

4th quarter 2017

Oslo, 9 February 2018



Agenda

Highlights in the quarter

Operations and market

Financial update

Summary and closing remarks

Q&A

Highlights in the quarter



Langkaia 1, Oslo

Key figures:

(NOK million)	Q4 17	Q4 16
Rental income	526	506
Net income from property management	314	273
Net value changes	864	1,128
Profit before tax	1,251	1,475

Key events:

- Finalised two development projects
- Sold Middelthuns gate 29 and Tungasletta 2
- Proposing semi-annual dividend of 2.10 per share

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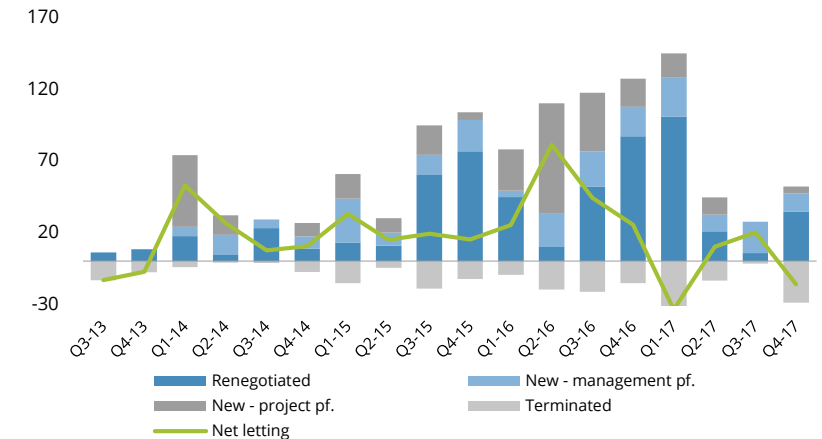
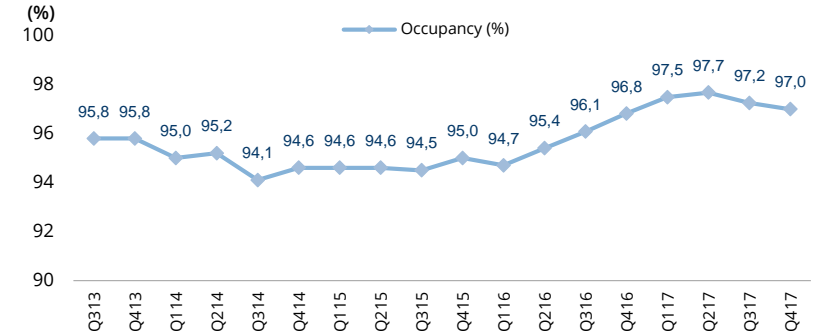
Q&A

Letting and occupancy

- New and renewed leases of 52 mill (22,000 sqm)
- Terminated contracts of 29 mill (13,000 sqm)
- Net letting of -16 mill
- Occupancy at 97 %; WAULT at 6,7 yrs / 7,4 yrs

Largest new and renegotiated contracts:

Property	Tenant	Sqm	Contract
Kjørbo, Block 3, Sandvika	Norconsult	1,600	New
Cort Adellers gate 30, Oslo	Egencia Norway	4,100	Renegotiation
Brattørkaia 15, Trondheim	Nutrimar	1,600	Renegotiation
Hagegata 23, Oslo	Rema 1000	1,300	Renegotiation
Langkaia 1, Oslo	Retriever Norge	1,100	Renegotiation



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

Sale of two properties

Middelthunsgate 29, Oslo



- Property value: 1.27 billion
- 7 % premium to book values
- Strategic rationale: Located outside core property clusters in Oslo
- Closing 28 December 2017

Tungasletta 2, Trondheim



- Property value: 180 million
- 9 % premium to book values
- Strategic rationale: Located outside city centre
- Closing 31 January 2018

Finalised two development projects

Trondheimsporten, Trondheim



- 28,600 sqm new-build project
- Breeam Very Good
- 100 % let to public tenants, WAULT 10 yrs
- Total project cost: 680 mill
- Yield-on-cost: 6.4 %

Powerhouse Kjørbo, Block 1, Sandvika



- Renovation of 3,200 sqm
- Powerhouse standard/Breeam Excellent
- Fully let to Norconsult, WAULT 11 yrs
- Total project cost: 93 mill
- Yield-on-cost: 6.4 %

Project Portfolio

	Ownership (%)	Location	Expected completion	Project area (sqm)	Occupancy (%)	Estimated total project cost* (NOKm)	Of which accrued* (NOKm)	Yield on cost**
Brattørkaia 16 (BI)	100	Trondheim	Jun-18	10 500	100	291	211	6.6
Powerhouse Kjørbo, block 2	100	Sandvika	Oct-18	3 950	100	122	66	6.4
Powerhouse Brattørkaia	100	Trondheim	Mar-19	18 200	48	497	322	6.2
Tullinkvartalet (UIO)	100	Oslo	Dec-19	21 000	92	1 489	751	5.5
Total				53 650		2 399	1 350	

* 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)

Update on Tullin quarter development projects



New university project
Under construction



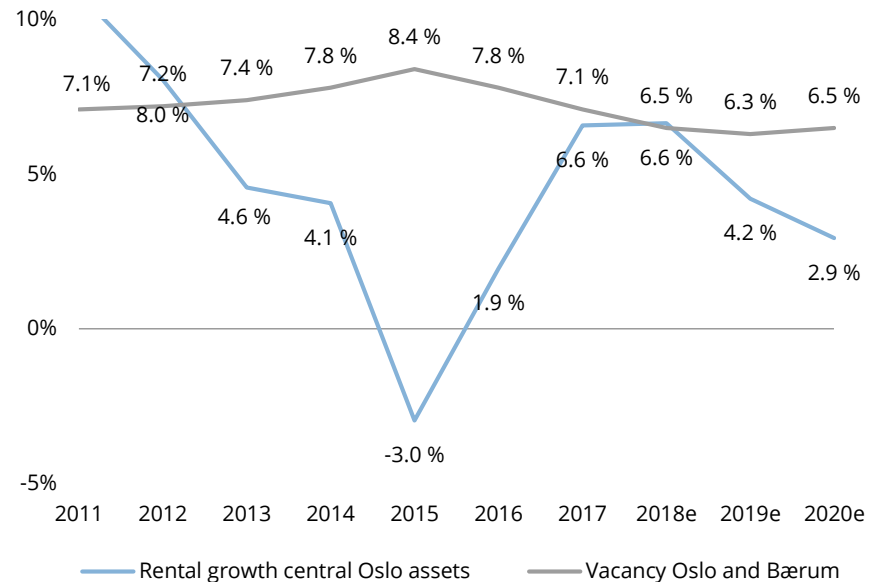
New office project

Market development

Rent and vacancy

- Positive macro outlook; GDP growth > 2 %
- Decreasing vacancy in Oslo
- Uplift in central Oslo rents of 6-7 % in 2017, expected to continue
- Net new supply still limited, however slightly increasing new-build activity
- Residential market uncertainty
- Optimism back in Stavanger

Market rental growth and vacancy in Oslo*



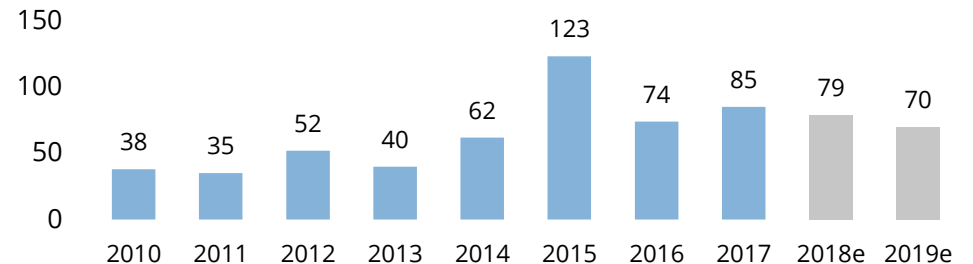
Source: Entra consensus report, average of estimates from leading market specialists in Norwegian market. Nominal rental value growth

Market development

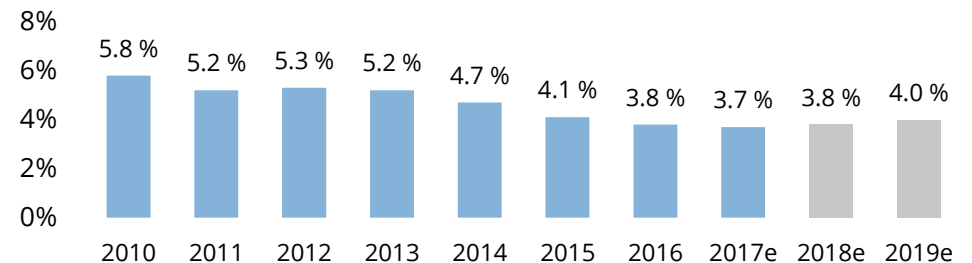
Transactions and yields

- Record high number of transactions
- Strong demand and active transaction market expected to continue
- Well functioning debt markets
 - Bond market open to broader set of investors
- Increasing market rent levels balancing potential valuation impact of higher interest rates/yields

Total transaction volume (NOKbn)*



Prime yield Oslo*



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

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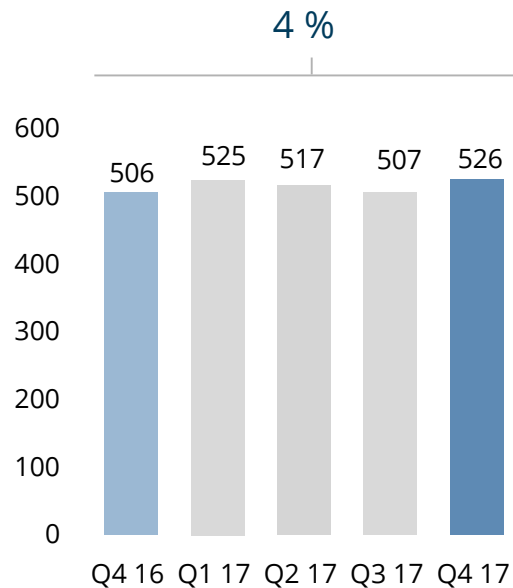
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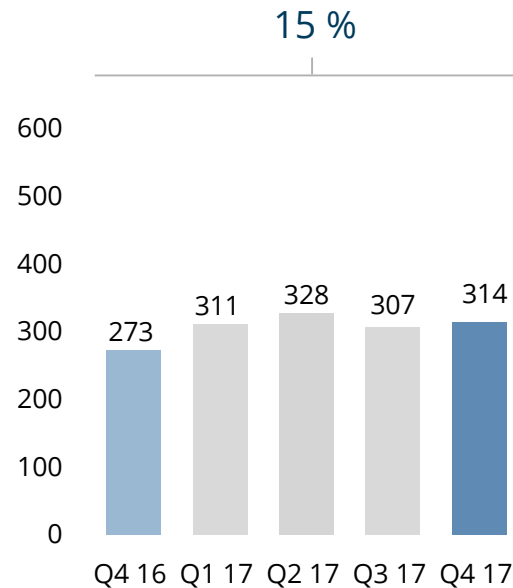
Q&A

Key financials

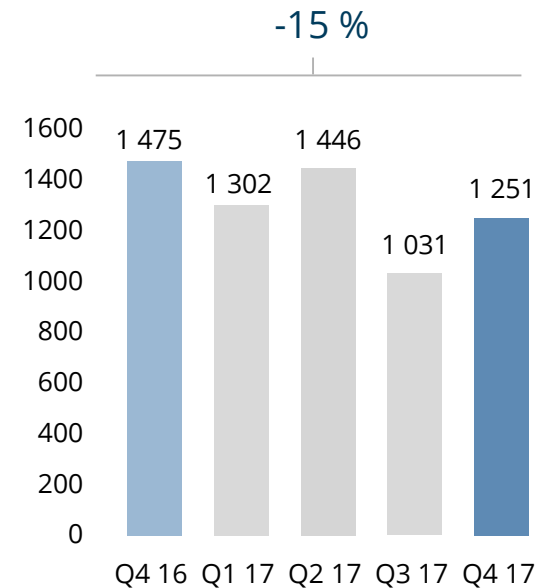
Rental income
(NOKm)



Net income from property
management (NOKm)

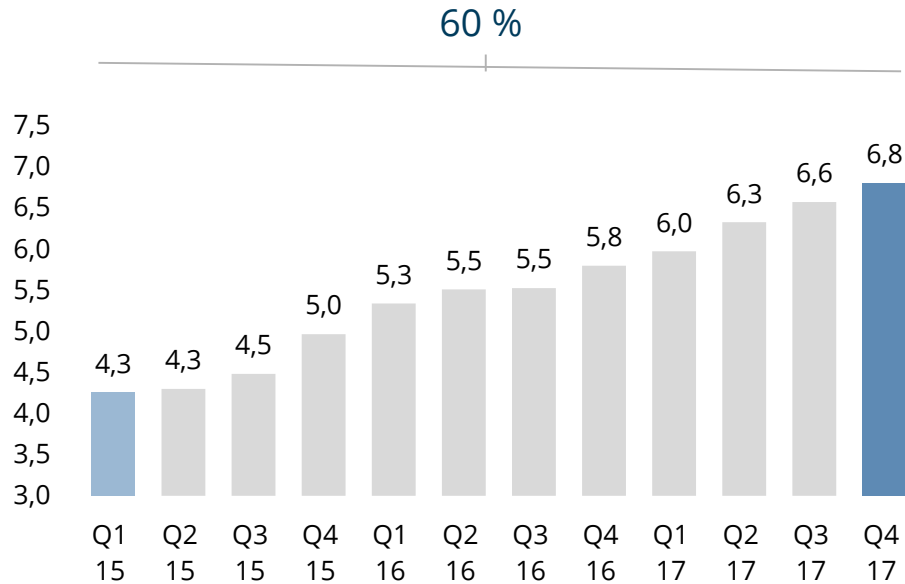


Profit before tax
(NOKm)



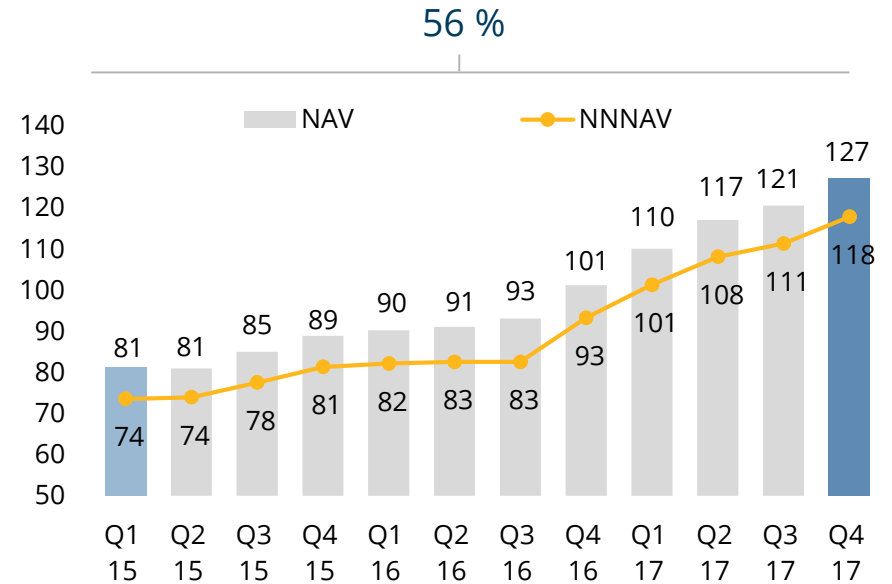
Key financials - per share

Cash Earnings* (NOK per share)

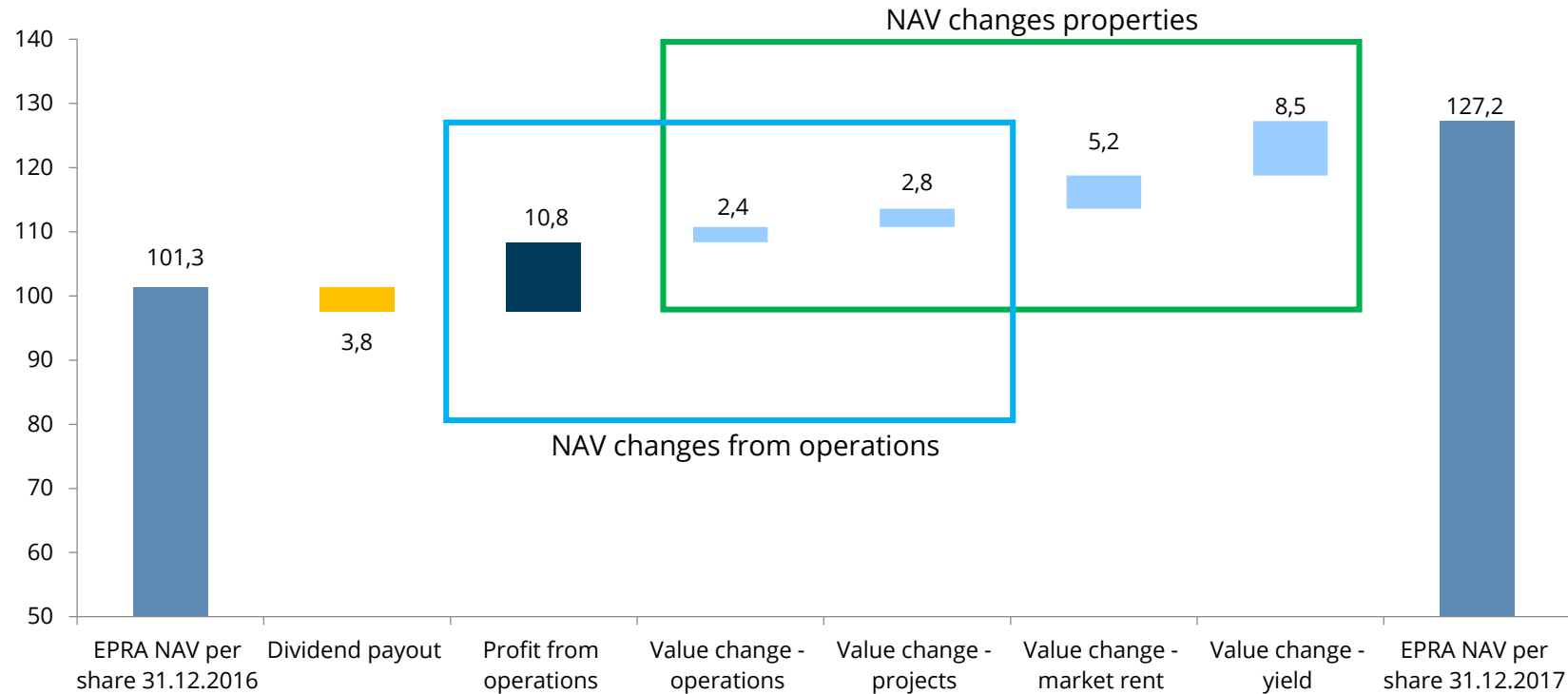


* Annualised, rolling four quarters.

EPRA NAV/NNNAV (NOK per share)



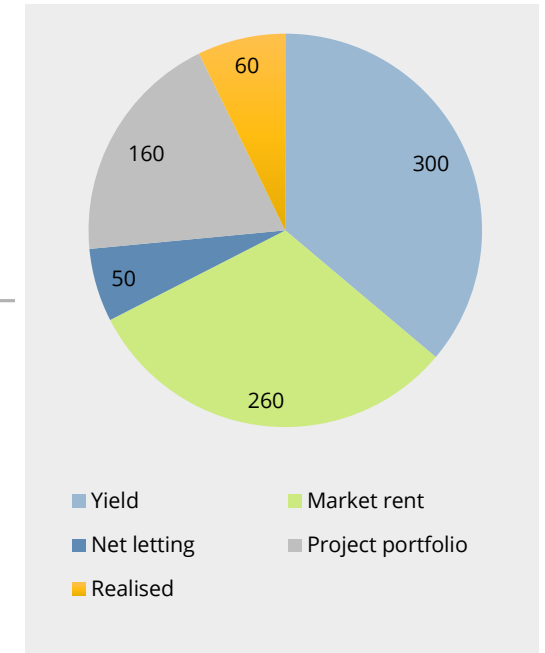
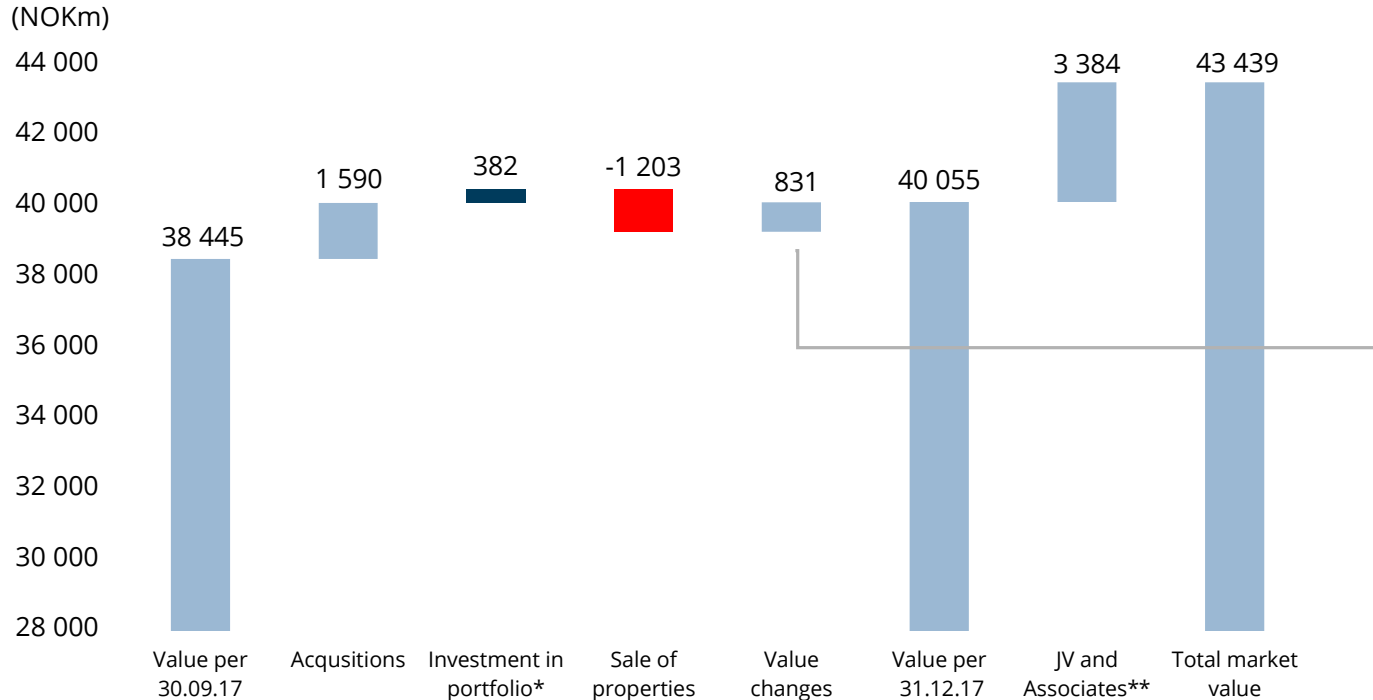
EPRA NAV development Q4 16 - Q4 17



Profit and loss statement

All figures in NOK millions	Q4		Full year	
	2017	2016	2017	2016
Rental income	526	506	2 075	1 899
Repairs & maintenance	-13	-20	-40	-50
Operating costs	-33	-31	-121	-109
Net operating income	480	455	1 913	1 740
Other revenue	68	766	285	950
Other costs	-59	-753	-246	-927
Administrative costs	-48	-42	-163	-152
Share of profit from associates and JVs	82	74	244	150
Net realised financials	-137	-153	-550	-572
Net income	386	347	1 483	1 190
- of which net income from property management	314	273	1 259	1 070
Changes in value of investment properties	831	868	3 460	1 991
Changes in value of financial instruments	34	260	87	125
Profit before tax	1 251	1 475	5 030	3 306
Tax payable	-2	-4	-8	-4
Change in deferred tax	152	-155	-507	-580
Profit for period/year	1 401	1 316	4 514	2 722

Investment property value development

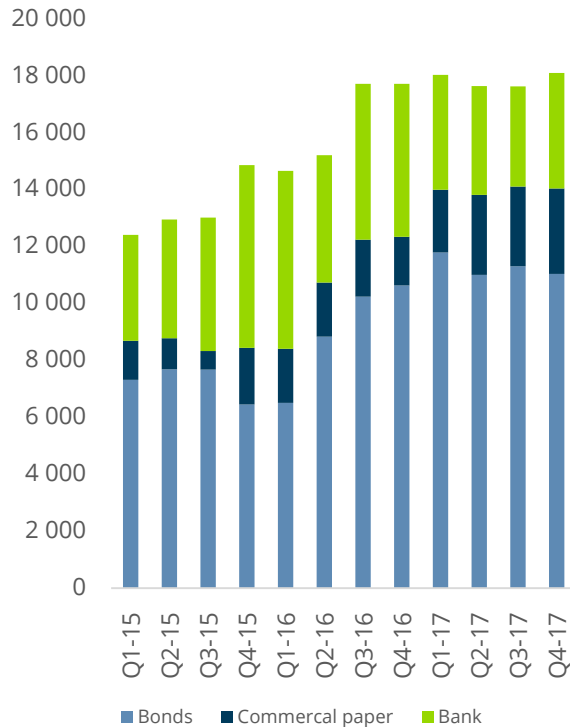


* In addition Entra has invested 33 NOKm through its non-consolidated J/V Entra OPF (66 NOKm on a 100 % basis)

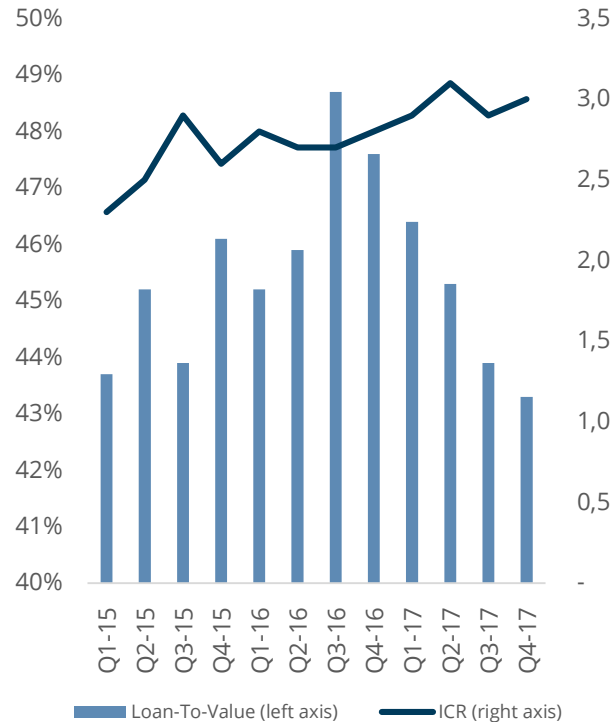
** Entra´s share of gross market value of JVs and Associates (book value equity = 1,487 million)

Financial update

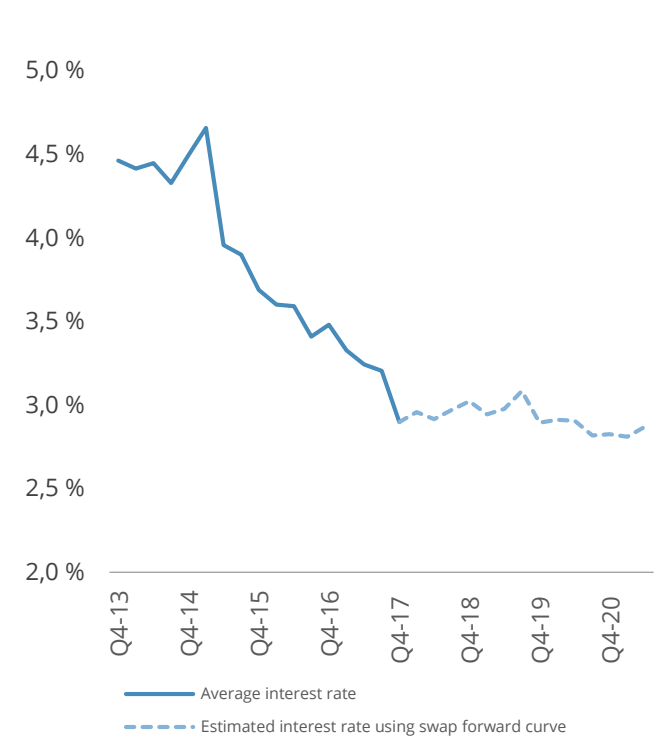
Financing mix



LTV and ICR



Development in avg. interest rate



Special items

New loan to value target

From:

«Target LTV around 50 %»



To:

«LTV shall not exceed 50 % over time»

Entra OPF

- Consolidated in financial statements from 1.1.2018
- Previously treated as associated company
- Two properties; Media City Bergen (45,000 sqm) and Allehelgens gate 6 (14,100 sqm)
- Accounting effects outlined in quarterly report

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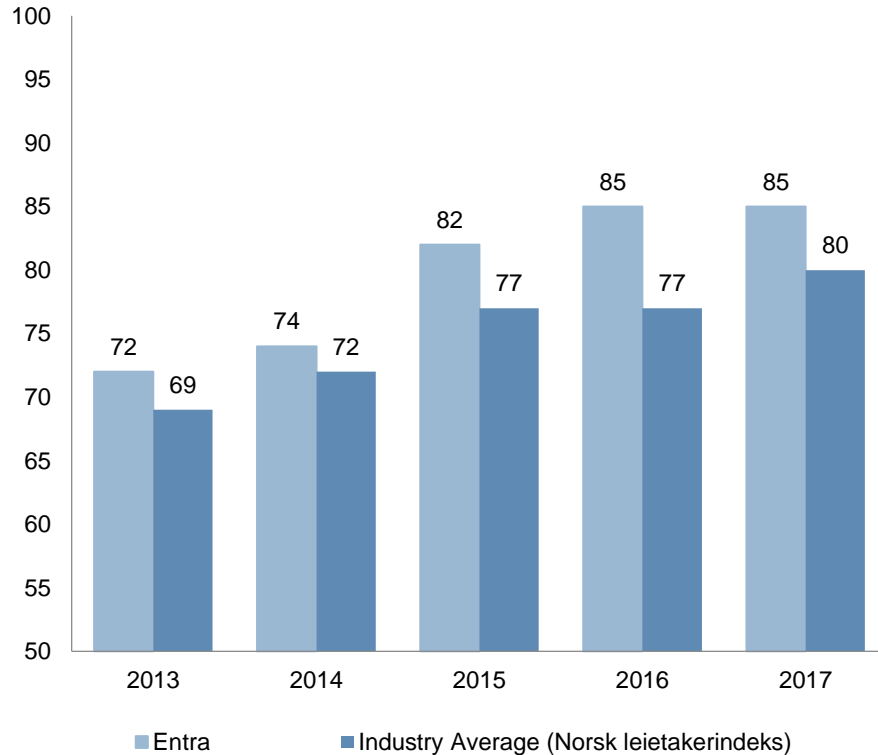
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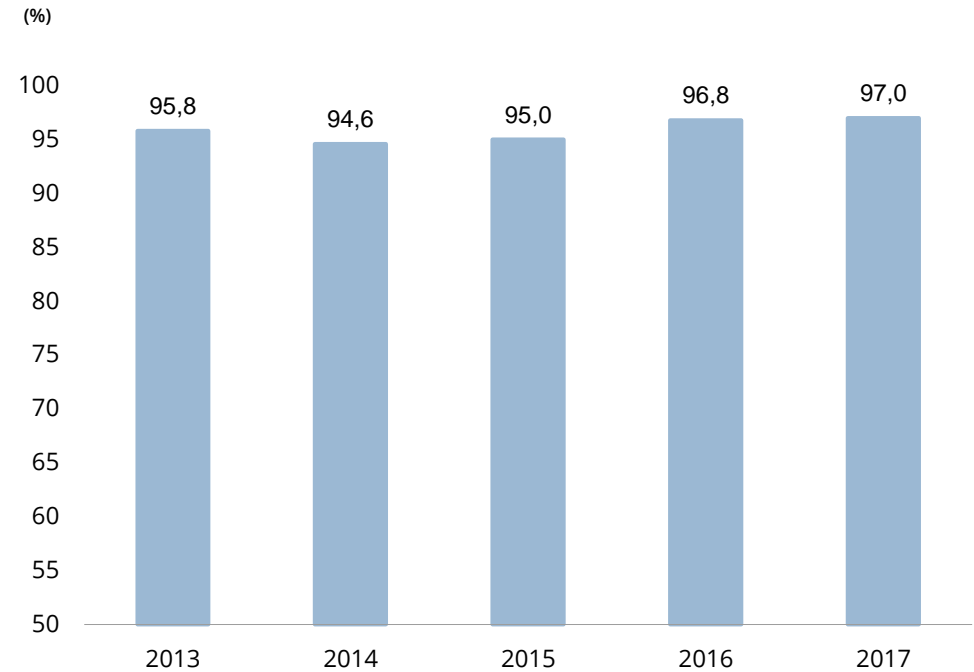
Q&A

Strategic target: Best in class customer satisfaction

Customer satisfaction score



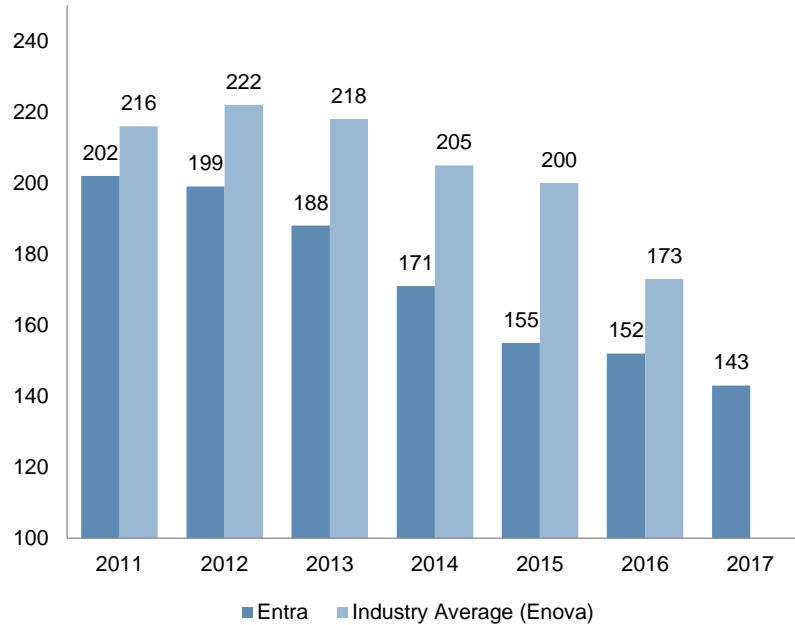
Portfolio occupancy



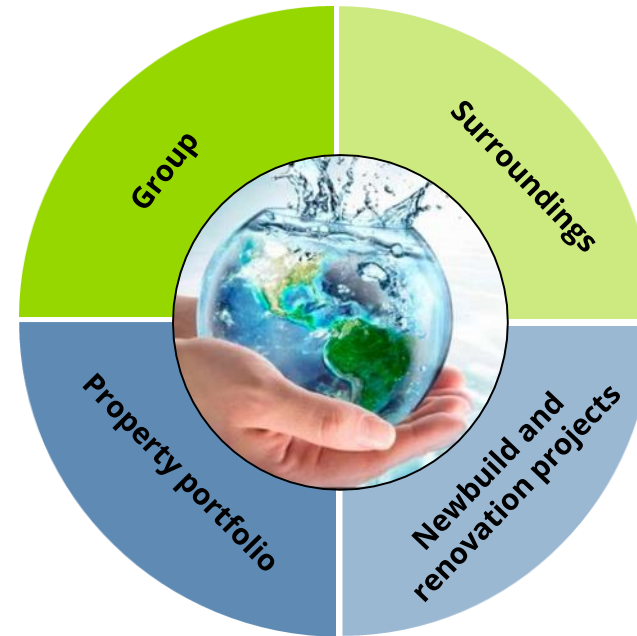
Strategic target: Environmental leadership



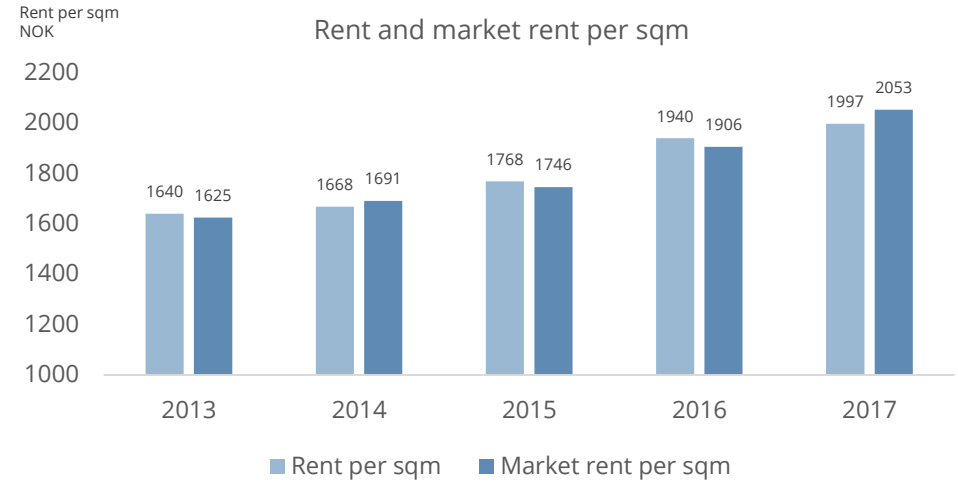
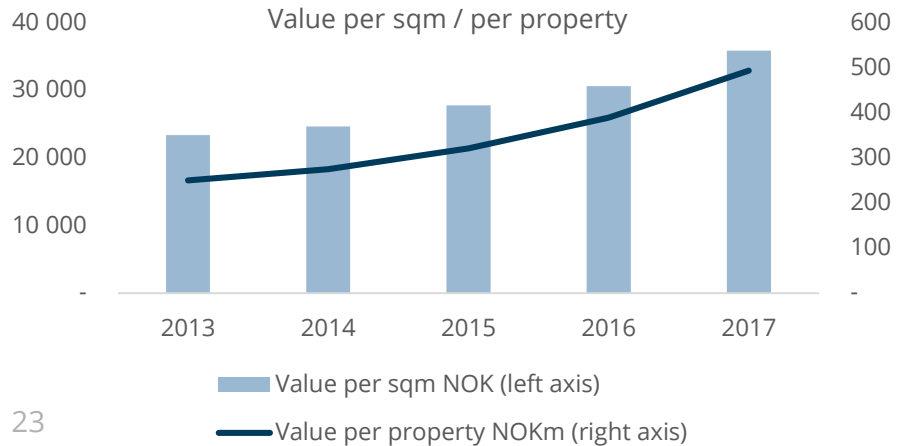
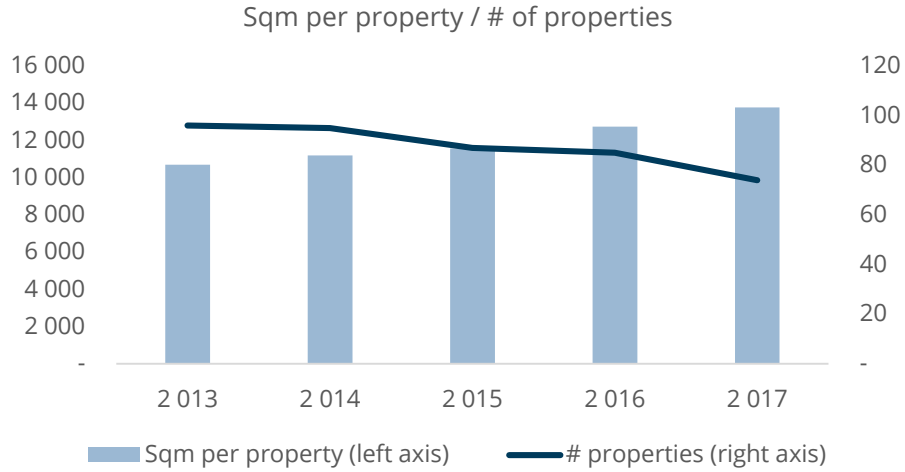
Energy consumption (Kwh/sqm)



Revised environmental strategy



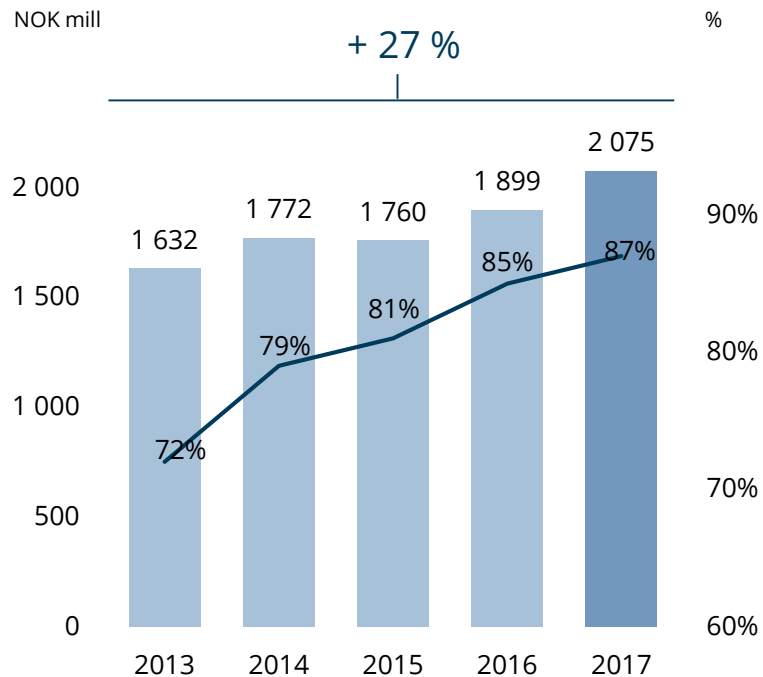
Streamlining the portfolio



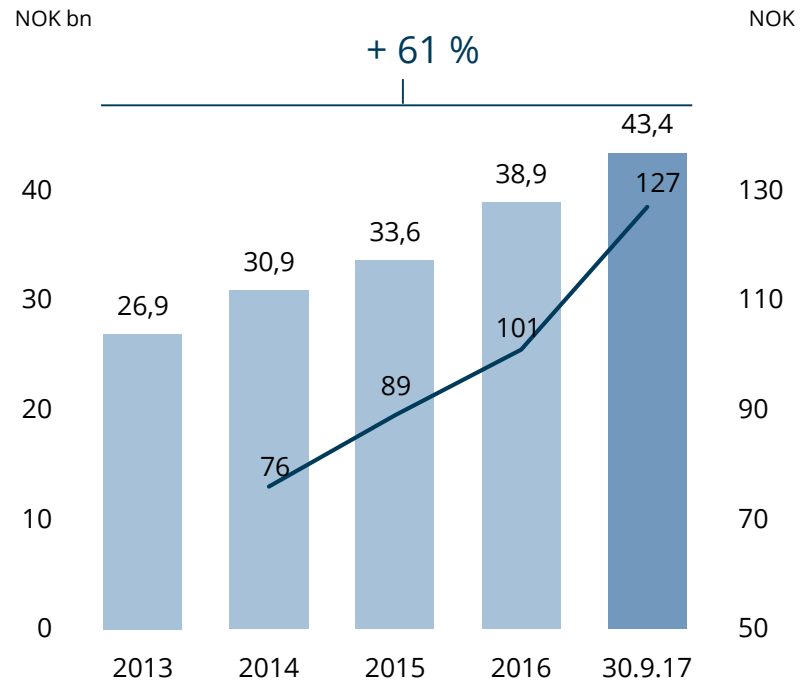
**Average property age
~ 8 yrs**

Strategic target and KPI: Profitable growth

Rental income and EBIT margin



Total asset value and EPRA NAV per share



Closing remarks

- Positive macro outlook with expected GDP growth > 2 % and low office vacancies
- Increasing rent levels balancing potential valuation impact of higher interest rates/yields
- Streamlined portfolio of high quality, centrally located assets
- Exciting pipeline of new development projects in Oslo
- Strong balance sheet, well positioned for further growth



Lars Hilles gate 30, Media City Bergen

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Next event
1st quarter results
April 20, 2018

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