Central, flexible and environment friendly office properties

entra

Financial highlights

- Rental income of 569 million (526 million) in the quarter and 2,243 million (2,075 million) in 2018
- Net income from property management of 352 million (314 million) in the quarter and 1,434 million (1,259 million) in 2018
- Net value changes of 331 million (864 million) in the quarter and 1,486 million (3,547 million) in 2018
- Profit before tax of 714 million (1,251 million) in the quarter and 3,073 million (5,030 million) in 2018
- Net letting of 1 million in the quarter and 21 million in 2018
- Acquisition of St. Olavs plass 5 in Oslo, divestment of four properties
- Proposing semi-annual dividend of 2.30 per share, corresponding to 4.50 per share for FY 2018 (4.10 per share for FY 2017)

Rental income

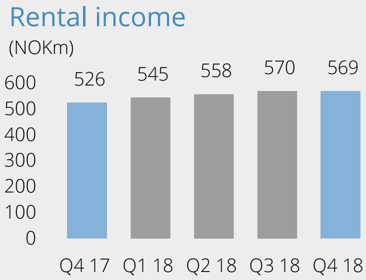
+ 43 mill.

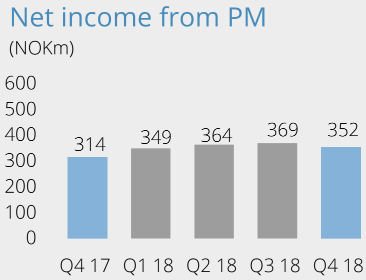
Property management

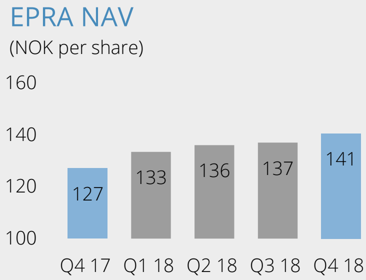
+ 38 mill.

EPRA NAV

+ 11 %







Key figures

All amounts in NOK million	Q4-18	Q4-17	2018	2017	2016	2015
Rental income	569	526	2 243	2 075	1 899	1 760
Change period-on-period	8 %	4 %	8 %	9 %	8 %	-1 %
Net operating income	515	480	2 058	1 913	1 740	1 574
Change period-on-period	7 %	6 %	8 %	10 %	11 %	-3 %
Net income from property management	352	314	1 434	1 259	1 070	799
Change period-on-period	12 %	15 %	14 %	18 %	34 %	3 %
Profit before tax	714	1 251	3 073	5 030	3 306	3 075
Change period-on-period	-43 %	-15 %	-39 %	52 %	8 %	123 %
Profit after tax	779	1 401	2 735	4 514	2 722	2 721
Change period-on-period	-44 %	6 %	-39 %	66 %	0 %	165 %
Market value of the property portfolio*	45 630	40 036	45 630	40 036	35 785	29 598
Net nominal interest bearing debt	18 941	17 852	18 941	17 852	17 454	14 640
Loan to value*	41.3 %	43.3%	41.3%	43.3%	47.6%	46.1%
Interest coverage ratio*	3.4	2.9	3.6	3.0	2.7	2.5
Average outstanding shares (million)*	183.1	183.7	183.6	183.7	183.7	183.7

All amounts in NOK per share*	Q4-18	Q4-17	2018	2017	2016	2015
EPRA NAV	141	127	141	127	101	89
Change period-on-period	11 %	26 %	11%	26 %	14%	16%
EPRA NNNAV	131	118	131	118	93	81
Change period-on-period	11 %	26 %	11%	26 %	15%	20%
EPRA Earnings	1.33	1.36	5.59	5.23	4.27	3.25
Change period-on-period	-2 %	13 %	7 %	22%	31%	8%
Cash earnings**/***	1.90	1.70	7.74	6.81	5.80	4.96
Change period-on-period	12 %	16 %	14%	17 %	17%	21%
Dividend per share****	2.30	2.10	4.50	4.10	3.45	3.00
Change period-on-period	10 %	20 %	10 %	19 %	15 %	20%

Reference
* See the sections "Alternative performance measures" 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. Dividend for 2018 of 4.50 per share constitute dividend of 2.20 per share approved and paid for the first half 2018 and dividend of 2.30 per share proposed for the second half of 2018.

Financial developments

Results

Rental income

Rental income was up by 8 per cent from 526 million in Q4 2017 to 569 million in Q4 2018, and up by 8 per cent from 2,075 million in 2017 to 2,243 million in 2018. The increased rental income is explained below.

All amounts in NOK million	Q4 17 Q4 18	YTD 17 YTD 18
Rental income previous period	526	2 075
Development projects	10	36
Acquisitions	13	79
Divestments	-19	-107
Other*	31	116
Like-for-like growth	9	43
Rental income	**569**	**2 243**

*Entra OPF consolidated in the group from 1.1.2018

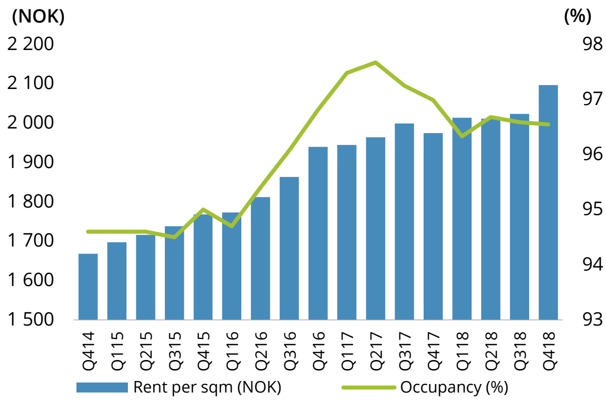
The increase in rental income in the quarter, compared to the same quarter last year, is mainly driven by the consolidation of Entra OPF from 1.1.2018, the acquisition of the office part of the Bryn portfolio in Oslo and the completion of the development project Trondheimsporten in the first quarter, Brattørkaia 16 (BI) in the second quarter and Powerhouse Kjørbo, Block 2, in the third quarter. The increase was partly offset by the divestment of the properties Middelthunsgate 29 in Oslo and Tungasletta 2 in Trondheim at year-end of 2017 and beginning of 2018. Also, during the quarter, the property in Universitetsgaten 2 in Oslo was close to fully vacated pending a complete refurbishment.

For the full year of 2018 the increase in rental income is also driven by the full-year effect of the acquisition of the remaining 50 per cent of Sundtkvartalet in October 2017, offset by the sale of non-core properties during 2017 and decreased rental income as several properties are entering development stages and thus are fully vacated.

On a like-for-like basis the rental growth in the fourth quarter and the full year was 1.8 and 2.4 per cent, respectively, compared to the same periods in 2017. The annual indexation of the lease contracts constituted 1.1 per cent. Near all of Entra's lease contracts are 100 per cent linked to positive changes in CPI.

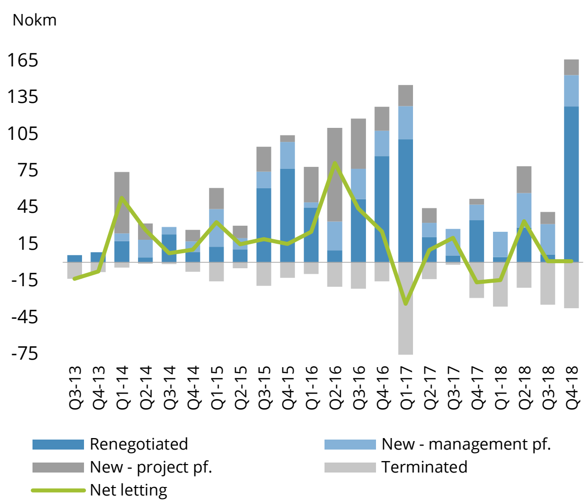
Average 12 months rolling rent per square meter was 2,097 (1,975) as of 31.12.18. The increase from the end of 2017 is mainly related to portfolio rotation towards more central, high quality assets and the commencing and completion of newbuild- and rehabilitation projects.

RENT (12M ROLLING) PER SQM AND OCCUPANCY RATE



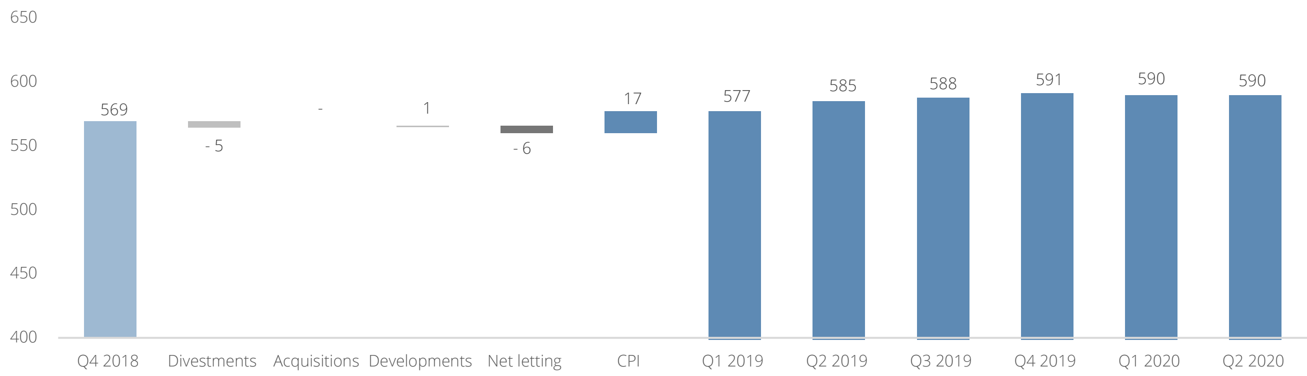
Compared to the previous quarter the occupancy rate went slightly down, from 96.6.per cent to 96.5 per cent. The market rental income of vacant space as of 31.12.18 was approximately 82 (64) million on an annualised basis.

QUARTERLY NET LETTING



Gross letting including re-negotiated contracts was 166 million in the quarter of which 13 million is attributable to letting in the project portfolio. Lease contracts with an annual lease of 38 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 1 million (-16 million) in the quarter. For 2018, gross letting including renegotiated contracts was 311 million and lease contracts with a total value of 129 million was terminated. Net letting for the year came in at 21 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, while new contracts signed in the project portfolio tend to have a later impact on the results.

RENTAL INCOME DEVELOPMENT



The graph above shows the estimated development of contracted rental income based on all reported events, including income effect from divestments and acquisitions, completion of new development projects, net letting based on new and terminated contracts in the management portfolio, and other effects such as estimated CPI adjustments. It does not reflect any letting targets on the vacant areas in the portfolio or on contracts that will expire, but where the outcome of any renegotiation process is not known, i.e. not yet reported in "Net letting". The graph therefore does not constitute a forecast, but rather aims to demonstrate the rental income trend in the existing contract portfolio on the balance sheet date based on all reported events.

Property costs

Total property costs amounted to 54 million (46 million) in the fourth quarter and 184 million (162 million) for 2018 as a whole. Total property cost is split as follows:

All amounts in NOK million	Q4-18	Q4-17	2018	2017
Maintenance	**10**	**13**	**35**	**40**
Tax, leasehold, insurance	17	9	72	48
Letting and prop. adm.	17	12	43	42
Direct property costs	10	12	34	32
Total property costs	**54**	**46**	**184**	**162**

The increase in property cost for the fourth quarter and for 2018, compared to last year, is mainly attributable to an increase in the property tax rate from 0.2 per cent to 0.3 per cent in Oslo and the consolidation of Entra OPF as of 1.1.2018.

Net operating income

As a consequence of the effects explained above, net operating income came in at 515 million (480 million) in the quarter and 2,058 million (1,913 million) for the financial year 2018.

Other revenues and other costs

Other revenues were 456 million (68 million) in the quarter and 521 million (285 million) in 2017. Other costs amounted to 442 million (59 million) in the quarter and 500 million (246 million) in 2018. Due to the property swap transaction in December 2018, where Entra as a part of the transaction will divest the property Tollbugata 1A in Oslo, which is currently under refurbishment, the property was reclassified from investment properties to construction contracts. As a result of the reclassification, other revenues and other cost in the fourth quarter both increased with 429 million. For the remaining period, until the completion of the refurbishment and the property is delivered to the buyer, the Group will recognise the remaining revenue and cost based on the stage of completion of the project.

All of the income and costs related to assets in the Bryn portfolio, which was aquired in September 2018, and subsequently will be taken over by a third party and developed to residential buildings, is recognised as other revenues and other cost. The net effect of this is 3.5 million in the fourth quarter and 3.2 million for the total periode since the acquisition.

In addition to the effects explained above, other revenues in the quarter mainly consists of income from services provided to tenants. Other costs consists of other property costs mainly related to depreciation and rental expenses, in addition to the corresponding cost from service provided to tenants.

Administrative costs

Administrative costs amounted to 44 million (48 million) in the quarter and 157 million (163 million) in 2018.

Result from associates and JVs

Entra's share of profit from associates and JVs was 31 million (82 million) in the quarter and 156 million (244 million) in 2018. Due to the consolidation of Entra OPF as of 1.1.2018, the result in 2018 is only related to the ongoing business in Oslo S Utvikling. Entra's share of profit from associates and JVs is composed as follows:

All amounts in NOK million	Q4-18	Q4-17	2018	2017
Income from property management	1	10	4	21
Changes in market value	0	53	0	260
Tax	0	-4	-1	-57
Other income and costs	31	23	153	20
Results from associates and JVs	**31**	**82**	**156**	**244**

The net effect of other income and costs in the quarter mainly relates to the completion and delivery of residential apartements in Bjørvika and the recognision of income and cost related to the completion level of the office project Eufemia that is forward sold.

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

Net realised financials

Net realised financials amounted to -134 million (-137 million) in the quarter and -491 million (-550 million) in 2018 and is composed as follows:

All amounts in NOK million	Q4-18	Q4-17	2018	2017
Interest and other finance income	2	4	17	22
Interest and other finance expense	-135	-142	-509	-572
Net realised financials	**-134**	**-137**	**-491**	**-550**

Net realised financials have decreased in 2018 compared to 2017 mainly due to lower average interest rate following termination and expiries of interest rate swaps. Interest and other finance income in 2018 was impacted by the delayed closing of Youngskvartalet in Q1 that contributed 9 million in financial income.

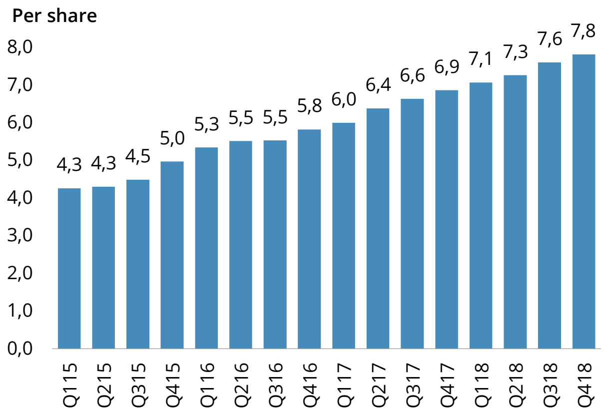
Net income and net income from property management

Net income came in at 383 million (386 million) in the quarter and 1,587 million (1,483 million) for 2018. When including only the income from property management in the results from JVs, the net income from property management was 352 million (314 million) in the quarter and 1,434 million (1,259 million) for 2018, representing a year-on-year increase of 12 per cent in the quarter and 14 per cent for 2018.

All amounts in NOK million	Q4-18	Q4-17	2018	2017
Net income	383	386	1 587	1 483
Less:				
Value changes in associates and JVs	0	53	0	260
Tax from associates and JVs	0	-4	-1	-57
Other income and costs	31	23	153	20
Net income from property management	**352**	**314**	**1 434**	**1 259**

NET INCOME FROM PROPERTY MANAGEMENT PER SHARE

(Annualised, rolling 4 quarters)



Value changes

Net value changes amounted to 331 million (864 million) in the quarter and 1,486 million (3,547 million) for 2018.

The valuation of the property portfolio resulted in a net positive value change of 404 million (831 million) in the quarter and 1,387 million (3,460 million) for the financial year 2018. In the fourth quarter, about 196 million relates to increased market rent, especially in Oslo. 79 million relates to the ongoing project portfolio, mainly explained by reduced risk as each project is moving towards completion in combination with improved market conditions. About 63 million of the value changes is a result of new contracts signed in the quarter, partly offset by effects from terminated contracts. Realised value change of 54 million is related to the divestments in the quarter. Also, in the fourth quarter, negative values change of 13 million is related to a minor increase in the yield level for certain properties. The remaining 24 million stems from other property related changes.

For 2018 in total, the value change is mainly attributable to increased market rent, primarily in the Oslo area.

Net changes in value of financial instruments was -73 million (34 million) in the quarter and 99 million (87 million) for 2018. The negative value change in Q4 mainly relates to lower market interest rates during the quarter. In 2018, Entra terminated interest rate swaps with a notional amount of 1.1 billion with a termination cost of 49 million.

Tax

Tax payable of 13 million (8 million) year to date 2018 is mainly related to the partly owned entity Papirbredden in Drammen. The change in deferred tax was 71 million (152 million) in the quarter and -325 million (-507 million) in 2018. The change in deferred tax in the quarter was positively impacted by 221 million as a result of change in the corporate income tax (CIT) from 23 per cent in 2018 to 22 per cent from 1 January 2019. The effective tax rate during 2018 is less than the CIT mainly due to sales of properties without tax effect.

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 2018, the tax loss carry forward for the Group's wholly-owned subsidiaries was 321 million (810 million).

Profit

Profit before tax was 714 million (1,251 million) in the quarter and 3,073 million (5,030 million) for 2018. Profit after tax was 779 million (1,401 million) in the quarter and 2,735 million (4,514 million) in 2018.

EPRA Earnings

EPRA Earnings amounted to 243 million (249 million) in the fourth quarter of 2018 and 1,026 million (960 million) in 2018.

EPRA Earnings before tax amounted to 314 million (325 million) in the fourth quarter and 1,318 million (1,219 million) in 2018.

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

Balance sheet

The Group's assets amounted to 47,709 million (43,410 million) as at 31.12.18. Of this, investment properties amounted to 44,714 million (39,875 million) and investment properties held for sale to 565 million (180 million). 3 (1) properties were classified as held for sale as at 31.12.18. Intangible assets was 127 million (125 million) at the end of 2018 of which 109 million (109 million) is goodwill related to Hinna Park in Stavanger.

Investments in associates and jointly controlled entities were 367 million (1,487 million). The decrease is mainly attributable to the consolidation of Entra OPF from 1.1.2018 (until 31.12.17 treated as a jointly controlled entity).

Long-term receivables was 236 million (244 million) at year-end.

Housing-units for sale of 407 million at the end of the quarter (nil) relates to the properties in the Bryn portfolio expected to be zoned for residential development and subsequently sold to JM Norge AS. Refer to note 5 for further information on the acquisition of the Bryn portfolio.

Other receivables was 671 million (847 million) at the end of December 2018. The reduction is mainly due to that capitalised construction costs related to the property Youngskvartalet was included in the 2017 amount. This project was sold in the first quarter of 2018. The 2018 amount includes capitalised construction costs related to Tollbugata 1A, which was reclassified from investment properties to construction contracts in December 2018.

The Group held 230 million (189 million) in cash and cash equivalents at 31.12.18. In addition, the Group has 5,210 million (5,410 million) in unutilised credit facilities.

The Group had interest bearing debt of 19,171 million (18,449 million) as of 31.12.18.

Book equity totalled 22,269 million (18,938 million), representing an equity ratio of 47 per cent (44 per cent). Book equity per outstanding share was 122 (103). Equity per share was 141 (127) based on the EPRA NAV standard and 131 (118) based on EPRA NNNAV. Outstanding shares at 31.12.18 totalled 182,669,987 (183,732,461) as Entra held 1,062,474 (nil) treasury shares.

Cash flow statement

Net cash flow from operating activities came in at 428 million (343 million) in the quarter and 1,389 million (1,222 million) in 2018. The increase mainly relates to higher net income from property management, in addition to working capital movements.

The net cash flow from investments was -245 million (404 million) in the quarter and -1,645 million (-65 million) for 2018.

Proceeds from property transactions was nil (1,201 million) in the quarter and 618 million (2,351 million) in 2018. Purchase of investment properties was -1 million (-327 million) in the quarter. For the year 2018, purchase of investment properties was -925 million (-482 million). Proceeds from property transactions and Purchase of investment properties was mainly related to the property transactions as described under "Transactions" on page 14 of this report.

The cash effect from investment in and upgrades of investment properties amounted to -392 million (-438 million) in the quarter and -1,201 million (-1,571 million) in 2018. Investment in property and housing-units for sale of -362 million (-207 million) in 2018 relates to the residential part of the Bryn portfolio. Refer to note 5 for further information on the acquisition of the Bryn portfolio.

Dividends from associates and JVs of 146 million (200 million) in the quarter and 231million (201 million) in 2018 are mainly related to dividends from Oslo S Utvikling AS.

Net cash flow from financing activities was -128 million (-792 million) in the quarter and 297 million (-1,211 million) in 2018.

Net proceeds of interest bearing debt was 393 million (-420 million in the quarter and 1,211 million (-511 million) in 2018. During the quarter, Entra had a net increase of bank loans of 500 million and a decrease in commercial papers of 100 million.

In the fourth quarter of 2018, Entra repurchased shares for 109 million (nil) under the share buy-back program initiated in July 2018.

Dividends paid amounts to 412 million (371 million) in the fourth quarter of 2018 and 798 million (698 million) in 2018. During 2018, Entra paid out a total of NOK 2.20 per share to the shareholders for the first six months and has proposed a total of NOK 2.30 per share for the second half year. For the financial year 2017 Entra paid out dividends of NOK 4.10 per share.

The net change in cash and cash equivalents was 56 million (-45 million) in the quarter and 41 million (-53 million) for 2018.

Financing

During the fourth quarter, Entra's gross interest bearing nominal debt increased by 400 million to 19,171 million. The change in interest bearing debt comprised an increase in bank financing of 500 million and a reduction in commercial papers of 100 million. The debt increase can mainly be attributed to funding of project investments and semi-annual dividend payment.

Entra was on 3.10.18 assigned Moody's investment grade rating Baa1 with Stable outlook. According to Moody's, Entra's Baa1 long-term issuer rating reflects (1) its position as the largest office property company in Norway, (2) its leadership position in office properties located in attractive locations on the fringe of the central business district (CBD) in Oslo, (3) its modern, high-quality property portfolio, (4) a clear, well-defined strategy to focus on offices in Norway's four largest cities and government tenants, (5) the large exposure towards highly creditworthy governments and public tenants with very long dated average lease and consistently high occupancy rates across all cities, and (6) good liquidity and high unencumbered asset ratio.

The Moody's Baa1 rating will contribute to an increase in credit availability for Entra in domestic and international debt capital markets and will enable Entra to further extend its debt maturity profile.

Interest bearing debt and maturity structure

As at 31.12.18, net interest bearing nominal debt after deduction of liquid assets of 230 million (189 million) was 18,941 million (17,852 million).

The average remaining term for the Group's debt portfolio was 4.1 years at 31.12.18 (4.3 years as at 31.12.17). 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, 70 per cent (78 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)	2 500	0	0	0	0	2 500
Bonds (NOKm)	1 700	700	1 300	2 500	4 700	10 900
Bank loans (NOKm)	0	76	1 290	3 000	1 405	5 771
Total (NOKm)	**4 200**	**776**	**2 590**	**5 500**	**6 105**	**19 171**
Commercial paper (%)	60	0	0	0	0	13
Bonds (%)	40	90	50	45	77	57
Bank loans (%)	0	10	50	55	23	30
Total (%)						**100**
Unutilised credit facilities (NOKm)	**1 500**	**530**	**680**	**500**	**2 000**	**5 210**
Unutilised credit facilities (%)	29	10	13	10	38	100

Financing policy and status

All amounts in NOK million	31.12.2018	Target
Loan-to-value (LTV)	41.3%	Below 50 per cent over time
Interest coverage ratio (ICR)	3.4	Min. 1.8x
Debt maturities <12 months	22%	Max 30%
Maturity of hedges <12 months	43%	Max 50%
Average time to maturity (hedges)	3.4	2-6 years
Back-stop of short-term interest bearing debt*	124%	Min. 100%
Average time to maturity (debt)	4.1	Min. 3 years

* See the section "Definitions"

Interest rates and maturity structure

The average interest rate[1] of the debt portfolio was 2.85 per cent (2.90 per cent) as at 31.12.18. 57 per cent (54 per cent) of the Group's financing was hedged at a fixed interest rate as at 31.12.18 with a weighted average maturity of 3.4 years (4 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.

	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	450	2.7	2 600	1.97	6.9	8 471	0.89
1-2 years	1 700	4.1	1 650	2.14	6.4	700	1.24
2-3 years	1 050	3.4				1 300	0.96
3-4 years	1 350	1.8				4 000	0.84
4-5 years	1 450	2.2				2 600	1.10
5-6 years	900	2.7				1 000	0.88
6-7 years	1 300	2.3				0	0.00
7-8 years	110	4.4				0	0.00
8-9 years	0	0.0				0	0.00
9-10 years	0	0.0				0	0.00
>10 years	400	5.6				1 100	0.39
Total	**8 710**	**2.9**	**4 250**	**2.04**	**6.7**	**19 171**	**0.89**

[1]Average reference rate (nibor) is 1.14 per cent as of the reporting date.

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

[3]The 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 78 buildings with a total area of approximately 1.1 million square meters. As of 31.12.18, the management portfolio had a market value of around 42 billion. The occupancy rate was 96.5 per cent (97.0 per cent). The weighted average unexpired lease term for the Group's leases was 6.7 years (6.7) for the management portfolio and 7.4 years (7.4) when the project portfolio is included. The public sector represents 63 per cent of the total customer portfolio. The entire property portfolio consists of 92 properties with a market value of about 46 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 appraiser's estimated return requirements and expectations on future market development. The market value is defined as the external appraiser'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 remains unchanged at 5.1 per cent. 12 months rolling rent has increased from 1,975 to 2,097 per square meter during the last year, whereas the market rent has increased from 2,043 to 2,159 per square meter.

	Preperties	Area	Occupancy	Wault	Market value		12 months rolling rent		Net yield	Market rent	
	(#)	(sqm)	(%)	(year)	(NOKm)	(NOK/sqm)	(NOKm)	(NOK/sqm)	(%)	(NOKm)	(NOK/sqm)
Oslo	40	611 397	96.6	6.0	27 110	44 341	1 427	2 334	4.8	1 521	2 488
Trondheim	9	133 668	97.4	7.7	3 790	28 351	230	1 718	5.5	231	1 729
Bergen	7	104 986	93.2	7.4	3 912	37 258	206	1 966	4.8	233	2 222
Sandvika	9	98 733	99.4	9.2	2 865	29 022	170	1 726	5.5	144	1 459
Stavanger	5	78 612	95.8	8.5	2 175	27 668	140	1 783	6.0	127	1 610
Drammen	8	70 405	98.4	6.9	2 024	28 753	128	1 815	5.9	114	1 621
Management portfolio	**78**	**1 097 801**	**96.5**	**6.7**	**41 876**	**38 145**	**2 302**	**2 097**	**5.1**	**2 370**	**2 159**
Project portfolio	7	103 322		17.1	3 065	29 666					
Development sites	7	97 859		0.4	689	7 043					
Property portfolio	**92**	**1 298 982**		**7.4**	**45 630**	**35 128**					

The calculation of net yield is based on the valuers' assumption of ownership costs, which at 31.12 corresponds to 7.8 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 amounts in NOK million	2018	2017
Investment properties	44 714	39 875
Investment properties held for sale	565	180
Other	352	-19
Property market value	**45 630**	**40 036**

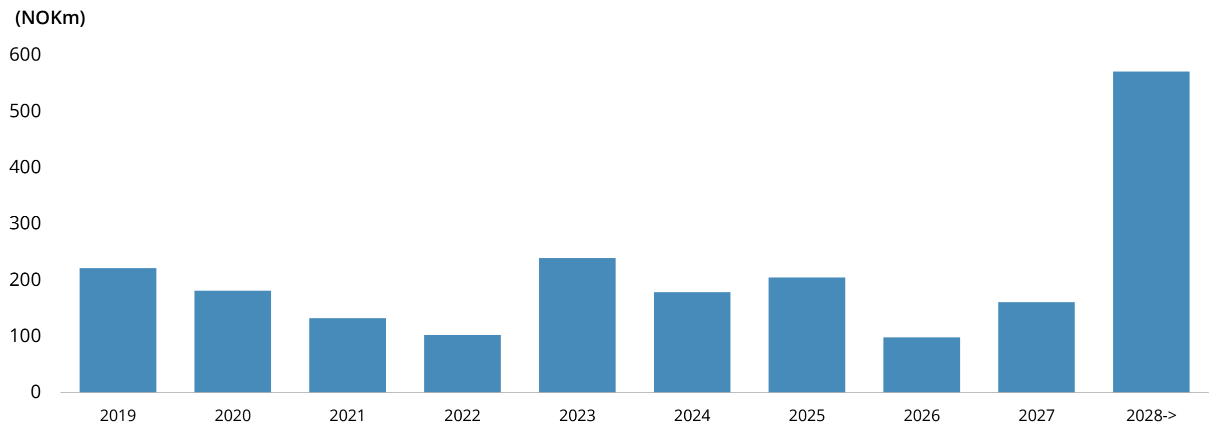
Letting activity

During the fourth quarter, Entra signed new and renegotiated leases with an annual rent totalling 166 million (71,000 square metres) and received notices of termination on leases with an annual rent of 38 million (12,500 square metres). Net letting was 1 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. On an annual basis, Entra signed new and renegotiated leases in 2018 with annual rent totalling 311 million and received notice of termination on leases with an annual rent of 129 million. Net letting was 21 million in 2018.

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

- New lease contract for 12 years and a total of 3,780 sqm at Langkaia 1 in Oslo with a public tenant
- New lease contract for 10 years and a total of 4,300 sqm at Kristian August gate 13 in Oslo with Spaces/IWG
- Renegotiated lease contract for 6 years and a total of 9,600 sqm at Schweigaards gate 15b in Oslo with The Norwegian Directorate for Education and Training
- Renegotiated lease contract for 5 years and a total of 6,000 sqm at Akersgata 34/36 with Amedia

MATURITY PROFILE OF THE MANAGEMENT PORTFOLIO:



Investments and divestments

Entra has invested 325 million (382 million) in the portfolio of investment properties in the fourth quarter and 1,161 million (1,381 million) in 2018.

Project development

The portfolio of ongoing project with a total investment exceeding 50 million is presented below.

	Ownership (%)	Location	Expected completion	Project area (sqm)	Occupancy (%)	Estimated total project cost [1] (NOKm)	Of which accrued[1] (NOKm)	Yield on cost[2] (%)
Powerhouse Brattørkaia 17A	100	Trondheim	Mar-19[3]	18 200	85	523	470	6.1
Tollbugata 1A	100	Oslo	Oct-19	9 000	100	460	289	5.1
Tullinkvartalet (UIO)	100	Oslo	Dec-19	21 000	82	1 489	1 025	5.5
Brattørkaia 12	100	Trondheim	Jan-20	1 900	100	86	21	5.4
Holtermanns veg 1-13	100	Trondheim	Jan-20	11 700	53	340	116	6.0
Universitetsgaten 7-9	100	Oslo	Sep-21	22 300	25	1 191	324	6.0
Total				**84 100**		**4 089**	**2 244**	

[1] Total project cost (Including book value at date of investment decision/cost of land)

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

[3] Stepwise rental income effect from 1.3.19 - 1.8.19

Status ongoing projects

On Brattørkaia 17 A, Entra is building Powerhouse Brattørkaia. This is an energy positive and environment friendly office building of approximately 18,200 sqm, including a 2,500 sqm parking basement. The property is 85 per cent pre-let. Powerhouse Brattørkaia will utilise sun and sea water for heating and cooling. The building will be covered by 3,500 sqm 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. It 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-NOR Outstanding and Energy class A. The project will be finalised in March 2019.

In Tullinkvartalet in Oslo, Entra has ongoing construction of a new 21,000 sqm campus building for the Faculty of Law of the University of Oslo. The property is 82 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 project will be finalised in December 2019. The new-build project aims for a BREEAM-NOR Excellent classification.

Entra is refurbishing Tollbugata 1A in Oslo. The property consists of two buildings totalling 9,000 sqm adjacent to Oslo Central station, and the project is expected to be completed in October 2019. Both properties are fully let on a 15-year lease to The Directorate of Norwegian Customs. The property is forward sold as part of the property swap transaction announced in December 2018. The transaction will close when the project is completed.

In Holtermanns veg 1-13, Entra has ongoing construction of a new office building (the first of three buildings). The approved zoning allows construction of approximately 48,000 sqm and the first building stage is approximately 11,500 sqm, including a 2,000 sqm basement with parking. The property is approximately 53 per cent pre-let to the Norwegian Tax

Administration and will be completed in the first quarter of 2020. The project is aiming for the environmental classification BREEAM-NOR Excellent and Energy class A.

During the quarter, Entra started up a new-build project in Universitetsgata 7-9 in Tullinkvartalet in Oslo. The office property will be 22,300 sqm and is currently 25 per cent pre-let. The project has high environmental ambitions and aims for a Breeam-NOR Excellent classification. The property will be finalised in the third quarter of 2021.

Entra also started a new-build project at Brattørkaia 12 in Trondheim. Brattørkaia 12 will be 2,000 sqm and is fully let to The Norwegian State Educational Loan Fund ("Lånekassen"). The property will be finalised in January 2020 and aim for Energy class A.

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 within its four core markets; Oslo and the surrounding region, Bergen, Trondheim and Stavanger. Target areas include the city centers and selected clusters and public 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 2017 and 2018

Purchased properties	Area	Transaction quarter	No of sqm	Transaction value	Closing date
St. Olavs plass 5	Oslo	Q4 2018	16 530	850	Q4 2019
Bryn portfolio	Oslo	Q2 2018	57 000	1 400	Q3 2018
Johannes Bruns gate 16/16A, Nygårdsgaten 91/93	Bergen	Q2 2018	-	135	Q2/Q3 2018
Nils Hansens vei 20	Oslo	Q1 2018	3 150	50	03.04.2018
50 % of Sundtkvartalet	Oslo	Q3 2017	31 300	795	02.10.2017
Kristian Augusts gate 13	Oslo	Q4 2016	3 300	155	20.01.2017
Sum			**111 280**	**3 385**	

Sold properties		Transaction quarter	No of sqm	Transaction value	Closing date
Aasta Hansteens vei 10	Oslo	Q4 2018	5 390	80	31.01.2019
Tollbugata 1A, Pilestredet 19-21, Pilestredet 28	Oslo	Q4 2018	19 650	1 100	Q1/Q4 2019
Tungasletta 2	Trondheim	Q4 2017	14 800	180	31.01.2018
Middelthunsgate 29	Oslo	Q4 2017	28 600	1 270	28.12.2017
Wergelandsveien 29	Oslo	Q2 2017	3 373	160	30.09.2017
Akersgata 32 (Sections)	Oslo	Q2 2017	2 100	94	30.06.2017
Lømslands vei 23	Kristiansand	Q2 2017	1 423	11	30.06.2017
Kristiansand portfolio	Kristiansand	Q2 2017	45 000	863	31.05.2017
Moloveien 10	Bodø	Q1 2017	5 531	83	15.02.2017
Kongensgate 85/Erling Skakkesgate 60	Trondheim	Q4 2016	1 769	16	31.03.2017
Kalfarveien 31	Bergen	Q2 2016	8 440	85	01.02.2017
Sum			**136 076**	**3 942**	

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 28,000 sqm and development potential for two new office properties totalling around 37,000 sqm.

Entra OPF Utvikling AS (50 %)

Entra and Oslo Pensjonsforsikring (OPF) own Entra OPF Utvikling AS. The company owns two properties in Bergen; Lars Hilles gate 30 (Media City Bergen) and Allehelgensgate 6. Following completion of the Media City Bergen project, the shareholder agreement was revised, with the effect that Entra from 1 January 2018 has a controlling vote on the Board of Directors. Entra OPF Utvikling was thus consolidated in the Group's financial statements from 1.1.18 (until 31.12.17 treated as a jointly controlled entity).

Oslo S Utvikling AS "OSU" (33.33 %)

OSU is a property development company that is undertaking the office and residential development of parts of the city district Bjørvika in Oslo. OSU paid out a dividend to Entra in Q4 2018 of 145 million (total of 230 million in 2018)

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

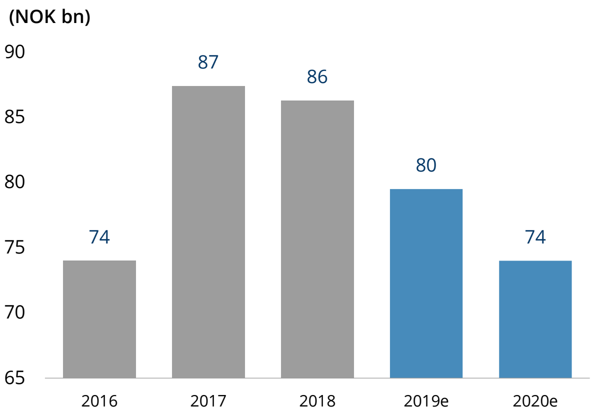
All amounts in NOK million	Papirbredden Eiendom AS	Hinna Park Eiendom AS	Entra OPF Utvikling AS	Sum consolidated companies	Oslo S Utvikling AS	Other	Sum associated companies & JVs
Share of ownership (%)	60	50	50		33		
Rental income	26	20	31	77	26	1	27
Net operating income	24	17	28	70	26	1	27
Net income	18	17	27	61	109	2	111
Changes in value of investment properties	27	12	-5	35	0	0	0
Changes in value of financial instruments	0	0	0	-1	12	0	12
Profit before tax	45	29	22	95	121	2	123
Tax	-1	0	2	1	-29	0	-30
Profit for the period	**43**	**29**	**24**	**96**	**92**	**2**	**94**
Non-controlling interests	17	14	12	43			
Entra's share of profit[1]					31	1	31
Book value					358	9	366
Market value properties	**1 778**	**1 127**	**2 511**	**5 416**	**6 570**		**6 570**
Entra's share:							
Market value properties	1 067	564	1 255	2 886	2 190		2 190
EPRA NAV	627	186	1 288	2 101	1 338	9	1 347
EPRA NNNAV	589	168	1 258	2 015	1 196	9	1 205
EPRA Earnings	14	10	13	37	-7	1	-6

[1] Recognised as Share of profit from associates and JVs

Market development

Total transaction volume in Norway summed up to around 86 billion in 2018. The market remains active with strong demand from both national and international investors. The estimated total transaction volume for 2019 is 80 billion, according to Entra's consensus report. The financing market continue to be well functioning and the outlook for the Norwegian economy is solid. The overall high demand for Norwegian real estate has caused prime yield to remain stable at around 3.8 per cent, despite slowly increasing interest rates. Prime yields are expected to rise slowly over the next few years.

TRANSACTION VOLUME NORWAY



Source: Entra Consensus report

According to Entra's Consensus report, the office vacancy in the Oslo area dropped to around 6 per cent by the end of 2018 and is expected to go below 6 per cent by the end of this year. The drop is primarily driven by increasing employment and moderate net new capacity to the market, stemming from limited construction activity and continued office-to-residential conversion. Vacancy is lowest in the city centre. Consequently, the broad uplift in rent levels is expected to continue. Modern, centrally located office premises are especially attractive and are expected to see the strongest growth.

In Bergen, the office vacancy has dropped below 10 per cent due to low construction activity, office-to-residential conversion, slightly increased employment and new optimism in the oil and gas industry. Rents in the city centre of Bergen has increased due to low vacancy and low supply of modern, centrally located office premises.

The Stavanger area is experiencing increasing employment and optimism due to higher activity in the oil and gas sector. As a result, office vacancies have fallen slightly and are now below 12 per cent. Despite that the overall office vacancy in Stavanger still being high, there is an increasing demand for modern, flexible and centrally located office premises. There is still a downward pressure on rents in the oil and gas intensive areas. In the Stavanger city centre, the vacancy is at about 7 per cent and rent levels are more stable. The construction activity is still low.

In Trondheim, the overall office vacancy has levelled out at around 10 per cent. Vacancy is highest in the fringe areas of the city. The volume of new office space will increase in 2019. The market has shown ability to absorb the new capacity and most of the premises that will be completed in 2019 are pre-let. Rent levels in the city centre have increased, while there is a downward pressure on rents in the fringe areas.

Market data Oslo

	2016	2017	2018e	2019e	2020	2020
Vacancy Oslo incl. Fornebu and Lysaker (%)	7.8	7.1	6.1	5.8	6.1	6.4
Rent per sqm, high standard Oslo office	2 950	3 083	3 330	3 535	3 640	3 745
Prime yield (%)	3.8	3.7	3.7	3.8	4.0	4.1

Source: Entra Consensus report

Other information

Organisation and HSE

At 31.12.18 the Group had 164 (155) employees.

In 2018 Entra has had three injuries with long term absence from work among employees, tenants or contractors in ongoing projects. HSE work in Entra focus on both on-going projects and the operations, and we continually strive 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 6.9 at the end of the fourth quarter 2018 vs 2.2 at the end of the fourth 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

In January 2019, the partly owned entity Oslo S Utvikling, entered into an Letter of intent with the purpose of selling the majority of the ground-level commercial assets in Bjørvika.

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 31 December 2018, Entra held 1,062,474 treasury shares of which 1,059,874 shares had been bought in the market under the share buy-back program initiated in July 2018.

As of 31 December 2018, Entra had 5,267 shareholders. Norwegian investors held 55 per cent of the share capital. The 10 largest shareholders as registered in VPS on 31 December 2018 were:

Shareholder	% holding
Norwegian Ministry of Trade, Industry and Fisheries	33.4
Folketrygdfondet	6.1
State Street Bank (Nominee)	3.5
DnB NOR Markets	2.6
State Street Bank (Nominee)	2.4
Länsforsäkringar Fastighetsfond	2.3
The Bank of New York (Nominee)	1.4
Danske Invest Norske Instit. II.	1.4
State Street Bank (Nominee)	1.3
BNP Paribas Securities Services (Nominee)	1.2
SUM 10 LARGEST SHAREHOLDERS	**55.5**

Annual general meeting

The annual general meeting in Entra ASA will be held on 26 April 2019. In line with the dividend policy of distributing approximately 60 per cent of Cash Earnings, the board of Entra will propose to distribute a semi-annual dividend of NOK 2.30 per share for the second half of 2018. In October 2018, Entra paid out NOK 2.2 per share for the first six months of 2018. For the financial year 2018 Entra will thus have paid out NOK 4.50 per share compared to NOK 4.10 per share for 2017. Cash Earnings is defined as net income from property management less payable tax.

Outlook

Entra continues to deliver on its core strategic pillars; profitable growth, customer satisfaction, and environmental leadership.

Deliberate and targeted project development of newbuilds and refurbishments is an important source to profitable growth. Emerging trends like co-working, employee wellbeing and increased flexibility demands from tenants, will impact Entra's priorities, making technology development and being close to the tenants even more important. Entra has in recent years had the most satisfied customers amongst the major Norwegian real estate companies, and a priority is to further develop end-user focus with product and service offerings to realize the vision of owning buildings where the most satisfied people are working.

Environmental leadership and sustainability has been a key priority for Entra during the last decade and is an integral part of all business operations in the company. There is a continued growing interest from all stakeholders on this topic, and the financial benefits are also materialising through increasing focus from tenants, lower cost of funding through green financing, and higher valuations of environmentally friendly properties.

The Norwegian economy is seeing a moderate upturn with GDP growth and increasing employment. Nevertheless, there is still general uncertainty about the future stemming primarily from geopolitical and financial macro factors that could impact the Norwegian economy.

Modern, environmentally friendly offices located near public transportation hubs are attractive and obtain solid rents compared to premises located in less central areas. Entra's portfolio in Oslo constitutes around 65 per cent of the market value of the management portfolio, and the Oslo office market is expected to continue favourably in the coming years with low vacancy levels and higher rental prices. The office markets in Bergen and Trondheim are expected to maintain stable, and there are positive signs in Stavanger where one expects a moderate recovery in the coming years.

Interest rates bottomed out on historically low levels during 2018 and have recently trended upwards. This could potentially lead to both increased cost of funding and market yields. However, the Norwegian transaction market is very active and driven by strong demand from both domestic and international investors.

The yield compression has levelled out, and one expects a flat to moderate increase over the coming years. However, Entra's portfolio with a healthy mix of attractive yielding properties and value enhancing development project combined with a positive rental market outlook should provide a continued positive portfolio value development, albeit at a significantly slower pace than in recent years.

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

Oslo, 7 February 2019

The Board of Entra ASA

Financial statements

Statement of comprehensive income

All amounts in NOK million	Q4-18	Q4-17	2018	2017
Rental income	569	526	2 243	2 075
Repairs & maintenance	-10	-13	-35	-40
Operating costs	-44	-33	-149	-121
Net operating income	515	480	2 058	1 913
Other revenues	456	68	521	285
Other costs	-442	-59	-500	-246
Administrative costs	-44	-48	-157	-163
Share of profit from associates and JVs	31	82	156	244
Net realised financials	-134	-137	-491	-550
Net income	**383**	**386**	**1 587**	**1 483**
- of which net income from property management	**352**	**314**	**1 434**	**1 259**
Changes in value of investment properties	404	831	1 387	3 460
Changes in value of financial instruments	-73	34	99	87
Profit before tax	**714**	**1 251**	**3 073**	**5 030**
Tax payable	-5	-2	-13	-8
Change in deferred tax	71	152	-325	-507
Profit for period/year	**779**	**1 401**	**2 735**	**4 514**
Actuarial gains and losses	-7	14	-7	0
Change in deferred tax on comprehensive income	2	-3	2	0
Total comprehensive income for the period/year	774	1 411	2 729	4 514
Profit attributable to:				
Equity holders of the Company	736	1 390	2 537	4 464
Non-controlling interest	43	11	198	50
Total comprehensive income attributable to:				
Equity holders of the Company	730	1 401	2 532	4 464
Non-controlling interest	43	11	198	50

Balance sheet

All amounts in NOK million	31.12.2018	31.12.2017
Intangible assets	127	125
Investment properties	44 714	39 875
Other operating assets	23	23
Investments in associates and JVs	367	1 487
Financial derivatives	321	405
Long-term receivables	236	244
Total non-current assets	**45 788**	**42 159**
Housing-units for sale	407	0
Investment properties held for sale	565	180
Trade receivables	47	34
Other receivables	671	847
Cash and bank deposits	230	189
Total current assets	**1 921**	**1 251**
Total assets	**47 709**	**43 410**
Shareholders' equity	20 524	18 505
Non-controlling interests	1 746	433
Total equity	**22 269**	**18 938**
Interest bearing debt	14 931	13 786
Deferred tax liability	4 861	4 356
Financial derivatives	481	712
Other non-current liabilities	456	355
Total non-current liabilities	**20 730**	**19 209**
Interest bearing debt	4 239	4 663
Trade payables	190	306
Other current liabilities	281	294
Total current liabilities	**4 710**	**5 263**
Total liabilities	**25 439**	**24 472**
Total equity and liabilities	**47 709**	**43 410**

Changes in equity

All amounts in NOK million	Share capital	Treasury shares	Other paid-in capital	Retained earnings	Non-controlling interest	Total equity
Equity 31.12.2016	**184**	**0**	**3 556**	**10 992**	**392**	**15 124**
Profit for period				4 464	50	4 514
Dividend				-689	-9	-698
Net equity effect of LTI & employee share saving scheme				-2		-2
Equity 31.12.2017	**184**	**0**	**3 556**	**14 765**	**433**	**18 938**
Change in accounting principle IFRS 9				314		314
Change in accounting principle IFRS 15 - JVs				80		80
Equity 01.01.2018	**184**	**0**	**3 556**	**15 159**	**433**	**19 331**
Profit for period				2 537	198	2 735
Consolidation effect Entra OPF change of control					1 123	1 123
Dividend				-790	-8	-798
Net equity effect of LTI & employee share saving scheme				-1		-1
Repurchase of shares under share buy-back program		-1	-20	-94		-115
Equity 31.12.2018	**184**	**-1**	**3 535**	**16 806**	**1 746**	**22 269**

Statement of cash flows

All amounts in NOK million	Q4-18	Q4-17	2018	2017
Profit before tax	714	1 251	3 073	5 030
Income tax paid	-5	0	-9	-4
Net expensed interest and fees on loans	134	137	491	550
Net interest and fees paid on loans	-128	-134	-504	-564
Share of profit from associates and jointly controlled entities	-31	-82	-156	-244
Depreciation and amortisation	8	2	15	7
Changes in value of investment properties	-404	-831	-1 387	-3 460
Changes in value of financial instruments	74	-34	-99	-87
Change in working capital	68	33	-35	-7
Net cash flow from operating activities	**428**	**343**	**1 389**	**1 222**
Proceeds from property transactions	0	1 201	618	2 351
Purchase of investment properties	-1	-327	-925	-482
Investment in and upgrades of investment properties	-392	-438	-1 201	-1 571
Investment in property and housing-units for sale	-1	-78	-362	-207
Purchase of intangible and other operating assets	-6	-17	-15	-23
Net payment financial assets	10	-79	9	-81
Net payment of loans to associates and JVs	0	0	0	-40
Net payments in associates and JVs	0	-59	0	-213
Dividends from associates and JVs	146	200	231	201
Net cash flow from investment activities	**-245**	**404**	**-1 645**	**-65**
Proceeds interest bearing debt	4 513	2 963	13 209	12 734
Repayment interest bearing debt	-4 120	-3 383	-11 998	-13 245
Proceeds from issue of shares/repurchase of shares	-109	0	-116	-2
Dividends paid	-412	-371	-798	-698
Net cash flow from financing activities	**-128**	**-792**	**297**	**-1 211**
Change in cash and cash equivalents	56	-45	41	-53
Cash and cash equivalents at beginning of period	175	234	189	243
Cash and cash equivalents at end of period	**230**	**189**	**230**	**189**

NOTE 1 – ACCOUNTING PRINCIPLES

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

Except for the implementation of the new standards IFRS 9 and IFRS 15, 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 2017.

IFRS 9 opens to make a new assessment of whether the Group should continue to use the fair value option ahead or measuring debt at amortised cost. From 1 January 2018 the Group has decided to measure fixed rate bonds at amortised cost. The only change in the Groups financial statements arising from the implementation of the IFRS 9 is the change from measuring fixed rate bonds to fair value through P&L historically to amortised cost, which reduced liabilities by 314 million. We refer to the 2017 annual report (page 76) for further explanation of the implementation effects on the financial statements.

In the 2017 annual report, Entra stated that the financial statements would not be affected by implementing IFRS 15. In the first quarter of 2018, Entra has revisited the interpretation of how termination clauses in contracts should affect the accounting under IFRS 15.

The termination clauses in a contract are among the determining factors in assessing whether the seller is entitled to payment for completed work until the date of cancellation. If a buyer does not have the right to cancel a contract, and the seller can require a buyer to pay the consideration agreed in the contract even if the buyer acts to terminate a contract, IFRS 15 states that the seller must recognise the revenue from the project over time.

Based on a new assessment of the recognition of the Eufemia's office building under construction in OSU, Entra concluded that building, which is to be handed over to KLP upon completion, will be accounted for over time both as the building does not have an alternative use and OSU has an enforceable right to payment for performance completed to date.

IFRS 15 should be applied in an entity's IFRS financial statements for annual reporting periods beginning on or after 1 January 2018. In accordance with the transition guidance, Entra has chosen to recognise the cumulative effect of applying IFRS 15 as an adjustment to the opening balance of equity as at the date of initial application (1 January 2018).

The table below shows the transition effects on the OSU financial statements due reclassification of the accounting of the Eufemia building on OSU:

All amounts in NOK million	Reported 2017	If restated 2017	Effect
Other revenue	116	781	665
Other costs	-56	-482	-426
Result/equity effect	925	1 164	239
*Entra's share result/equity effect**			*80*

** Increase in investments in associates and JVs and shareholders' equity.*

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

IFRS 16 Leases (effective from 1 January 2019)

IFRS 16 was issued in January 2016 and is effective for accounting periods beginning on or after 1 January 2019. The standard will replace IAS 17 Leases. The distinction between operational and financial leases under IAS 17 is removed for lessees and replaced by a model which is to be used for all leases.

IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease. For leases with at lease term of 12 months or less and leases of low-value assets, the Group will recognise a lease expense on a straight-line basis as permitted by IFRS 16.

The Group will adopt IFRS 16 on 1 January 2019, applying the modified retrospective transition method. Under the modified retrospective transition method, the cumulative effect of initially applying the standard is recognised at the date of initial application.

The effect of the implementation of IFRS 16 on the opening balance sheet as of 1 January 2019 will be as following:

All amounts in NOK million	Effect 01.01.2019
Investment properties	231
Total assets	**231**
Total equity	-10
Deferred tax liability	-3
Other non-current liabilities	235
Other current liabilities	9
Total equity and liabilities	**231**

The main expected impacts, including impacts in the statement of comprehensive income and cash flow statement, are detailed below.

Real estate lease contracts

The Group has analysed all its lease contracts for the lease of ground, parking lots and buildings to evaluate if they fulfil the criteria to qualify as leases according to IFRS 16. Only fixed payments are included in the initial measurement of the lease liability, excluding the Group's turnover based lease contracts. Based on this analysis, the Group has identified a limited number of lease contracts according to the standard concerning leased ground, parking lots and buildings.

The lease term corresponds to the non-terminable period. The discount rate used to calculate the lease liability is determined, for each asset, based on the Group's incremental borrowing rate for leases with under 15 years until maturity. For leases with over 15 years until maturity, the discount rate is based on the properties' net yields, adjusted for company-specific features that affect Entra's incremental borrowing rate, such as tenant-specific factors and the length of the lease.

Entra applies the fair value model in IAS 40 to its investment properties, where the rental expenses under the real estate lease contracts until the implementation of IFRS 16 were included in the individual property's assumed future cash flows. The leased real estate meet the definition of investment property in IAS 40 and Entra also applies the fair value model to right-of-use assets associated with the real estate lease contracts. By separating the rental expenses from the other cash flows of the property, the discounted cash flows of the property increase by an amount equal to the value of the right-of-use asset. The discount rate used to calculate the right-of-use asset in accordance with IAS 40 is different from the discount rate used to calculate the lease liability. Further, the value of the right-of-use asset include expected CPI adjustments, while expected CPI adjustments cannot be factored in when determining the lease liability. The value of the right-of-use assets is consequently different from the value of the lease liability.

The impacts on the statement of profit or loss will be as follows:

- Reduction of the rents included in Operating costs involving an increase in Net operating income;
- Financial costs on the lease debt is included in Net realised financials; and
- Changes in the value of the right-of-use assets is included in Changes in value of investment properties.

If the Group had early implemented IFRS 16 from 01.01.2018, Net income would increase by 2 million compared to reported numbers for the full year 2018.

Other leased assets

The Group has made an analysis of all the lease contracts on other assets to evaluate if they fulfill the criteria to qualify and to account a lease according to IFRS 16. No other material lease contracts were identified in this analysis.

NOTE 2 – SEGMENT INFORMATION

The Group has one main operational unit, led by the EVP property management. The property portfolio is divided into six different geographic areas in Oslo, Sandvika, Drammen, Stavanger, Bergen and Trondheim, with management teams monitoring and following upon each area. The geographic units are supported by a Letting and Property Development division, Project Development division and a Digital and Business Development division. In addition, Entra has group and support functions within accounting and finance, legal, procurement, communication and HR.

The geographic areas do not have their own profit responsibility. The geographical areas are instead followed up on economical and non-economical key figures ("key performance indicators"). These key figures are analysed and reported by geographic area to the chief operating decision maker, that is the board and CEO, 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 Q4–18:

	Properties	Area	Occupancy	Wault	Market value		12 months rolling rent		Net yield	Market rent	
	(#)	(sqm)	(%)	(year)	(NOKm)	(NOK/sqm)	(NOKm)	(NOK/sqm)	(%)	(NOKm)	(NOK/sqm)
Oslo	40	611 397	96.6	6.0	27 110	44 341	1 427	2 334	4.8	1 521	2 488
Trondheim	9	133 668	97.4	7.7	3 790	28 351	230	1 718	5.5	231	1 729
Bergen	7	104 986	93.2	7.4	3 912	37 258	206	1 966	4.8	233	2 222
Sandvika	9	98 733	99.4	9.2	2 865	29 022	170	1 726	5.5	144	1 459
Stavanger	5	78 612	95.8	8.5	2 175	27 668	140	1 783	6.0	127	1 610
Drammen	8	70 405	98.4	6.9	2 024	28 753	128	1 815	5.9	114	1 621
Management portfolio	**78**	**1 097 801**	**96.5**	**6.7**	**41 876**	**38 145**	**2 302**	**2 097**	**5.1**	**2 370**	**2 159**
Project portfolio	7	103 322		17.1	3 065	29 666					
Development sites	7	97 859		0.4	689	7 043					
Property portfolio	**92**	**1 298 982**		**7.4**	**45 630**	**35 128**					

The calculation of net yield is based on the valuers' assumption of ownership costs, which at 31.12 corresponds to 7.8 per cent of market rent.

Operating segments Q4–17:

	Properties	Area	Occupancy	Wault	Market value		12 months rolling rent		Net yield	Market rent	
	(#)	(sqm)	(%)	(year)	(NOKm)	(NOK/sqm)	(NOKm)	(NOK/sqm)	(%)	(NOKm)	(NOK/sqm)
Oslo	38	622 416	96.9	6.1	26 013	41 793	1 382	2 221	4.9	1 463	2 350
Trondheim	10	136 568	96.5	6.3	3 518	25 760	211	1 548	5.4	221	1 618
Sandvika	9	94 903	99.1	10.2	2 571	27 092	150	1 581	5.4	130	1 374
Stavanger	5	78 673	97.2	8.8	2 027	25 766	135	1 717	6.2	123	1 566
Drammen	8	70 504	96.3	8.1	2 006	28 457	122	1 725	5.7	112	1 585
Bergen	5	45 262	96.5	4.9	1 303	28 792	70	1 538	4.8	93	2 050
Management portfolio	**75**	**1 048 327**	**97.0**	**6.7**	**37 439**	**35 713**	**2 070**	**1 975**	**5.1**	**2 142**	**2 043**
Project portfolio	5	70 247		21.5	2 122	30 202					
Development sites	4	95 969		0.0	476	4 959					
Property portfolio	**84**	**1 214 543**		**7.4**	**40 036**	**32 964**					

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 31.12 corresponds to 8.2 per cent of market rent.

NOTE 3 – INVESTMENT PROPERTIES

All amounts in NOK million	Q4-18	Q4-17	2018	2017
Closing balance previous period	44 969	38 445	40 055	35 798
Purchase of investment properties	0	1 590	914	1 745
Investment in the property portfolio	325	382	1 161	1 381
Reclassified due to change of control	0		2 326	
Capitalised borrowing costs	9	10	35	30
Sale of investment properties	0	-1 203	-171	-2 362
Reclassified to construction contracts	-429	0	-429	0
Reclassified from properties for use of the group	0	0	0	4
Changes in value of operational lease	-8	-1	-5	9
Changes in value of investment properties	412	832	1 392	3 451
Closing balance	**45 279**	**40 055**	**45 279**	**40 055**
Investment properties held for sale	565	180	565	180
Investment properties	**44 714**	**39 875**	**44 714**	**39 875**

Investment properties held for sale at 31 December 2018 include the properties Aasta Hansteens vei 10, Pilestredet 19-21 and Pilestredet 28 in Oslo. In the fourth quarter of 2018, Tollbugata 1A was reclassified to construction contracts.

In 2018, the Group has acquired the investment properties Brynsveien 5, Østensjøveien 39-41, Østensjøveien 43 and Brynsveien 11-13 and Nils Hansens vei 20 in Oslo and Johannes Bruns gate 16/Nygårdsgaten 91 and Nygårdsgaten 93 in Bergen.

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 703 million (688 million) as at the end of the fourth quarter of 2018. The Group records quarterly a negative value change on the property as the maturity date of the lease approaches.

NOTE 4 – INFORMATION ON THE FAIR VALUE OF ASSETS AND LIABILITIES

Except for the implementation of IFRS 9, the valuation methods and principles are unchanged in 2018. See the annual financial statements for 2017 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 investment properties of 44,714 million and equity capital instruments of 5 million (level 3), all financial assets and liabilities are level 2.

All amounts in NOK million	31.12.2018	31.12.2017
Assets measured at fair value:		
Assets measured at fair value with change over the result		
- Investment properties	44 714	39 875
- Investment properties held for sale	565	180
- Derivatives	321	405
Financial assets held for sale		
- Equity instruments	5	4
Total	**45 605**	**40 464**

All amounts in NOK million	31.12.2018	31.12.2017
Liabilities measured at fair value:		
Financial liabilities measured at fair value with change over the result*		
- Derivatives	481	712
- Bonds	0	5 507
- Commercial paper	0	3 000
Total	**481**	**9 219**

* From 1 January 2018, the Group implemented IFRS 9 and bonds and commercial papers are measured at amortised costs. In prior periods, the Group applied the fair value option (IAS 39) when measuring fixed rate bonds.

NOTE 5 – ACQUISITION OF PROPERTY PORTFOLIO

In the third quarter of 2018, Entra acquired a development site at Bryn in Oslo. As part of the transaction, JM Norge AS has agreed to acquire land zoned for residential development subject to detailed plan. The residential part of the portfolio, i.e. the properties expected to be zoned for residential development, are classified as Housing-units for sale, with related income presented as Other revenue and related costs presented as Other costs. The office part of the portfolio, i.e. the properties acquired for development of office buildings, are classified as Investment properties and included in Entra's management portfolio.

Entra acquired the portfolio through five different transactions with a total transaction value of 1,100 million. An additional amount of up to 300 million will be paid based on certain criteria in the final zoning plan.

ALTERNATIVE PERFORMANCE MEASURES

Entra's financial information is prepared in accordance with the international financial reporting standards (IFRS). In addition, the company reports alternative performance measures (APMs) that are regularly reviewed by management to enhance the understanding of Entra's performance as a supplement, but not as a substitute, to the financial statements prepared in accordance with IFRS. Financial APMs are intended to enhance comparability of the results and cash flows from period to period, and it is Entra's experience that these are frequently used by analysts, investors and other parties. The financial APMs reported by Entra are the APMs that, in management's view, provide the most relevant supplemental information of a real estate company's financial position and performance. These measures are adjusted IFRS measures defined, calculated and used in a consistent and transparent manner over the years. Operational measures such as, but not limited to, net letting, vacancy and WAULT are not defined as financial APMs according to ESMA's guidelines.

Entra's financial APMs:

- Net Income from property management
- Cash earnings
- Market value of the property portfolio
- Net nominal interest bearing debt
- Debt ratio – Loan-to-value (LTV)
- Interest coverage ratio (ICR)
- EPRA Earnings
- Net Asset Value – EPRA NAV and EPRA NNNAV
- EPRA net initial yield
- EPRA cost ratio

Refer to the section "Financial developments" for calculation of Net Income from property management and the section "The property portfolio" for calculation of Market value of the property portfolio. Refer to the section "Definitions" for further information on calculation of Cash earnings and Net nominal interest bearing debt.

DEBT RATIO – LOAN-TO-VALUE (LTV)

All amounts in NOK million	2018*	2017
Total net nominal interest bearing debt	19 019	17 852
Net nominal interest bearing debt	18 941	17 852
Seller's credit	78	0
Total market value of the property portfolio	46 037	41 199
Market value of the property portfolio	45 630	40 036
Housing-units for sale	407	0
Share of Entra OPF Utvikling (50%)	0	1 163
Debt ratio (LTV) %	**41.3**	**43.3**

* Change of control of Entra OPF as of Q1-18 has an impact on the market value as 100% of the asset value is included in the Groups financial statements.

INTEREST COVERAGE RATIO (ICR)

All amounts in NOK million	Q4-18	Q4-17	2018	2017
Net income	383	386	1 587	1 483
Depreciation	8	2	15	7
Results from associates and joint ventures	-31	-82	-156	-244
Net realised financials	134	137	491	550
EBITDA adjusted	**493**	**444**	**1 937**	**1 796**
Share of EBITDA Entra OPF		10		18
EBITDA adjusted for share of Entra OPF	**493**	**454**	**1 937**	**1 814**
Interest cost	138	148	517	589
Other finance expense	7	8	27	23
Applicable net interest cost	**144**	**156**	**544**	**613**
Interest Coverage Ratio (ICR)	**3.4**	**2.9**	**3.6**	**3.0**

EPRA REPORTING

The following performance indicators have been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) Best Practices Recommendations Guidelines. The EPRA Best Practices Recommendations Guidelines focus on making the financial statements of public real estate companies clearer and more comparable across Europe.

Summary table EPRA performance measures		Unit	Q4-18	Q4-17
A	EPRA earnings per share (EPS)	NOK	1.3	1.4
B	EPRA NAV per share	NOK	141	127
	EPRA triple net asset value per share (NNNAV)	NOK	131	118
C	EPRA net initial yield	%	5.0	5.0
	EPRA, "topped-up“ net initial yield	%	5.0	5.0
D	EPRA vacancy rate	%	3.3	2.9
E	EPRA cost ratio (including direct vacancy costs	%	16.3	17.1
	EPRA cost ratio (excluding direct vacancy costs)	%	14.6	15.1

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 amounts in NOK million	Q4-18	Q4-17	2018	2017
Profit for period/year - Earnings per IFRS income statement	779	1 401	2 735	4 514
Add:				
Changes in value of investment properties	-404	-831	-1 387	-3 460
Tax on changes in value of investment properties*	93	199	319	830
Reversal of deferred tax arising from sales of properties (tax exempt)	0	-240	-67	-416
Changes in value of financial instruments	73	-34	-99	-87
Tax on changes in value of financial instruments*	-17	8	23	21
Profit or losses on projects in Oslo S Utvikling	-51	-11	-191	-25
Share of profit jointly controlled entities – fair value adjustments	0	-53	0	-260
Reversal of deferred tax EPRA adjustments jointly controlled entities*	8	5	19	59
Net income non-controlling interests of subsidiaries	-28	-11	-97	-44
Reversal of tax non-controlling interests of subsidiaries*	7	3	22	10
Significant one-off items**	0	0	-40	0
Change in tax rate***	-221	-189	-221	-189
Tax payable	4	1	9	5
EPRA earnings	**243**	**249**	**1 026**	**960**
Reversal of tax adjustment above	126	213	-65	-320
Reversal of change in deferred tax from income statement	-71	-152	325	507
Reversal of tax payable from income statement	5	2	13	8
Reversal of tax JVs	10	13	20	64
EPRA earnings before tax	**314**	**325**	**1 318**	**1 219**

* 23 per cent from Q1 2018, 24 per cent previous periods
** Significant one-off items relate to an adjustment of the deferred tax liability
** From 23 per cent to 22 per cent for 2018 amounts, 24 per cent to 23 per cent for 2017 amounts

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 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 amounts in NOK million	2018	2017
Total equity	**22 269**	**18 938**
Less: Non-controlling interests	1 746	433
NAV per financial statement	**20 524**	**18 505**
Add: Adjustment to property portfolio	1	1
Add: Revaluation of investments made in the JV	981	980
Add: Net market value on financial derivatives	159	307
Add: Deferred tax arising on revaluation moments	4 065	3 580
EPRA NAV	**25 729**	**23 372**
Market value on property portfolio	45 630	40 036
Tax value on property portfolio	17 800	15 869
Basis for calculation of tax on gain on sale	27 830	24 167
Less: Market value of tax on gain on sale (5% tax rate)	**1 391**	**1 208**
Net market value on financial derivatives	159	307
Tax expense on realised financial derivatives*	35	71
Less: Net result from realisation of financial derivatives	**124**	**236**
Market value of interest bearing debt	19 351	18 449
Nominal value of interest bearing debt	19 171	18 042
Basis for calculation of tax on realisation of interest bearing debt	180	407
Market value of tax on realisation*/**	40	**94**
Less: Net result from realisation of interest bearing debt**	**140**	
Less: MV of tax on gain on sale (5% tax rate) & realisation of financial derivatives in JVs	**142**	**169**
EPRA NNNAV	**23 931**	**21 665**

* 22 per cent from 31.12.2018, 23 per cent from 31.12.2017
** Changed principle as a result of the implementation of IFRS 9. As a result of interest bearing debt being accounted to amortised cost in reported equity from 1 January 2018, Market value of tax on realisation is not deducted from the calculation of EPRA NNAV as the tax effect is included in Net result from realisation of interest bearing debt.

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 amounts in NOK million	Oslo	Trondheim	Sandvika	Stavanger	Drammen	Bergen	Total
Investment properties - wholly owned	29 602	4 608	2 894	1 252	246	1 612	40 214
Investment properties - share of JVs/Funds	0	0	0	564	1 067	1 255	2 886
Total property portfolio	**29 602**	**4 608**	**2 894**	**1 816**	**1 313**	**2 868**	**43 100**
Less projects and land and developments	-2 492	-818	-28	-102	0	-211	-3 652
Completed management portfolio	**27 110**	**3 790**	**2 865**	**1 713**	**1 313**	**2 656**	**39 448**
Allowance for estimated purchasers` cost	56	15	10	4	5	7	97
Gross up completed management portfolio valuation	**27 166**	**3 805**	**2 875**	**1 718**	**1 318**	**2 663**	**39 545**
12 months rolling rent	1 427	230	170	108	85	140	2 160
Estimated ownership cost	118	21	12	7	5	13	176
Annualised net rents	**1 309**	**209**	**159**	**100**	**80**	**127**	**1 984**
Add: Notional rent expiration of rent free periods or other lease incentives	0	0	0	0	0	0	0
Topped up net annualised net rents	**1 309**	**209**	**159**	**100**	**80**	**127**	**1 984**
EPRA NIY (net initial yield)	**4.8%**	**5.5%**	**5.5%**	**5.8%**	**6.1%**	**4.8%**	**5.0%**
EPRA "topped-up" NIY (net initial yield)	**4.8%**	**5.5%**	**5.5%**	**5.8%**	**6.1%**	**4.8%**	**5.0%**

D. EPRA VACANCY

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

All amounts in NOK million	Oslo	Trondheim	Sandvika	Stavanger	Drammen	Bergen	Total
Market rent vacant areas	52	6	1	4	1	10	74
Total market rent	1 521	231	144	96	75	165	2 232
Vacancy	**3.42%**	**2.60%**	**0.56%**	**4.13%**	**1.87%**	**6.10%**	**3.33%**

E. EPRA COST RATIO

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

All amounts in NOK million	Q4-18	Q4-17	2018	2017
Maintenance	-10	-13	-35	-40
Total operating costs	-44	-33	-149	-121
Administrative costs	-44	-48	-157	-163
Share of joint ventures expences	0	-3	-8	-11
Less: Ground rent cost	5	4	18	12
EPRA Cost (including direct vacancy cost)	**-93**	**-92**	**-332**	**-323**
Direct vacancy cost	-10	-11	-34	-28
EPRA Cost (excluding direct vacancy cost)	**-83**	**-81**	**-298**	**-296**
Gross rental income less ground rent	**569**	**526**	**2 243**	**2 075**
Share of jount ventures and fund (GRI)	0	13	0	40
Total gross rental income less ground rent	**569**	**539**	**2 243**	**2 114**
Epra cost ratio (including direct vacancy cost)	**16.3%**	**17.1%**	**14.8%**	**15.3%**
Epra cost ratio (excluding direct vacancy cost)	**14.6%**	**15.1%**	**13.3%**	**14.0%**

For further information about EPRA, refer to www.epra.com.

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.
Back-stop of short-term interest bearing debt	-	Unutilised credit facilities divided by short-term interest bearing debt.
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, divided by net interest on interest bearing nominal debt and fees and commitment fees related to investment activities
Independent Appraisers	-	Akershus Eiendom and Cushman & 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 divestments of properties and active projects
Loan-to-value ("LTV")	-	Total net nominal value of interest bearing debt divided by the total market value of the property portfolio and the market value of the jointly controlled entity Entra OPF. From Q1-18 Entra OPF is a consolidated entity and the full market value is included in the LTV.
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 nominal interest bearing debt	-	Nominal interest bearing debt less cash and bank deposits
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
Outstanding shares		The number of shares registered with a deduction for the company's own repurchased shares at a given point in time. EPRA Earnings and Cash Earnings per share amounts are calculated using the weighted average number of ordinary shares outstanding during the period. All other per share amounts are calculated using the number of ordinary shares outstanding at period end.
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

First quarter 2019	26.04.2019
Second quarter 2019	11.07.2019
Third quarter 2019	17.10.2019
Fourth quarter 2019	07.02.2020

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