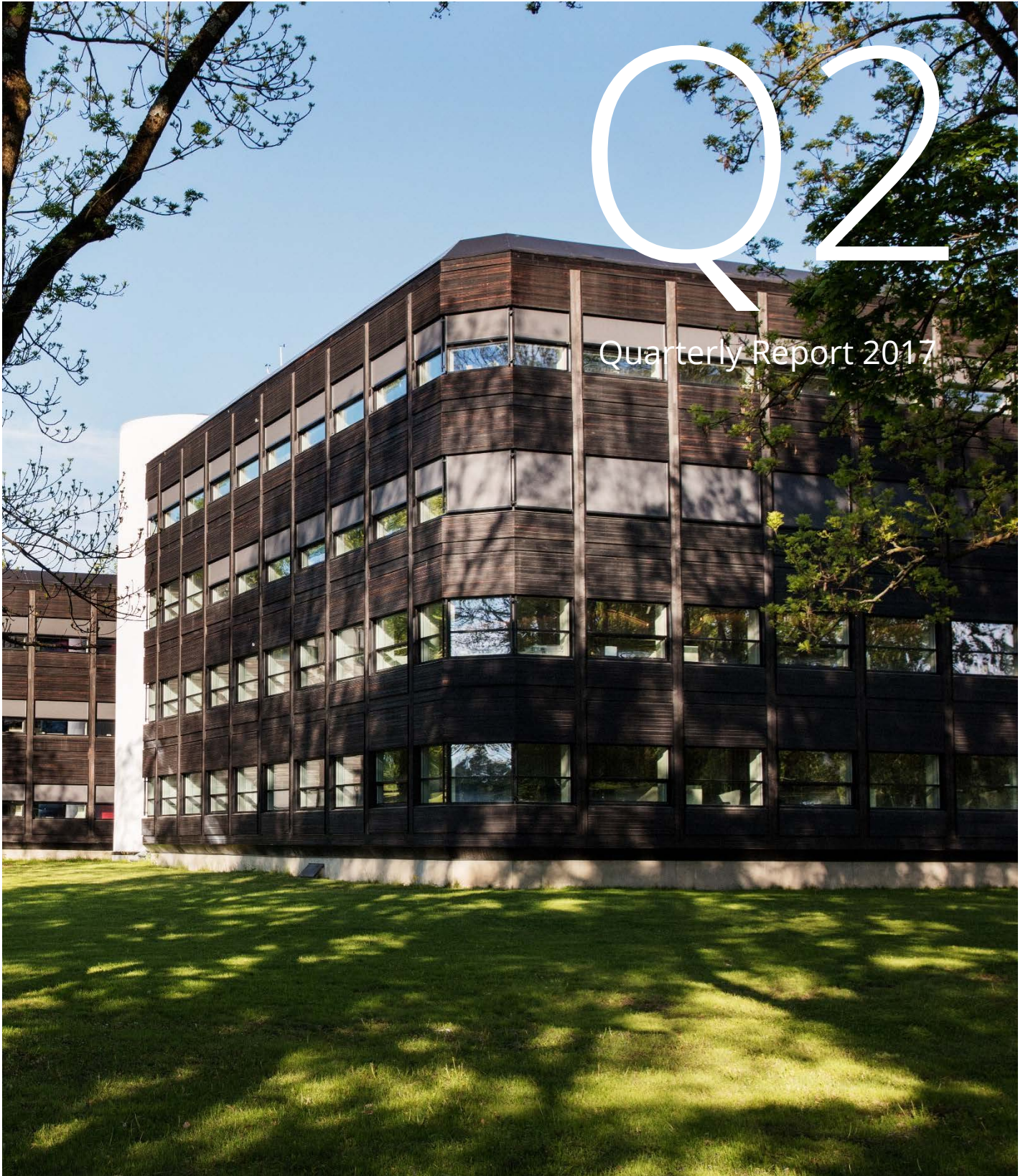


Q2

Quarterly Report 2017



Central, flexible and environment friendly office properties



Financial highlights

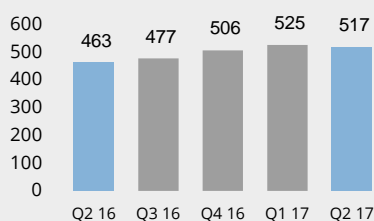
- Rental income of 517 million (463 million) in the quarter
- Net income from property management of 328 million (258 million)
- Positive portfolio value changes of 1,078 million (567 million)
- Profit before tax of 1,446 million (790 million)
- Net letting of 10 million
- Finalised one and started one new rehabilitation project
- Sale of two non-core assets
- Semi-annual dividend of NOK 2.00 per share to be paid on October 12, 2017

Rental income

+ 54 mill.

Rental income

(NOKm)

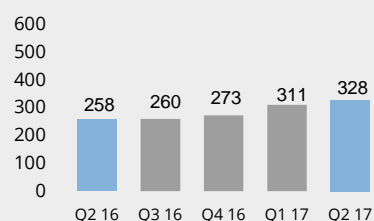


Property management

+ 70 mill.

Net income from PM

(NOKm)

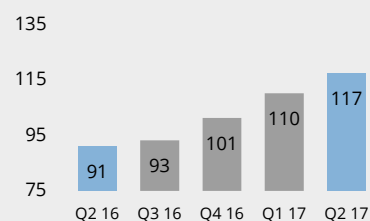


EPRA NAV

+ 29 %

EPRA NAV

(NOK per share)



Key figures

All figures in NOK millions	Q2-17	Q2-16	YTD Q2-17	YTD Q2-16	2016	2015	2014
Rental income	517	463	1 042	916	1 899	1 760	1 772
Change period-on-period	12%	9 %	14 %	6 %	8 %	-1 %	9 %
Net operating income	476	421	965	850	1 740	1 574	1 624
Change period-on-period	13%	11 %	13 %	8 %	11 %	-3 %	10 %
Net income from property management	328	258	638	536	1 070	799	774
Change period-on-period	27%	134 %	19 %	67 %	34 %	3 %	47 %
Profit before tax	1 446	790	2 748	1 074	3 306	3 075	1 377
Change period-on-period	83%	19 %	156 %	-36 %	8 %	123 %	201 %
Profit after tax	1 246	603	2 290	824	2 722	2 721	1 026
Change period-on-period	107%	19 %	178 %	-43 %	0 %	165 %	120 %
Market value of the property portfolio*	37 554	32 047	37 554	32 047	35 785	29 598	28 358
Net nominal interest-bearing debt	17 478	15 039	17 478	15 039	17 454	14 640	13 890
Loan to value*	45.3%	45.9%	45.3%	45.9%	47.6%	46.1%	48.4%
Interest coverage ratio*	3.1	2.7	3.0	2.7	2.7	2.5	2.0
Number of shares	183.7	183.7	183.7	183.7	183.7	183.7	183.7
All figures in NOK per share*	Q2-17	Q2-16	YTD Q2-17	YTD Q2-16	2016	2015	2014
EPRA NAV	117	91	117	91	101	89	76
Change period-on-period	29%	13 %	29%	13 %	14%	16%	na
EPRA NNNNAV	108	83	108	83	93	81	68
Change period-on-period	31%	11 %	31%	11 %	15%	20%	na
EPRA Earnings	1.39	1.04	2.63	2.11	4.27	3.25	3.00
Change period-on-period	34%	20 %	24 %	29 %	31%	8%	na
Cash earnings**/***	1.76	1.40	3.45	2.92	5.80	4.96	4.10
Change period-on-period	25%	139 %	18%	68 %	17%	21%	na
Dividend per share****	2.00	1.70	2.00	1.70	3.45	3.00	2.50
Change period-on-period	18 %	na	18 %	na	15 %	20%	na

Reference

* See section "Calculation of key figures and definitions"

** 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.

**** In 2016 Entra ASA started with semi-annual payments of dividends. Dividends in 2016 of 3.45 per share constitute of dividend approved and paid in 2016 for the first half year 2016 and dividend approved for second half of 2016, paid in May 2017. Dividend year to date Q2-17 relates to approved, not yet paid dividend.

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 12 per cent from 463 million in Q2 16 to 517 million in Q2 17, and by 14 per cent from 916 million to 1,042 million for the first six months of 2017. The increased rental income can be explained by the factors in the below income bridge.

All figures in NOK millions	Q216 Q217	YTD 16 YTD 17
Rental income previous period	463	916
Development projects	7	9
Acquisitions	38	96
Disposals	-9	-14
Other	2	4
Like-for-like growth	16	30
Rental income	517	1 042

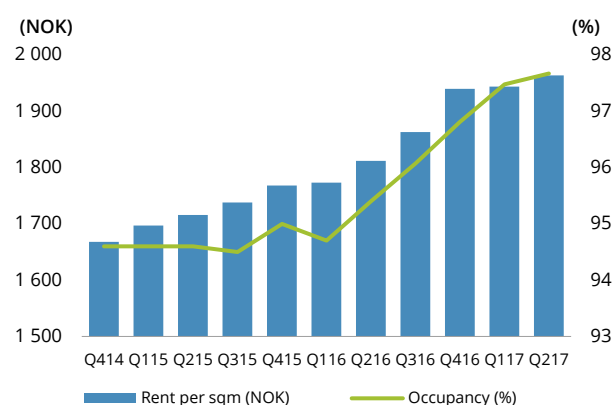
The increase in rental income from the second quarter last year is mainly driven by the acquisitions of the Skøyen portfolio with effect from the third quarter in 2016 and the completion of the projects in Strømsveien 96 and Cort Adelers gate 30 in Oslo in December 2016. The increase is partly offset by the sale of non-core properties during 2016 and 2017.

For the first six months, the increase in rental income is primarily driven by the acquisition of the Skøyen portfolio and the office section of Oslo City, the latter which was fully consolidated in the second quarter in 2016.

On a like-for-like basis the rental growth in the second quarter was 3.8 per cent compared to the same quarter last year and 3.6 per cent compared to the first half year in 2016, of which the annual indexation of the lease contracts constituted 3.6 per cent. Near all of Entra's lease contracts are 100 per cent linked to positive changes in CPI.

Average 12 months rolling rent per square meter was 1,963 (1,812) as of 30.06.2017. The increase is mainly related to portfolio rotations towards more high quality assets, hereunder the acquisitions of Oslo City and the Skøyen portfolio combined with divestments of non-core properties.

RENT (12M ROLLING) PER SQM AND OCCUPANCY RATE

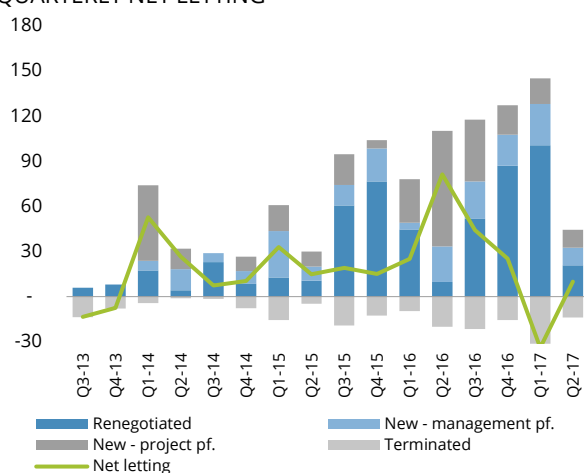


The occupancy rate increased to 97.7 per cent (95.4 per cent).

The rental value of vacant space as of 30.06.17 was approximately 49 million (85 million) on an annualised basis.

Gross letting including re-negotiated contracts was 44 million in the quarter of which 12 million is attributable to letting in the project portfolio. Lease contracts with a total value of 14 million in annual leases were terminated in the quarter. Net letting, defined as new lease contracts plus lease-up on renegotiated contracts less terminated contracts, came in at 10 million (81 million). The time difference between net letting in the management portfolio in the quarter and its effect on the financial results is normally 6-12 months. 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 41 million (41 million) in the quarter and 77 million (66 million) for the first six months of 2017. Total property costs is split as follows:

All figures in NOK millions	Q2-17	Q2-16	YTD Q2 17	YTD Q2 16
Maintenance	8	14	14	16
Tax, leasehold, insurance	12	7	26	13
Letting and prop. adm.	10	11	22	17
Direct property costs	11	9	15	19
Total property costs	41	41	77	66

The increase in property cost for the first half year of 2017 compared to last year is mainly due to the introduction of property tax in Oslo in 2017 which for the first six months was about 13 million.

Net operating income

As a consequence of the effects explained above, net operating income came in at 476 million (421 million) in the quarter and 965 million (850 million) for the first six months of 2017.

Other revenues and other costs

Other revenues was 129 million (54 million) in the quarter and 190 million (113 million) for the first six months of 2017. In the quarter, 103 million is related to Youngskvartalet in Oslo which is classified as a construction contract. Year to date 2017, the revenue recognised is 153 million. 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 102 million in the quarter and

150 million in the first six months. In addition, 16 million in other income relates to the newbuild project in Kongsgaard Alle 20 in Kristiansand which is sold and Entra will complete before the property is delivered to the buyer. The project is classified as a construction contract with corresponding cost of 13 million in the quarter and year to date 2017.

As a result of the final settlement agreement regarding the sale of Gullfaks in Stavanger that was closed during Q4 2016, Entra recognised approximately 18 million as reduction of other costs in Q2 2017.

Other revenue also consists of income from 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 36 million (28 million) in the quarter and 79 million (72 million) for the first six months of 2017.

Result from associates and JVs

Entra's share of profit from associates and JVs was 8 million (11 million) in the quarter and 132 million (19 million) year to date 2017. Entra's share of profit from associates and JVs is composed as follows:

All figures in NOK millions	Q2-17	Q2-16	YTD Q2 17	YTD Q2 16
Income from property management	2	5	5	27
Changes in market value	10	12	168	5
Tax	-3	-4	-42	-8
Other income and costs	-2	-2	0	-5
Results from associates and JVs	8	11	132	19

The increase in results from associates and JVs year to date 2017 compared to last year is explained by positive value change particularly in Entra OPF and Sundtkvartalet in the first quarter. The value changes in 2017 are related to signing of new lease contracts in the ongoing project in Lars Hillesgate 30 (MCB) in Bergen, and a new lease contract combined with the completion of the project in Sundtkvartalet in Oslo.

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 138 million (140 million) in the quarter and 279 million (273 million) for the first six months of 2017 and is composed as follows:

All figures in NOK millions	Q2-17	Q2-16	YTD Q2 17	YTD Q2 16
Interest and other finance income	3	2	10	4
Interest and other finance expense	-141	-142	-289	-277
Net realised financials	-138	-140	-279	-273

Net realised financials is at the same level as the same period last year. The interest-bearing debt has increased with approximately 2.4 billion since 30.06.16 but this has been offset as the Group has decreased its average interest rate to 3.25 per cent (3.59 per cent) as at 30.06.17. The decrease in the average interest rate is mainly explained by lower market interest rates on floating rate debt.

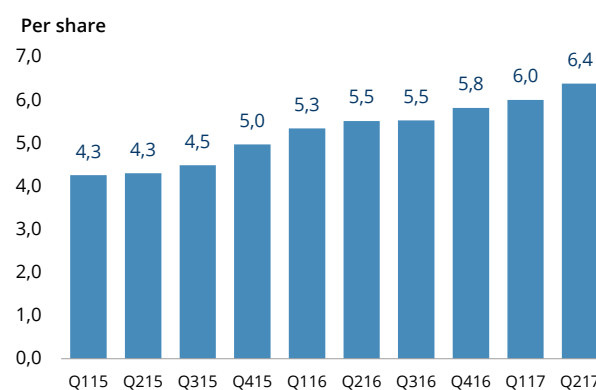
Net income and net income from property management

Net income came in at 333 million (264 million) in the quarter and 765 million (528 million) for the first six months of 2017. When including only the income from property management in the results from JVs, net income from property management was 328 million (258 million) in the quarter and 638 million (536 million) year to date 2017. This represented an increase of 27 per cent from the second quarter in 2016 and 19 per cent from the first six months of 2016.

All figures in NOK millions	Q2-17	Q2-16	YTD Q2 17	YTD Q2 16
Net income	333	264	765	528
Less:				
Value changes in associates and JVs	10	12	168	5
Tax from associates and JVs	-3	-4	-42	-8
Other income and costs	-2	-2	0	-5
Net income from property management	328	258	638	536

NET INCOME FROM PROPERTY MANAGEMENT PER SHARE

(Annualised, rolling 4 quarters)



Value changes

The valuation of the property portfolio resulted in a net positive value change of 1,078 million (567 million) in the quarter and 1,947 million (749 million) for the first six months of 2017. In the second quarter, about 510 million of the value changes is attributable to a further yield compression primarily in the Oslo portfolio. In addition, increased market rent in the Oslo market contributes to a value change of about 360 million in the quarter. Value changes of 100 million are related to transactions in Kristiansand and Oslo in the quarter. 40 million is the result of new contracts signed in the quarter, and about 70 million relates to the current project portfolio as each project is moving towards completion and the underlying project risk is reduced. The remaining changes are related to terminations of contracts and other property related changes.

For the first six months, the value changes in the property portfolio is mainly attributable to yield compression and increased market rent in Oslo, value changes in the current project portfolio and value changes as a result of new and renegotiated lease contracts.

Net changes in value of financial instruments was 36 million (- 41 million) in the quarter and 35 million (- 203 million) for the first six months of 2017. The positive development is mainly explained by reduced time to maturity on interest rate swaps. Year to date the value change is somewhat offset by termination costs of 12 million for two swap contracts that were terminated in the first quarter of 2017.

Tax

The change in deferred tax was 195 million (187 million) in the quarter and 453 million (250 million) in the first half of 2017. Tax payable of 5 million year to date 2017 is related to the partly owned entity Papirbredden in Drammen. The current tax rate is 24 per cent. However, the effective tax rate is less than

the corporate income tax, mainly due to sales of properties without tax effect.

The Group, except for the partly owned company Papirbredden, is currently not in a tax payable position due to tax loss carry forward. At year-end 2016, the tax loss carry forward for the Group was 953 million.

Profit

Profit before tax was 1,446 million (790 million) in the quarter and 2,748 million (1,074 million) for the first six months of 2017. Profit after tax was 1,246 million (603 million) in the quarter and 2,290 million (824 million) year to date 2017 which also equals the comprehensive income for the period.

EPRA Earnings

EPRA Earnings amounted to 256 million (191 million) in the second quarter of 2017 and 483 million (388 million) year to date 2017. The increase in EPRA earnings in the second quarter of 2017 is mainly related to increased rental income.

EPRA Earnings before tax amounted to 305 million (243 million) in the second quarter 2017 and 601 million (506 million) year to date 2017.

Further information about the EPRA Earnings calculations can be found on page 29.

Balance sheet

The Group's assets amounted to 40,979 million (34,874 million) as at 30.06.17. Of this, investment property amounted to 37,409 million (31,170 million) and investment property held for sale to 160 million (194 million). One (four) property was classified as held for sale as at 30.06.17. Intangible assets were 123 million (161 million) at the end of the quarter of which 109 million is goodwill related to Hinna Park in Stavanger.

Investments in associates and jointly controlled entities were 1,807 million (1,503 million). The increase is mainly attributable to value changes in Entra OPF and Sundtkvartalet. Entra has agreed to purchase the remaining 50 per cent of Sundtkvartalet, and the transaction will be closed on 30 September 2017.

Long-term receivables was 202 million (69 million) year to date 2017. The increase is mainly related to a rent compensation arising from the agreement entered into in relation with the planned new-build in Tullinkvartalet. The corresponding net rent liability is recorded as an "other non-current liability". See note 21 in annual report 2016 for further information.

Other receivables was 651 million (272 million) at the end of the second quarter 2017 of which Youngskvartalet amounts to 478 million. The increase in other receivables since year end is

affected by capitalised construction costs of 150 million, of which 102 million is capitalised in the second quarter of 2017, related to the property in Youngskvartalet that will be delivered to the buyer in the fourth quarter of 2017. Other receivables also include 16 million related to the newbuild project in Kongsgård Allé 20 in Kristiansand which Entra will complete before the property is delivered to the buyer. The Group held 139 million (158 million) in cash and cash equivalents at 30.06.17. In addition the Group has 4,770 million (5,108 million) in unutilised credit facilities.

The Group had interest bearing debt of 18,044 million (15,701 million) as of 30.06.17. The increase is mainly explained by the acquisition of the Skøyen portfolio for approximately 2.5 billion in 2016 and investment in ongoing construction and rehabilitation projects.

Book equity totalled 17,086 million (13,625 million), representing an equity ratio of 42 per cent (39 per cent). Book equity per share was 93 (74). Equity per share was 117 (91) based on the EPRA NAV standard and 108 (83) based on EPRA NNNNAV. Outstanding shares at 30.06.17 totalled 183.7 million (183.7 million).

Cash flow statement

Net cash flow from operating activities came to 216 million (201 million) in the quarter and 467 million (477 million) for the first six months of 2017. The change mainly relates to higher net income from property management partly offset by negative working capital movements.

The net cash flow from investments was 270 million (-191 million) in the quarter and -157 million (-338 million) for the first six months of 2017. Proceeds from property transactions of 838 million (103 million) in the quarter and 989 million (266 million) year to date 2017 was mainly related to sale of the Kristiansand portfolio and Akersgata 32. Year to date 2017, the amount also relates to sale of Moloveien 10 in Bodø and Kalfarveien 31 in Bergen in the first quarter of 2017.

The cash effect from construction and upgrades of investment properties amounted to 436 million (215 million) in the quarter and 733 million (347 million) for the first six months of 2017. Investment in property and housing-units for sale of 62 million (25 million) in the quarter and 101 million (125 million) for the first half year 2017 is mainly related to investments in the property Youngskvartalet in Oslo.

Net payments of loans to associated companies and JVs of 33 million (0) in the quarter and 40 million (0) year to date 2017 is related to loans to the jointly controlled entity Sundtkvartalet.

Net payments in associated companies and JVs is related to a capital increase in Entra OPF of 36 million (50 million) in the quarter and 114 million (130 million) for the first six months of 2017.

Net cash flow from financing activities was -728 million (12 million) in the quarter and -414 million (-193 million) year to date 2017. In the second quarter of 2017 Entra has net repaid bank loans of 216 million, net increased commercial papers of 600 million and net repaid bond loans of 779 million. During the first six months of 2017 Entra has had a net repayment of bank loans of 1,551 million, net refinanced commercial papers of 1,100 million and net issued bonds amounting to 371 million. In addition, the Group has paid dividend of 321 million to the shareholders of Entra ASA and paid dividend from the jointly controlled entity Hinna Park to non-controlling interests of 5 million.

The net change in cash and cash equivalents was -241 million (22 million) in the quarter and -103 million (-54 million) for the first six months of 2017.

Financing

During the second quarter, Entra's total interest-bearing nominal debt decreased by 395 million to 17,617 million. The reduction in interest-bearing debt was mainly due to settlement of non-core asset divestments. The change in interest-bearing debt comprised an increase in commercial paper financing of 600 million and a reduction in bank and bond financing of 216 and 779 million, respectively.

In the quarter, Entra reopened its second green bond issue with 250 million, bringing the total green bond funding up to 2.000 million. Commercial paper loans were issued with a total of 1.600 million. Further, Entra has refinanced existing bank loans of 1.250 million into a new five-year revolving credit facility.

Interest bearing debt and maturity structure

As at 30.06.17 net interest-bearing nominal debt after deduction of liquid assets of 139 million was 17,478 million (15,039 million).

The average remaining term for the Group's debt portfolio was 4.7 years at 30.06.17 (4.8 years as at 30.06.16). 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, 78 per cent (71 per cent) of the Group's financing was from the capital markets.

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)	2 800	0	0	0	0	2 800
Bonds (NOKm)	500	1 200	1 700	1 700	5 900	11 000
Bank loans (NOKm)	62	750	1 500	810	695	3 817
Total (NOKm)	3 362	1 950	3 200	2 510	6 595	17 617
Commercial paper (%)	83	0	0	0	0	16
Bonds (%)	15	62	53	68	89	62
Bank loans (%)	2	38	47	32	11	22
Total (%)						100
Unutilised credit facilities (NOKm)	0	0	1 000	2 520	1 250	4 770
Unutilised credit facilities (%)	0	0	21	53	26	100
Sources of financing	NOKm	%				
Bonds	11 000	62				
Bank loans	3 817	22				
Commercial paper	2 800	16				
Total	17 617	100				

Financing policy and status

All figures in NOK millions	30.06.2017	Target
Loan-to-value (LTV)	45.3%	Approx. 50%
Interest coverage ratio (ICR)	3.1	Min. 1.65x
Debt maturities <12 months	19%	Max 30%
Maturity of hedges <12 months	47%	Max 50%
Average time to maturity (hedges)	4.2	2-6 years
Financing commitments next 12m	142%	Min. 100%
Average time to maturity (debt)	4.7	Min. 3 years

Interest rates and maturity structure

The average interest rate of the debt portfolio was 3.25 per cent (3.59 per cent) as at 30.06.17. 53 per cent (58 per cent) of the Group's financing was hedged at a fixed interest rate as at 30.06.17 with a weighted average maturity of 4.2 years (3.7 years).

The Group manages interest rate risk through floating-to-fixed interest rate swaps and fixed rate bonds. The table below shows the maturity profile and contribution from these fixed rate instruments, as well as the maturity profile for credit margins on debt.

The Group's total debt in millions:	17 617
The Group's average interest rate¹	3.25%

	Fixed rate instruments ²		Forward starting swaps ³			Average credit margin	
	Amount (NOKm)	Interest rate (%)	Amount	Interest rate (%)	Tenor (years)	Amount (NOKm)	Credit margin (%)
<1 year	882	4.0	500	2.2	7.0	7 117	0.90
1-2 years	1 700	3.6	2 000	2.1	7.2	1 200	1.20
2-3 years	1 600	4.1	2 250	2.1	6.7	1 700	0.96
3-4 years	1 150	4.4				1 700	1.14
4-5 years	1 350	2.3				1 200	0.78
5-6 years	1 400	2.0				1 600	1.19
6-7 years	150	5.4				2 000	0.92
7-8 years	900	2.7					
8-9 years							
9-10 years	110	4.4					
>10 years	400	5.6				1 100	0.39
Total	9 642	3.4	4 750	2.1	6.9	17 617	0.94

¹Average reference rate (nibor) is 0.95 per cent as of the reporting date.

²Excluding forward starting swaps and credit margins on fixed rate bonds (credit margins are displayed in the table to the right).

³The table displays future starting point, notional principle amount, average fixed rate and tenor for forward starting swaps.

The property portfolio

Entra's management portfolio consists of 76 buildings with a total area of approximately 1.0 million square meters. As of 30.06.17, the management portfolio had a market value of around 35 billion. The occupancy rate was 97.7 per cent (95.4 per cent). The weighted average unexpired lease term for the Group's leases was 6.8 years (7.1) for the management portfolio and 7.7 years (7.4) when the project portfolio is included. The public sector represents approximately 69 per cent of the total customer portfolio. The entire property portfolio consists of 85 properties with a market value of about 37.5 billion. 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 Cushman & Wakefield) 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 perceived risk as of valuation date. The land and development portfolio is valued based on actually zoned land.

Year-on-year, the portfolio net yield is reduced from 5.6 per cent to 5.3 per cent. 12 months rolling rent has increased from 1,812 to 1,963 per square meter during the last year, whereas the market rent has increased from 1,806 to 2,030 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	40	624 477	97.7	6.3	24 936	39 932	1 380	2 210	5.0	1 465	2 346
Trondheim	9	113 458	98.7	5.6	2 520	22 208	179	1 575	6.4	171	1 510
Sandvika	9	91 464	95.1	10.7	2 231	24 390	129	1 410	5.3	122	1 330
Stavanger	5	78 658	97.1	9.3	2 031	25 824	135	1 712	6.1	125	1 595
Drammen	8	70 504	97.1	8.1	2 009	28 491	122	1 723	5.7	111	1 580
Bergen	5	48 679	99.5	4.8	1 239	25 445	73	1 495	5.2	90	1 859
Management portfolio	76	1 027 240	97.7	6.8	34 966	34 038	2 017	1 963	5.3	2 085	2 030
Project portfolio	5	88 247		18.4	2 280	25 840					
Development sites	4	92 458		0.2	308	3 330					
Property portfolio	85	1 207 945		7.7	37 554	31 089					

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 30.06 corresponds to 8.4 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	Q2-17	Q2-16	2016
Investment property	37 409	31 170	35 629
Investment properties held for sale	160	194	168
Properties and housing-units held for sale	0	690	0
Other	-16	-7	-13
Property market value	37 554	32 047	35 785

Letting activity

During the second quarter Entra signed new and renegotiated leases with an annual rent totalling 44 million (21,000 square meters) and received notices of termination on leases with an annual rent of 14 million (9,600 square meters). Net letting was 10 million in the quarter.

For the first six months of 2017, new and renegotiated leases amounted to an annual rent of 190 million (81,000 square

meters), while contracts with an annual rent of 89 million (34,000 square meters) were terminated. Net letting in the first six months was -24 million.

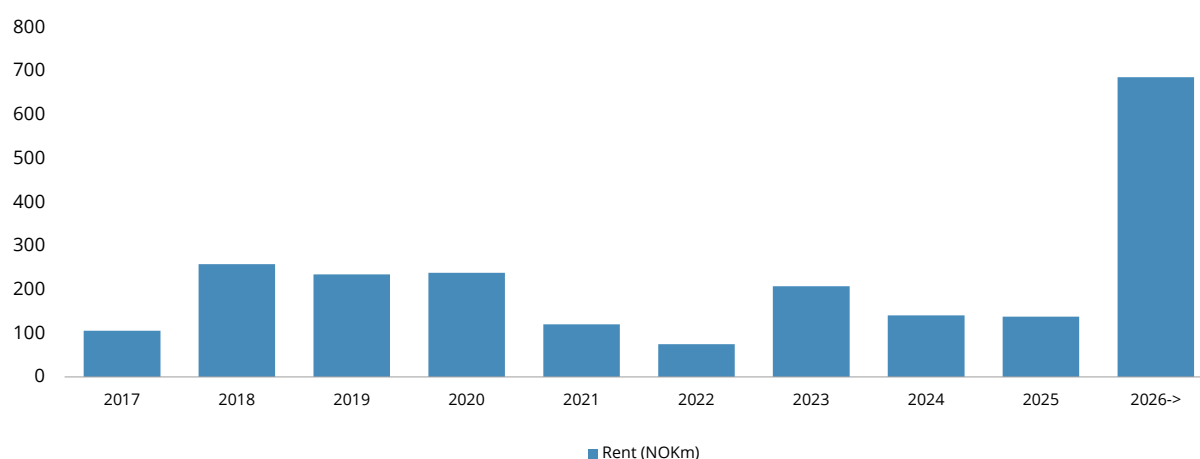
Net letting is calculated as the annualised rent of new lease contracts plus lease-up on renegotiated contracts less terminated contracts.

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

- New lease contract for 10 years and 4,000 sqm. in Kjørbo (block 2) in Sandvika with Norconsult
- New lease contract for 10 years and 1,900 sqm. in Malmskriverveien 18 in Sandvika with Bærum Municipality
- New lease contract for 10 years and 1,600 sqm. in Holtermannsvei 70 (Trondheimsporten) in Trondheim with the Norwegian Directorate of Health

Maturity profile of the management portfolio:

(NOKm)



Investments and divestments

Entra has invested 324 million in the portfolio of investment properties in the quarter. In addition, Entra has invested 43 million through its non-consolidated jointly controlled entities (86 million on a 100 per cent basis). For the first six months, Entra has invested 663 million in the portfolio of investment properties, and 150 million through its non-consolidated jointly controlled entities (301 million on a 100 per cent basis).

Project development

The portfolio of ongoing project with a total investment exceeding 50 million is presented below. The below description also includes projects in jointly controlled entities not consolidated in the financial accounts except projects in Oslo S Utvikling.

	Ownership (%)	Location	Expected completion	Project area (sqm)	Occupancy (%)	Estimated total project cost* (NOKm)	Of which accrued* (NOKm)	Yield on cost**
Group:								
Powerhouse Kjørbo, block 1	100	Sandvika	Nov-17	3 200	100	93	62	6.4
Trondheimsporten	100	Trondheim	Nov-17	28 600	94	680	601	6.4
Brattørkaia 16	100	Trondheim	Jun-18	10 500	100	291	127	6.6
Powerhouse Kjørbo, block 2	100	Sandvika	Oct-18	3 950	100	122	36	6.4
Brattørkaia 17 A	100	Trondheim	Mar-19	18 200	48	497	149	6.2
Tullinkvartalet (UIO)	100	Oslo	Dec-19	21 000	92	1 489	582	5.5
Total Group				85 450		3 172	1 556	
Jointly controlled companies:								
MediaCity Bergen	50	Bergen	Aug-17	45 000	84	1 830	1 744	6.1
Total jointly controlled companies				45 000		1 830	1 744	

* 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

Entra is refurbishing Block 1 and 2 at Kjørbo into two new Powerhouses with BREEAM Excellent classification. Both blocks are 100 per cent pre-let to Norconsult. Block 1 is 3,200 square meters and will be finished in November 2017. The refurbishment of 3,950 sqm in Block 2 was started up in the quarter and is expected to be finished in October 2018. During the quarter Entra also finalized the refurbishment of 4,200 sqm in Block 3 at Kjørbo which is 54 % let to Norconsult.

"Trondheimsporten" is a new-build project located in Holtermanns veg 70 in Trondheim. When completed, the

property will be a 15-floor office building of approximately 28,600 square meters. The property is 94 per cent pre-let to Trondheim municipality, the Norwegian Directorate of Health and the Norwegian Labour and Welfare Administration on 10-year contracts. The building is expected to be finalised during the fourth quarter of 2017 with a BREEAM Very Good classification.

On Brattørkaia 16, Entra is building a 10,500 square meter campus building for BI Norwegian Business School. The property is fully let on a 20-year lease. The project has high

environmental ambitions and aims for a BREEAM Excellent classification. Construction has commenced, and the project will be finalised in the summer 2018.

On Brattørkaia 17 A, Entra will build Powerhouse Brattørkaia. This is an energy positive and environment friendly office building of approximately 18,200 square meters, of which a 2,500 square metres parking basement. The property is 48 per cent pre-let. Powerhouse Brattørkaia will utilise sun and sea water for heating and cooling. The building will be covered by 3,000 square meters of solar panels and thus produce around 500,000 kWh of renewable energy annually. This is more than twice as much as the building consumes for heating, cooling, ventilation and lighting and means that the building has a positive energy balance in its lifetime also when all the energy that goes into building processes, materials and finally demolition is included. The project is aiming for the environmental classification BREEAM Outstanding and Energy class A. Construction has commenced, and the project will be finalised in the first quarter of 2019.

In Tullinkvartalet Entra has ongoing construction of a new 21,000 square meters campus building for the Faculty of Law of the University of Oslo. The property is 92 per cent let to the University on a 25-year lease. The new-build project involves Entra's properties in Kristian Augusts gate 15, 19, and parts of 21, which to a large extent is being demolished and re-built.

The final zoning plan was approved on 1 February 2017, and the project will be finalised in the end of 2019. Ongoing activities are engineering, planning, demolishing and ground works. The new-build project aims for a BREEAM Excellent classification.

Media City Bergen involves total renovation of approximately 35,000 square meters and an extension of approximately 10,000 square meters in Lars Hilles gate 30 in Bergen. 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. The largest media companies such as TV2, NRK, Bergensavisen, Bergens Tidende, the Media Faculty of Bergen University, and Vizrt have signed lease contracts. The property is 50 per cent owned by Entra through Entra OPF. The project will be completed in August 2017 and is 84 per cent pre-let.

Youngskvartalet in Oslo involves both a new building and refurbishment of three existing buildings. The project consists of 9,400 square metres 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 finalised, Entra will deliver the project at cost, plus a project management fee.

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 its four core markets; Oslo and the surrounding region, Bergen, Trondheim and Stavanger. Target areas include both 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 meets these acquisition criteria. At the same time, Entra actively divests smaller non-core properties. The acquisition and divestment strategy is flexible, allowing Entra to adapt to feedback from customers and market changes, and to respond to market opportunities as they arise.

Transactions in 2016 and YTD 2017

Purchased properties	Area	Transaction quarter	No of sqm	Transaction value	Closing date
Kristian Augusts gate 13	Oslo	Q4 2016	3 300	155	20.01.2017
Skøyen portfolio (three properties)	Oslo	Q2 2016	61 000	2 529	01.09.2016
Lars Hilles gate 25	Bergen	Q2 2016	5 800	53	01.09.2016
Sum			70 100	2 737	

Sold properties		Transaction quarter	No of sqm	Transaction value	Closing date
Wergelandsveien 29	Oslo	Q2 2017	3 373	160	30.09.2017
Akersgata 32 (Sections)	Oslo	Q2 2017	2 100	94	30.06.2017
Lømslandsveien 23	Kristiansand	Q2 2017	1 423	11	30.06.2017
Kristiansand portfolio	Kristiansand	Q2 2017	45 000	863	31.05.2017
Moloveien 10	Bodø	Q4 2016	5 531	83	15.02.2017
Kongensgate 85/Erling Skakkessgate 60	Trondheim	Q4 2016	1 769	16	31.03.2017
Lervigsveien 32/Tinngata 8	Stavanger	Q4 2016	6 400	56	30.11.2016
Kalfarveien 31	Bergen	Q2 2016	8 440	85	01.02.2017
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
Gullfaks, Hinna Park (forward sale)	Stavanger	Q3 2015	17 900	727	30.10.2016
Sum			114 190	2 431	

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

Partly owned companies

Papirbredden Eiendom AS (60 %)

Entra and Drammen Municipality own Papirbredden Eiendom AS. The company owns six office properties totalling around 59,000 sqm and a future development potential totalling around 60,000 sqm in Drammen.

Hinna Park Eiendom AS (50 %)

Entra and Camar Eiendom own Hinna Park Eiendom AS. The company owns three office properties of around 30,000 sqm and development potential for two new office properties totalling around 29,000 sqm.

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.

Sundtkvartalet Holding AS (50 %)

Entra and Skanska Commercial Development own Sundtkvartalet Holding AS. The company owns a new-built office property of approximately 31,000 square meters in Sundtkvartalet in Oslo. On 5 July 2017 Entra announced the acquisition of Skanska Commercial Development's share of Sundtkvartalet. The transaction will close on 30.09.17.

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. In July 2017 OSU announced that it had forward-sold the office property Eufemia (under development) for NOK 1,740 million. Closing and payment will be on completion in 2019.

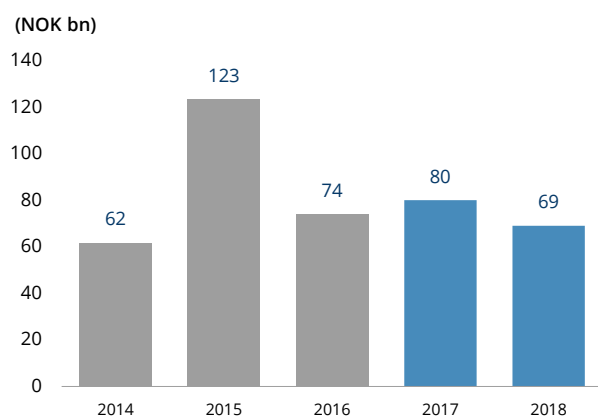
Financial figures for partly owned entities and JVs (quarterly based on 100 % ownership)

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	Other	Sum associated companies & JVs
Share of ownership (%)	60	50		50	50	33		
Rental income	26	19	45	5	9	24	1	39
Net operating income	25	16	42	2	8	24	-1	33
Net income	17	23	40	2	1	-17	2	-12
Changes in value of investment properties	10	-14	-4	16	3	0	0	20
Changes in value of financial instruments	2	1	3	0	0	11	0	11
Profit before tax	29	10	39	18	5	-6	2	19
Tax	-7	3	-4	-4	-1	1	0	-5
Profit for period/year	22	13	35	14	4	-5	1	14
<i>Non-controlling interests</i>	9	6	15					
<i>Entras share of profit</i>				7	2	-2	1	8
<i>Book value</i>				994	270	536	6	1 807
Market value properties	1 753	1 021	2 774	2 137	1 550	5 504		9 191
Entras share:								
<i>Market value properties</i>	1 052	510	1 562	1 069	775	1 835		3 679
<i>EPRA NAV</i>	564	119	683	1 032	322	1 453	6	2 814
<i>EPRA NNNAV</i>	523	101	624	1 014	307	1 331	6	2 658
<i>EPRA Earnings</i>	14	11	26	1	1	-3	2	0

Market development

Total transaction volume in Norway year to date sums up to more than NOK 30 billion. The market is active and the number of transactions that has been executed so far in 2017 is record high. Demand from both national and international investors remains strong, and the transaction volume estimate for 2017 is NOK 80 billion according to Entra's consensus report. The financing market is well functioning, the yield gap remains attractive and the outlook for the Norwegian economy is positive. The strong residential market also results in high demand for office properties that can be converted to residential use, which has brought a new set of investors into the office transaction market. The overall high level of demand for Norwegian real estate has caused prime yield to remain stable at around 3.8 per cent, despite the increase in long term interest rates seen in the second half of 2016.

TRANSACTION VOLUME NORWAY



Source: Entra Consensus report

Market data Oslo

	2014	2015	2016	2017e	2018e	2019e
Vacancy Oslo and Bærum (%)	7.8	8.4	7.8	7.0	6.5	6.3
Rent per sqm, high standard Oslo office	3 025	2 935	2 992	3 174	3 324	3 429
Prime yield (%)	4.7	4.1	3.8	3.8	4.0	

Source: Entra Consensus report

The Oslo office vacancy is expected to drop to around 7 per cent by the end of the year due to continuous office-to-residential conversion, low construction activity in the office market in Oslo, and a slight increase in employment. Modern, centrally located office premises are especially attractive.

According to Arealstatistikk and Entra's consensus report, there has been a broad uplift in rent levels over the last quarters. Rent levels are expected to continue to grow due to a tight market for supply of office space.

In Bergen, the office vacancy has levelled out at about 10 per cent. We expect the office vacancy to drop below 10 per cent due to low construction activity and office-to-residential conversion. The office vacancy in Bergen is mainly related to properties situated around the oil and gas intensive office areas at Kokstad, Sandsli and Flesland. Rents in the city centre of Bergen has increased due to low supply of modern, centrally located office premises.

In Stavanger, overall office vacancy has levelled out at around 11 per cent at the end of 2016. There is still a downward pressure on rents in oil and gas intensive areas like Forus. In the Stavanger city centre, the vacancy is at about 5 per cent and rent levels are more stable. The construction activity is low.

The overall office vacancy in Trondheim has levelled out at around 10 per cent. The volume of new office space will increase in 2018-19. Increasing demand and some office-to-residential conversion is expected to prevent vacancy to increase. Rent levels in city centre have increased, while there is a downward pressure on rents in the fringe areas.

Other information

Organisation and HSE

At 30.06.17 the Group had 149 employees, reduced from 166 at year-end 2016, primarily as a result of the establishment of a jointly controlled entity Hinna Park Facility Management AS. During the quarter there were zero 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 2.6 at the end of the quarter vs 2.6 at the end of the first quarter 2017.

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

Events after the balance sheet date

On 5 July 2017, Entra signed an agreement to acquire Skanska Commercial Development's ("Skanska") 50 per cent share of Sundtkvartalet in Oslo, and thus become single owner of the property. The transaction is based on a property value of NOK 1,590 million, and closing will take place on 30 September 2017. Sundtkvartalet is a new office property of 31,300 square meters which was finalised in December 2016. The development of the property has been organised through a joint venture where Entra and Skanska owns 50 per cent each.

The Board has decided to pay out a semi-annual dividend of NOK 2.0 per share for the first half of 2017. The dividend will be paid out on 12 October 2017 to the shareholders as of 3 October 2017.

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 10 July 2017, Entra had 5,442 shareholders. Norwegian investors held 58 per cent of the share capital. The 10 largest shareholders as registered in VPS on 10 July 2017 were:

Shareholder	% holding
Norwegian Ministry of Trade, Industry and Fisheries	33,4
Folketrygdfondet	8,8
The Bank of New York (Nominee)	2,9
Geveran Trading	2,1
Danske Invest Norske	2,0
State Street Bank (Nominee)	1,9
The Bank of New York (Nominee)	1,8
State Street Bank (Nominee)	1,6
JP Morgan Bank (Nominee)	1,2
State Street Bank (Nominee)	1,1
SUM 10 LARGEST SHAREHOLDERS	56,9

Outlook

The Norwegian economy has been influenced by a weaker macroeconomic development and general uncertainty, but there has been continuous positive development in certain key macro indicators over several quarters.

The downturn in the oil sector and related industries primarily had a negative impact in the southern and western part of Norway. Sub markets with a high level of oil exposure experienced increasing vacancies and pressure on rents. The downturn turned into a moderate recovery during 2016.

Oslo constitutes around 70 per cent of Entra's revenues. Here, we expect vacancy levels 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. Decreasing vacancy is thus expected to lead to increasing market rent levels in Oslo going forward.

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

Market interest rates for longer dated maturities have stabilised following the increasing trend seen in the second half of 2016. There is risk for a further increase from the current historically low levels. However, Entra with its strong balance sheet, predictable cash flow and well-balanced interest rate hedge position is in a 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, value enhancing development project and a positive rental market outlook should provide a continued positive portfolio 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, 11 July 2017

The Board of Entra ASA

Financial statements

Statement of comprehensive income

All figures in NOK millions	Q2-17	Q2-16	YTD Q2-17	YTD Q2-16	2016
Rental income	517	463	1 042	916	1 899
Repairs & maintenance	-8	-14	-14	-16	-50
Operating costs	-33	-27	-63	-50	-109
Net operating income	476	421	965	850	1 740
Other revenue	129	54	190	113	950
Other costs	-105	-55	-164	-109	-927
Administrative costs	-36	-28	-79	-72	-152
Share of profit from associates and JVs	8	11	132	19	150
Net realised financials	-138	-140	-279	-273	-572
Net income	333	264	765	528	1 190
- of which net income from property management	328	258	638	536	1 070
Changes in value of investment properties	1 078	567	1 947	749	1 991
Changes in value of financial instruments	36	-41	35	-203	125
Profit before tax	1 446	790	2 748	1 074	3 306
Tax payable	-5	0	-5	0	-4
Change in deferred tax	-195	-187	-453	-250	-580
Profit for period/year	1 246	603	2 290	824	2 722
Actuarial gains and losses	0	0	0	0	-23
Change in deferred tax on comprehensive income	0	0	0	0	6
Total comprehensive income for the period/year	1 246	603	2 290	824	2 705
Profit attributable to:					
Equity holders of the Company	1 231	559	2 259	782	2 619
Non-controlling interest	15	44	32	42	103
Total comprehensive income attributable to:					
Equity holders of the Company	1 231	559	2 259	782	2 602
Non-controlling interest	15	44	32	42	103

Balance sheet

All figures in NOK millions	30.06.2017	30.06.2016	31.12.2016
Intangible assets	123	161	124
Investment property	37 409	31 170	35 629
Other operating assets	21	27	26
Investments in associates and JVs	1 807	1 503	1 561
Financial derivatives	439	640	472
Long-term receivables	202	69	163
Total non-current assets	40 000	33 570	37 976
Property and housing-units for sale	0	665	0
Investment property held for sale	160	194	168
Trade receivables	29	15	27
Other receivables	651	272	476
Cash and bank deposits	139	158	243
Total current assets	979	1 304	914
Total assets	40 979	34 874	38 890
Shareholders equity	16 667	13 224	14 732
Non-controlling interests	419	401	392
Total equity	17 086	13 625	15 124
Interest-bearing debt	14 650	11 849	14 734
Deferred tax liability	4 308	3 572	3 855
Financial derivatives	802	1 283	894
Other non-current liabilities	344	230	358
Total non-current liabilities	20 103	16 935	19 841
Interest-bearing debt	3 394	3 852	3 379
Trade payables	209	255	290
Other current liabilities	187	207	257
Total current liabilities	3 790	4 314	3 926
Total liabilities	23 894	21 249	23 766
Total equity and liabilities	40 979	34 874	38 890

Changes in equity

All figures in NOK millions	Share capital	Other paid-in capital	Retained earnings	Non-controlling interest	Total equity
Equity 31.12.2015	184	3 556	9 255	359	13 354
Profit for period			2 619	103	2 722
Other comprehensive income			-17		-17
Dividend			-864	-70	-934
Net equity effect of employee share saving scheme			-1		-1
Equity 31.12.2016	184	3 556	10 992	392	15 124
Profit for period			2 259	32	2 290
Dividend			-322	-5	-327
Net equity effect of LTI & employee share saving scheme			-2		-2
Equity 30.06.2017	184	3 556	12 928	419	17 086

Statement of cash flows

All figures in NOK millions	Q2-17	Q2-16	YTD Q2 17	YTD Q2 16	2016
Profit before tax	1 446	790	2 748	1 074	3 306
Income tax paid	-4	0	-4	0	0
Net expensed interest and fees on loans	137	141	279	273	589
Net interest and fees paid on loans	-184	-152	-318	-279	-520
Share of profit from associates and jointly controlled entities	-8	-11	-132	-19	-150
Depreciation and amortisation	2	2	3	5	46
Changes in value of investment properties	-1 078	-567	-1 947	-749	-1 991
Changes in value of financial instruments	-36	41	-35	203	-125
Change in working capital	-61	-43	-127	-31	-59
Net cash flow from operating activities	216	201	467	477	1 097
Proceeds from property transactions	838	103	989	266	1 021
Purchase of investment properties	0	1	-156	1	-2 536
Investment in and upgrades of investment properties	-436	-215	-733	-347	-1 001
Investment in property and housing-units for sale	-62	-25	-101	-125	-233
Purchase of intangible and other operating assets	-2	-4	-3	-6	-15
Net payment financial assets	0	0	0	5	-5
Net payment of loans to associates and JVs	-33	0	-40	0	-1
Net payments in associates and JVs	-36	-50	-114	-130	-253
Dividends from associates and JVs	1	0	1	0	51
Net cash flow from investment activities	270	-191	-157	-338	-2 972
Proceeds interest-bearing debt	3 380	4 576	7 401	8 093	17 536
Repayment interest-bearing debt	-3 780	-4 030	-7 486	-7 753	-14 695
Proceeds from/repayment of equity	-1	-1	-2	-1	-1
Dividends paid	-327	-532	-327	-532	-934
Net cash flow from financing activities	-728	12	-414	-193	1 906
Change in cash and cash equivalents	-241	22	-103	-54	31
Cash and cash equivalents at beginning of period	381	136	243	212	212
Cash and cash equivalents at end of period	139	158	139	158	243

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 2016.

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

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 six geographic areas: Oslo, Trondheim, Sandvika, Stavanger, Drammen and Bergen.

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 six geographic areas.

Operating segments Q2-17:

	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	40	624 477	97.7	6.3	24 936	39 932	1 380	2 210	5.0	1 465	2 346
Trondheim	9	113 458	98.7	5.6	2 520	22 208	179	1 575	6.4	171	1 510
Sandvika	9	91 464	95.1	10.7	2 231	24 390	129	1 410	5.3	122	1 330
Stavanger	5	78 658	97.1	9.3	2 031	25 824	135	1 712	6.1	125	1 595
Drammen	8	70 504	97.1	8.1	2 009	28 491	122	1 723	5.7	111	1 580
Bergen	5	48 679	99.5	4.8	1 239	25 445	73	1 495	5.2	90	1 859
Management portfolio	76	1 027 240	97.7	6.8	34 966	34 038	2 017	1 963	5.3	2 085	2 030
Project portfolio	5	88 247		18.4	2 280	25 840					
Development sites	4	92 458		0.2	308	3 330					
Property portfolio	85	1 207 945		7.7	37 554	31 089					

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 8.4 per cent of market rent.

Operating segments Q2-16:

	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	39	551 184	95.9	6.5	19 736	35 806	1 175	2 132	5.5	1 174	2 129
Trondheim	9	117 187	98.2	6.2	2 467	21 048	176	1 499	6.4	166	1 415
Sandvika	9	94 594	90.4	10.2	2 118	22 389	118	1 247	5.1	121	1 281
Stavanger	6	79 194	93.6	9.7	2 053	25 928	134	1 689	6.0	135	1 702
Drammen	8	70 516	92.8	8.8	1 861	26 388	113	1 605	5.7	106	1 506
Bergen	6	57 119	98.8	5.2	1 236	21 643	83	1 455	6.0	93	1 623
Kristiansand	7	45 158	92.6	8.5	620	13 727	51	1 139	7.3	49	1 093
Other	2	9 823	79.1	4.0	74	7 523	6	658	7.6	7	667
Management portfolio	86	1 024 776	95.4	7.1	30 164	29 435	1 857	1 812	5.6	1 850	1 806
Project portfolio	6	97 412		13.9	1 437	14 749					
Development sites	4	120 911		0.7	446	3 688					
Property portfolio	96	1 243 098		7.4	32 047	25 780					

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 8.4 per cent of market rent.

NOTE 3 – INVESTMENT PROPERTIES

All figures in NOK millions	Q2-17	Q2-16	YTD Q2-17	YTD Q2-16	2016
Closing balance previous period	37 002	29 218	35 798	28 989	28 989
Purchase of investment property	0	1 459	155	1 459	4 183
Investment in the property portfolio	324	209	663	417	1 004
Capitalised borrowing costs	6	2	11	3	11
Sale of investment property	-840	-90	-1 008	-252	-379
Reclassified from properties for use of the group	0	0	4	0	0
Changes in value of operational lease	3	-11	14	5	-28
Changes in value of investment properties	1 075	578	1 934	743	2 018
Closing balance	37 569	31 364	37 569	31 364	35 798
Investment property held for sale	160	194	160	194	168
Investment property	37 409	31 170	37 409	31 170	35 629

Investment properties held for sale include the property Wergelandsvei 29 in Oslo. The property was sold to the Fritt Ord Foundation at the end of the second quarter 2017 with an expected closing on or before 30 September 2017.

During the second quarter the Group has sold and handed to the buyer the properties Akersgata 32 in Oslo and Lømslandsvei 23 in Kristiansand. During the first quarter of 2017 Molovegen 10 in Bodø was sold in January 2017 with closing in February 2017, the property Kalfarveien 31 in Bergen had closing in February 2017 and the property Erling Skakkesgate 60/Kongensgate 85 in Trondheim had closing 31 March 2017.

In addition, the Group had closing on the Kristiansand properties Kongsgård Allé 20, Tordenskioldsgate 65, Tordenskioldsgate 67, Lømslandsvei 6, Lømslandsvei 24, St.Hansgate 1 and Vestre Strandgata 21 at 31 May 2017.

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 695 million (666 million) as at the end of the second quarter of 2017. The Group records quarterly a negative value change on the property as the maturity date of the lease approaches.

NOTE 4 – CONTINGENCIES

Entra has been involved in legal arbitration proceedings with Norwegian Datasenter Group AS/ Greenfield Property 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 was appealed by the counterparty and the hearing of the dispute took place in February 2017. Entra prevailed and the counterparty has appealed to the Supreme Court. At the end of June 2017, the Supreme Court announced that the appeal was refused.

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 2016 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 37.569 million are classified at level 3.

All figures in NOK millions	30.06.2017	30.06.2016	31.12.2016
Assets measured at fair value:			
Assets measured at fair value with change over the result			
- Investment property	37 409	31 170	35 629
- Investment property held for sale	160	194	168
- Derivatives	439	640	472
Financial assets held for sale			
- Equity instruments	1	1	1
Total	38 009	32 005	36 270
Liabilities measured at fair value:			
Financial liabilities measured at fair value with change over the result			
- Derivatives	802	1 283	894
- Bonds	6 027	4 905	5 615
- Commercial paper	2 800	1 900	1 700
Total	9 628	8 088	8 209

NOTE 6 – SALE OF PROPERTY PORTFOLIO

In January 2017 the Group signed an agreement regarding sale of a property portfolio in Kristiansand for a total of 863 million which includes completion and related construction costs regarding the construction of a new school building in Kongsgård Allé 20 where settlement will take place when completed. The buyer is Samhällsbyggnadsbolaget i Norden AB (publ). Closing and settlement took place at 31 May 2017 for the portfolio, except for the 2,250 sqm new school building under construction in Kongsgård Allé 20 where settlement is expected to take place in June 2018.

All figures in NOK millions	2016	2015
Rental income	50	47
Repairs & maintenance	-4	-3
Operating costs	-2	-2
Net operating income	44	43
Book value as of 31.12.	675	613

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

DECLARATION OF THE BOARD AND CHIEF EXECUTIVE

We declare to the best of our belief that the half-year financial statements for the period 1 January to 30 June 2017 have been prepared in accordance with IAS 34 - Interim reporting, and that the information in the financial statements gives a true and fair view of the Group's assets, liabilities, financial situation and result as a whole. We also declare, to the best of our belief, that the half-year report gives a true and fair presentation of important events during the accounting period and their influence on the half-year financial statements, the most important risk and uncertainty factors that the business faces over the next accounting period, as well as material transactions with connected persons.

Oslo, 11 July 2017

Siri Hatlen
Chair

Kjell Bjordal
Deputy chair

Widar Salbuvik
Board member

Katarina Staaf
Board member

Ingrid Dahl Hovland
Board member

Cathrine Vaar Austheim
Board member

Hans Petter Skogstad
Board member

Arve Regland
Chief executive

CALCULATION OF KEY FIGURES AND EPRA REPORTING

KEY FIGURES

DEBT RATIO (LTV)

All figures in NOK millions	Q2-17	Q2-16	2016
Net nominal interest-bearing debt	17 478	15 039	17 454
Total market value of the property portfolio	38 622	32 740	36 681
Market value of the property portfolio	37 554	32 047	35 785
Share of Entra OPF Utvikling (50%)	1 069	693	896
Debt ratio (LTV) %	45.3	45.9	47.6

INTEREST COVERAGE RATIO (ICR)

All figures in NOK millions	Q2-17	Q2-16	YTD Q2-17	YTD Q2-16	2016
Net income	333	264	765	528	1 190
Depreciation	2	2	3	5	46
Results from associates and joint ventures	-8	-11	-132	-19	-150
Net realised financials	138	140	279	273	572
EBITDA adjusted	466	395	916	788	1 658
Share of EBITDA Entra OPF Utvikling	1	1	2	2	4
EBITDA adjusted for share of Entra OPF Utvikling	466	396	918	790	1 663
Interest cost	146	133	297	269	567
Other finance expense	4	15	8	19	41
Applicable net interest cost	150	148	305	288	608
Interest Coverage Ratio (ICR)	3.1	2.7	3.0	2.7	2.7

EPRA REPORTING

The following performance indicators have been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its Best Practices Recommendations guide.

Summary table EPRA performance measures		Unit	Q2 17 / 30.06.2017	2016 / 31.12.2016
A	EPRA earnings per share (EPS)	NOK	1.4	4.3
B	EPRA NAV per share	NOK	117	101
	EPRA triple net asset value per share (NNNAV)	NOK	108	93
C	EPRA net initial yield	%	5.2	5.6
	EPRA, "topped-up" net initial yield	%	5.2	5.6
D	EPRA vacancy rate	%	2.3	3.8
E	EPRA cost ratio (including direct vacancy costs)	%	14.4	15.9
	EPRA cost ratio (excluding direct vacancy costs)	%	12.5	14.0

The details for the calculation of the key figures are shown in the following tables:

A. EPRA EARNINGS

EPRA earnings is a measure of the underlying development in the property portfolio and is calculated as 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 figures in NOK millions	Q2-17	Q2-16	YTD Q2-17	YTD Q2-16	2016
Profit for period/year - Earnings per IFRS income statement	1 246	603	2 290	824	2 722
Add:					
Changes in value of investment properties	-1 078	-567	-1 947	-749	-1 991
Tax on changes in value of investment properties*	259	142	467	187	498
Reversal of deferred tax arising from sales of properties (tax exempted)	-124	1	-147	-6	-14
Changes in value of financial instruments	-36	41	-35	203	-125
Tax on changes in value of financial instruments*	9	-10	8	-51	31
Profit or losses on disposal of inventory in Oslo S Utvikling	-3	-3	-10	-5	-60
Share of profit jointly controlled entities – fair value adjustments	-10	-12	-168	-5	-110
Reversal of deferred tax EPRA adjustments jointly controlled entities	3	4	43	3	18
Net income non-controlling interests of subsidiaries	-18	-9	-27	-18	-37
Reversal of tax non-controlling interests of subsidiaries	4	2	6	4	9
Change in tax rate**	0	0	0	0	-161
Tax payable	3	0	3	0	2
EPRA earnings	256	191	483	388	784
Reversal of tax adjustment above	-154	-138	-381	-138	-384
Reversal of change in deferred tax from income statement	195	187	453	250	580
Reversal of tax payable from income statement	5	0	5		4
Reversal of tax JVs	3	3	42	6	16
EPRA earnings before tax	305	243	601	506	1 000

* 24 per cent from Q1 2017, 25 per cent previous periods

** From 25 per cent to 24 per cent for 2016 figures

B. NET ASSET VALUE – EPRA NAV AND EPRA NNNAV

The objective with EPRA NAV is to demonstrate the fair value of net assets given a long-term investment horizon. EPRA NAV is calculated as 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 NNNAV is to report the fair value of net assets in the Group on the basis that these are immediately realised. 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.

All figures in NOK millions	Q2-17	Q2-16	2016
Total equity	17 086	13 625	15 124
Less: Non-controlling interests	419	401	392
NAV per financial statement	16 667	13 224	14 732
Add: Adjustment to property portfolio	1	27	1
Add: Revaluation of investments made in the JV	1 007	121	368
Add: Net market value on financial derivatives	363	643	421
Add: Deferred tax arising on revaluation moments	3 496	2 734	3 091
EPRA NAV	21 534	16 748	18 613
Market value on property portfolio	37 554	32 047	35 785
Tax value on property portfolio	15 057	12 775	15 007
Basis for calculation of tax on gain on sale	22 497	19 271	20 778
Less: Market value of tax on gain on sale (5% tax rate)	1 125	964	1 039
Net market value on financial derivatives	363	643	421
Tax expense on realised financial derivatives*	87	161	101
Less: Net result from realisation of financial derivatives	276	482	320
Book value of interest bearing debt	18 044	15 701	18 113
Nominal value of interest bearing debt	17 617	15 196	17 696
Basis for calculation of tax on realisation of interest-bearing debt	427	505	416
Less: Market value of tax on realisation*	102	126	100
Less: MV of tax on gain on sale (5% tax rate) & realisation of financial derivatives in JVs	156		
EPRA NNNAV	19 876	15 176	17 154

* 24 per cent from 31.12.2016, 25 per cent from 31.12.2015

C. EPRA NET INITIAL YIELD

EPRA Net initial yield measures the annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.

EPRA "topped-up" net initial yield incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).

All figures in NOK millions	Oslo	Trondheim	Sandvika	Stavanger	Drammen	Bergen	Total
Investment property - wholly owned	25 799	3 767	2 479	1 179	256	1 300	34 780
Investment property - share of JVs/Funds	775	0	0	510	1 052	1 069	3 406
Total property portfolio	26 575	3 767	2 479	1 689	1 308	2 369	38 186
Less projects and land and developments	-863	-1 248	-248	-84	0	-995	-3 437
Completed management portfolio	25 712	2 520	2 231	1 605	1 308	1 374	34 749
Allowance for estimated purchasers' cost	52	14	10	4	5	7	91
Gross up completed management portfolio valuation	25 764	2 533	2 240	1 609	1 312	1 381	34 840
12 months rolling rent	1 415	179	129	104	81	84	1 991
Estimated ownership cost	123	18	11	8	5	9	174
Annualised net rents	1 292	161	118	96	76	75	1 817
Add: Notial rent expiration of rent free periods or other lease incentives	4	0	0	0	0	0	4
Topped up net annualised net rents	1 296	161	118	96	76	75	1 821
EPRA NIY (net initial yield)	5.0%	6.3%	5.3%	5.9%	5.8%	5.4%	5.2%
EPRA "topped-up" NIY (net initial yield)	5.0%	6.3%	5.3%	5.9%	5.8%	5.4%	5.2%

D. EPRA VACANCY

Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.

All figures in NOK millions	Oslo	Trondheim	Sandvika	Stavanger	Drammen	Bergen	Total
Market rent vacant areas	33	2	6	3	2	0	47
Total market rent	1 505	171	122	95	73	102	2 068
Vacancy	2.2%	1.3%	4.9%	2.9%	3.1%	0.5%	2.3%

E. EPRA COST RATIO

Administrative & operating costs (including & excluding costs of direct vacancy) divided by gross rental income.

For further information about EPRA, go to WWW.EPRA.COM.

All figures in NOK millions	Q2-17	Q2-16	YTD Q2- 2017	YTD Q2- 2016	2016
Maintenance	-8	-14	-14	-16	-50
Total operating costs	-33	-27	-63	-50	-109
Administrative costs	-36	-28	-79	-72	-152
Share of joint ventures expences	-3	-3	-4	-3	-5
Less: Ground rent cost	5	3	9	6	12
EPRA Cost (including direct vacancy cost)	-76	-69	-151	-134	-304
Direct vacancy cost	-10	-11	-21	-16	-38
EPRA Cost (excluding direct vacancy cost)	-66	-58	-130	-119	-267
Gross rental income less ground rent	517	463	1 042	916	1 899
Share of jount ventures and fund (GRI)	7	2			10
Total gross rental income less ground rent	524	465	1 042	916	1 909
Epura cost ratio (inkluding direct vacancy cost)	14.4%	14.7%	14.5%	14.7%	15.9%
Epura cost ratio (excluding direct vacancy cost)	12.5%	12.4%	12.5%	12.9%	14.0%

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
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 Cushman and Wakefield Realkapital
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.
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	- Estimated market rent of occupied space of the management properties, divided by the market rent of the total space of the management portfolio.
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

Third quarter 2017 19.10.2017

Fourth quarter 2017 09.02.2018



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