158	212

NOTE 1 – ACCOUNTING PRINCIPLES

The results for the period have been prepared in accordance with IAS 34 Interim Financial Reporting.

The accounting principles that have been used in the preparation of the interim financial statements are in conformity with the principles used in preparation of the annual financial statements for 2015.

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

In the first quarter of 2016 the Group did some changes to how the profit and loss statement is presented in order to better reflect the underlying operational results and to a greater extent be harmonised with how peer companies and equity analysts present their figures. The major changes are:

- Stating a Net operating income (from property management)
- Including Net realised financials in Net Income /Net income from property management
- Including profit from associated and JVs in Net income
- Establishing “Net income from property management” as Net income minus values changes and tax from associates and JVs and profit from the jointly controlled entity Oslo S Utvikling.

In addition, some changes in the balance sheet have been done in order to improve the presentation.

NOTE 2 – SEGMENT INFORMATION

The Group is organised into two geographic units: 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, Trondheim, Sandvika, Stavanger, Drammen, Bergen and Kristiansand.

The geographic units do not have their own profit responsibility. The geographical units are instead followed up on 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 report their segment information based upon these seven geographic areas.

Operating segments Q3-16:

	Number (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value (NOKm) (NOK/sqm)		12 months rolling rent (NOKm) (NOK/sqm)		Net yield (%)	Market rent (NOKm) (NOK/sqm)	
Oslo	41	610 033	96.7	6.3	22 382	36 690	1 327	2 175	5.5	1 315	2 155
Trondheim	9	117 187	98.2	5.9	2 501	21 339	176	1 504	6.4	170	1 447
Sandvika	9	94 594	91.6	10.3	2 142	22 647	118	1 247	5.0	125	1 321
Stavanger	6	79 078	92.2	9.5	2 076	26 257	128	1 617	5.6	134	1 694
Drammen	8	70 067	94.7	8.5	1 874	26 746	114	1 623	5.7	106	1 516
Bergen	6	57 119	98.8	5.0	1 268	22 196	89	1 566	6.3	95	1 656
Kristiansand	7	45 158	92.9	9.9	665	14 718	51	1 139	6.7	54	1 185
Other	1	5 531	93.5	4.3	63	11 472	7	1 182	8.9	7	1 195
Management portfolio	87	1 078 767	96.1	6.8	32 971	30 564	2 010	1 863	5.6	2 004	1 858
Project portfolio	6	98 941		13.9	1 704	17 226					
Development sites	5	126 711		2.2	516	4 069					
Property portfolio	98	1 304 418		7.2	35 191	26 978					

Youngsgt. 7-9 is included in market value of the management portfolio at sales price of 60 million.

The calculation of net yield is based on the valuers' assumption of ownership costs, which at 30.09 corresponds to 8.1 per cent of market rent.

Operating segments Q3-15:

	Number (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value (NOKm) (NOK/sqm)		12 months rolling rent (NOKm) (NOK/sqm)		Net yield (%)	Market rent (NOKm) (NOK/sqm)	
Oslo	37	507 587	94.9	6.9	17 001	33 495	1 039	2 046	5.7	1 040	2 049
Sandvika	10	100 220	87.2	11.3	2 137	21 324	127	1 264	5.5	129	1 282
Drammen	8	61 497	99.9	9.3	1 389	22 591	92	1 500	6.2	82	1 341
Bergen	6	57 119	99.1	5.5	1 144	20 030	83	1 458	6.5	92	1 605
Trondheim	9	117 182	94.7	6.7	2 342	19 989	168	1 432	6.4	165	1 407
Stavanger	6	77 145	93.0	8.8	2 038	26 418	138	1 783	6.3	135	1 749
Kristiansand	8	46 034	89.8	9.2	589	12 792	48	1 052	7.2	48	1 047
Other	4	22 327	93.5	6.5	238	10 669	25	1 103	9.0	27	1 206
Management portfolio	88	989 112	94.5	7.4	26 879	27 175	1 719	1 738	5.9	1 718	1 737
Project portfolio	3	79 633		12.4	1 428	17 934					
Development sites	6	129 711		0.2	449	3 461					
Property portfolio	97	1 198 456		7.5	28 756	23 994					

Ringstabekk housing project is included in market value of management portfolio at cost price of 34 million. Youngsgt. 7-9 is included in market value of the management portfolio at sales price of 60 million. The calculation of net yield is based on the valuers' assumption of ownership costs, which at 30.06 corresponds to 7.5 per cent of market rent.

NOTE 3 – INVESTMENT PROPERTIES

All figures in NOK millions	Q3-16	Q3-15	YTD Q3-16	YTD Q3-15	2015
Closing balance previous period	31 364	28 118	28 989	28 230	28 230
Purchase of investment property	2 582	0	4 040	0	213
Investment in the property portfolio	237	134	654	594	807
Capitalised borrowing costs	3	2	6	21	22
Sale of investment property	-66	-40	-318	-1 524	-1 548
Reclassified to property and housing-units for sale	0	-493	0	-493	-493
Reclassified to construction contracts	0	0	0	0	-60
Changes in value of operational lease	-3	-42	2	-19	-59
Changes in value of investment properties	377	563	1 121	1 434	1 877
Closing balance	34 494	28 243	34 494	28 243	28 989
Investment property held for sale	138	150	138	150	165
Investment property	34 356	28 093	34 356	28 093	28 823

Investment properties held for sale include the properties Molovegen 10 in Bodø and Kalfarveien 31 in Bergen. During the third quarter 2016 Entra had closing for the properties Fritznerns gate 12 and Telemarksgata 11. Kalfarveien 31 was sold in the second quarter 2016 and are classified as held for sale until closing later in 2016.

Sale of investment properties relates to the sale of the property Strandveien 13 in Tromsø, Ringstabekkveien 105 in Bærum, Fritznerns gate 12 in Oslo and Telemarksgata 11 in Skien.

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 679 million (671 million) at the end of the third quarter of 2016. The Group records quarterly a negative value change on the property as the maturity date of the lease approaches.

NOTE 4 – CONTINGENCIES

Entra is currently involved in legal arbitration proceedings or disputes with Norwegian Datasenter Group AS/ Greenfield Property AS and Evry ASA.

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 February 2017.

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 disagrees with the verdict and the ruling has been appealed. The hearing of the dispute took place in October 2016, and the verdict is expected in the fourth quarter 2016.

Entra has not made any provision for the claims as the Group considers it not probable that an outflow of resources will be required.

NOTE 5 – INFORMATION ON THE FAIR VALUE OF ASSETS AND LIABILITIES

The valuation methods and principles are unchanged in the quarter. See the annual financial statements for 2015 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 0.5 million (level 3) all assets and liabilities are level 2. Investment properties of 34,494 million are classified at level 3.

All figures in NOK millions	30.09.2016	30.09.2015	31.12.2015
Assets measured at fair value:			
Assets measured at fair value with change over the result			
- Investment property	34 356	28 093	28 823
- Investment property held for sale	138	150	165
- Derivatives	574	532	530
Financial assets held for sale			
- Equity instruments	1	1	1
Total	35 069	28 775	29 520
Liabilities measured at fair value:			
Financial liabilities measured at fair value with change over the result			
- Derivatives	1 130	1 136	1 121
- Bonds	5 336	4 120	4 054
- Commercial paper	2 000	600	1 900
Total	8 466	5 856	7 075

CALCULATION OF KEY FIGURES AND DEFINITIONS

DEBT RATIO (LTV)

All figures in NOK millions	Q3-16	Q3-15	2015
Net nominal interest-bearing debt	17 516	12 843	14 640
Total market value of the property portfolio	35 979	29 226	31 777
Market value of the property portfolio	35 191	28 756	29 598
Share of Entra OPF Utvikling (50%)	788	470	525
Share of Oslo City Kjøpesenter AS (33,3%)	0	0	1 654
Debt ratio (LTV) %	48.7	43.9	46.1

INTEREST COVERAGE RATIO (ICR)

All figures in NOK millions	Q3-16	Q3-15	YTD Q3-16	YTD Q3-15	2015
Net income	315	245	844	606	840
Depreciation	2	3	7	16	18
Results from associates and joint ventures	-57	13	-76	-29	-44
Net realised financials	145	120	418	514	625
EBITDA adjusted	405	381	1 193	1 107	1 440
Share of EBITDA Entra OPF Utvikling	1	2	4	3	5
EBITDA adjusted for share of Entra OPF Utvikling	406	383	1 196	1 109	1 444
Interest cost	144	129	413	420	548
Other finance expense	9	1	28	12	24
Applicable net interest cost	153	130	441	432	572
Interest Coverage Ratio (ICR)	2.7	2.9	2.7	2.6	2.5

NET ASSET VALUE – EPRA NAV AND EPRA NNNAV*

All figures in NOK millions	Q3-16	Q3-15	2015
Total equity	13 874	12 553	13 354
Less: Non-controlling interests	409	350	359
NAV per financial statement	13 466	12 204	12 995
Add: Adjustment to property portfolio	27	20	89
Add: Revaluation of investments made in the JV	198	223	118
Add: Net market value on financial derivatives	556	604	591
Add: Deferred tax arising on revaluation moments	2 878	2 576	2 550
EPRA NAV	17 126	15 626	16 342
Market value on property portfolio	35 191	28 756	29 598
Tax value on property portfolio	14 381	12 386	12 476
Basis for calculation of tax on gain on sale	20 810	16 370	17 122
Less: Market value of tax on gain on sale (5% tax rate)	1 041	819	856
Net market value on financial derivatives	556	604	591
Tax expense on realised financial derivatives*	139	163	148
Less: Net result from realisation of financial derivatives	417	441	443
Book value of interest bearing debt	18 239	13 421	15 205
Nominal value of interest bearing debt	17 704	13 001	14 851
Basis for calculation of tax on realisation of interest-bearing debt	536	420	354
Less: Market value of tax on realisation*	134	113	89
EPRA NNNAV	15 534	14 254	14 954

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

EPRA EARNINGS

All figures in NOK millions	Q3-16	Q3-15	YTD Q3-16	YTD Q3-15	2015
Profit for period/year - Earnings per IFRS income statement	582	492	1 407	1 947	2 721
Add:					
Changes in value of investment properties	-374	-522	-1 123	-1 415	-1 818
Tax on changes in value of investment properties*	94	141	281	382	491
Reversal of deferred tax arising from sales of properties (tax exempted)	-8	0	-14	-215	-218
Changes in value of financial instruments	-68	86	135	-337	-417
Tax on changes in value of financial instruments*	17	-23	-34	91	112
Profit or losses on disposal of inventory in Oslo S Utvikling	-36	-3	-41	-30	-38
Share of profit jointly controlled entities – fair value adjustments	-37	18	-42	-27	-46
Reversal of deferred tax EPRA adjustments jointly controlled entities	13	-3	15	17	24
Net income non-controlling interests of subsidiaries	-10	-17	-28	-31	-34
Reversal of tax non-controlling interests of subsidiaries	2	5	7	8	8
Significant one-off items	0	-30	0	85	85
Tax on significant one-off items	0	8	0	-23	-23
Change in tax rate	0	0	0	0	-252
Tax payable					
EPRA earnings	175	152	563	452	597
Reversal of tax adjustment above	-117	-127	-255	-260	-142
Reversal of change in deferred tax from income statement	175	188	425	411	354
Reversal of tax JVs	11	29	17	18	24
EPRA earnings net of tax	244	242	750	621	832

* 25 per cent from Q1 2016, 27 per cent previous periods

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.
Cash Earnings	- Net income from property management less tax payable
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
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
Independent Appraisers	- Akershus Eiendom and DTZ
Land and dev. 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 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 Income from property management	- Net income from property management is calculated as Net Income less value changes, tax effects and other income and other cost from associates and JVs
Net letting	- Net letting is calculated as the annualised rent of new lease contracts plus lease-up on renegotiated contracts less terminated contracts.
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 (EPRA)	- 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
Period-on-period	- Comparison between one period and the equivalent period the previous year
Property portfolio	- 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
Project properties	- Properties where it has been decided to start construction of a new building and/or renovation
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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Financial calendar

Fourth quarter 2016	14.02.2017
First quarter 2017	27.04.2017
Second quarter 2017	12.07.2017
Third quarter 2017	19.10.2017
Fourth quarter 2017	09.02.2018



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