

Q3 2019

Oslo, 17 October 2019



Agenda

Highlights in the quarter

Operations and market

Financial update

Closing remarks

Q&A

Highlights in the quarter



Tullinkvartalet (UiO), Oslo

Key figures:

(NOK million)	Q3 19	Q3 18
Rental income	577	570
Net income from property management	360	369
Net value changes	471	204
Profit before tax	900	660

Key events:

- Net letting of 6 million
- High activity both in letting market and project development
- GRESB Score of 84 (+ 3 points), EPRA Sustainability Gold Level

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Operations and market

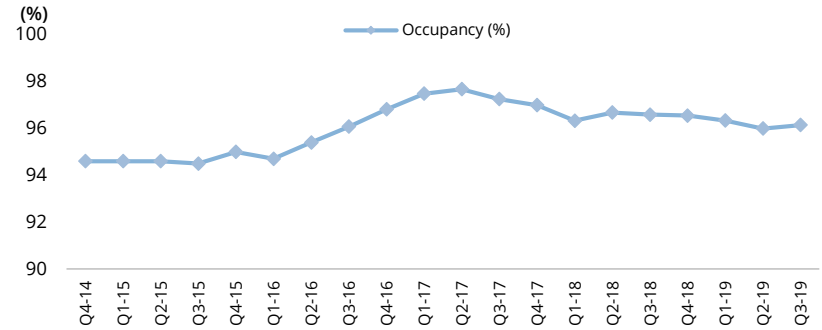
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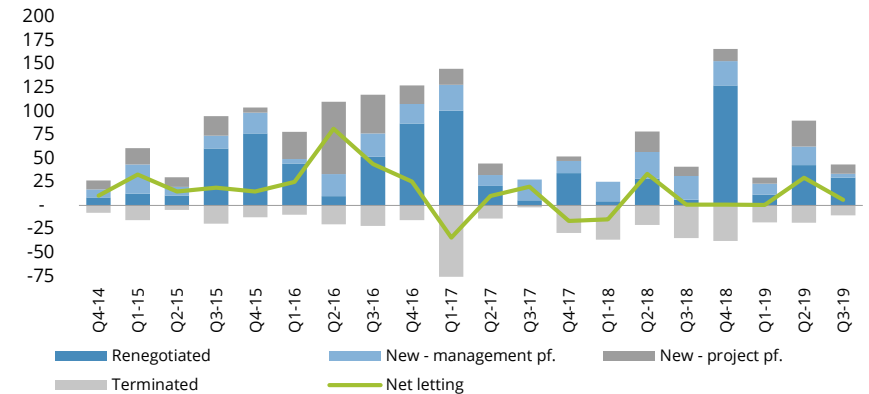
Letting and occupancy

- New and renewed leases of 43 million (19,000 sqm)
- Terminated contracts of 10 million (4,700 sqm)
- Net letting of 6 million
- Occupancy at 96.1 %
- WAULT at 6.2 yrs (6.9 yrs incl. project portfolio)



Largest new and renegotiated contracts:

Property	Tenant	Sqm	Contract
Universitetsgata 7-9, Oslo	The Norwegian Bar Association	1,000	New
Holtermanns veg 1-13, Trondheim	The Norwegian Hospital Construction Agency	2,200	New
Dronningens gate 2, Trondheim	The Norwegian Courts Administration	5,100	Renegotiated
Verkstedveien 1, Oslo	PA Consulting	1,200	Renegotiated



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

Redevelopment project in Kristian Augusts gate 13 in Oslo

- Pilot project for re-used materials
 - Part of Tullinkvartalet
 - 4,300 sqm
- 100 % pre-let to Spaces
- Estimated project cost: 304 million
- Estimated yield-on-cost: 5 %
- Expected completion: Q3 2020



Kristian Augusts gate 13, Oslo

Portfolio of ongoing projects

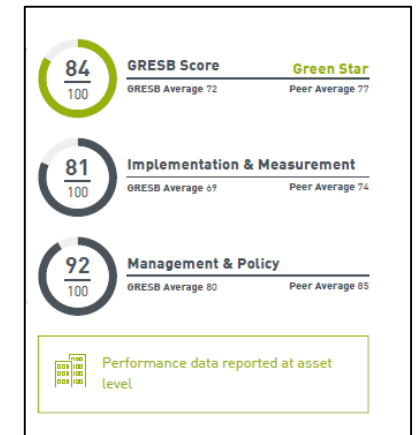
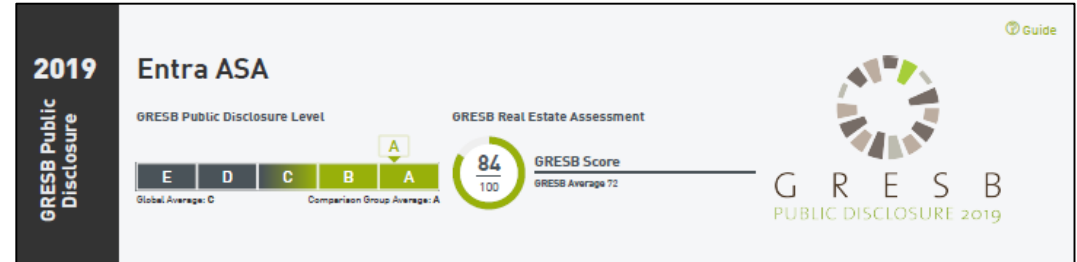
	Ownership (%)	Location	Expected completion	Project area (sqm)	Occupancy (%)	Estimated total project cost ¹⁾ (NOKm)	Of which accrued ¹⁾ (NOKm)	Yield on cost ²⁾ (%)
Tollbugata 1 A	100	Oslo	Oct-19	9 000	100	446 	430	5.4 
Tullinkvartalet (UIO)	100	Oslo	Oct-19	23 000	94 	1 435	1 220	5.9
Holtermanns veg 1-13	100	Trondheim	Jan-20	11 700	80 	340	262	6.0
Brattørkaia 12	100	Trondheim	Jan-20	1 900	100	86	74	5.4
Kristian Augustsgate 13	100	Oslo	Aug-20	4 300	100	304	162	5.0
Universitetsgata 7-9	100	Oslo	Sep-21	21 900	49 	1 235 	492	6.0
Universitetsgata 2 - Rebel	100	Oslo	Sep-21	28 100	13	1 650	795	5.6
Total				99 900		5 495	3 437	

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)

GRESB and EPRA Score Sustainability 2019

- Overall GRESB Score of 84
 - GRESB average 72
 - Peer group average 77
- Entra's second year of reporting
 - + 3 points since 2018
- EPRA Gold Level for compliance with Sustainability Best Practices Recommendation

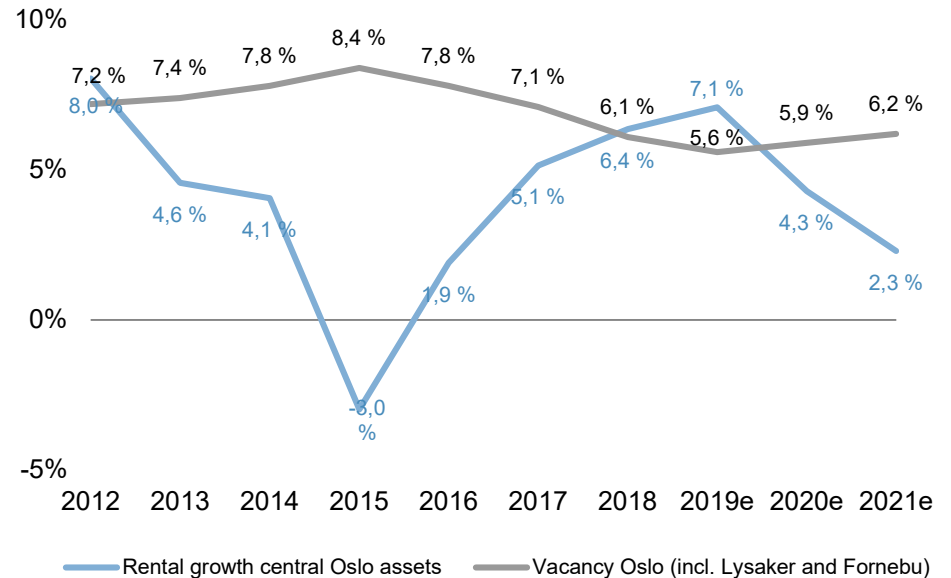


Market development

Rent and vacancy

- Norwegian economy remains solid
- Low unemployment, steady CPI
- Moderate new building activity, low vacancy
- Continued market rental growth in Oslo

Market rental growth and vacancy in Oslo



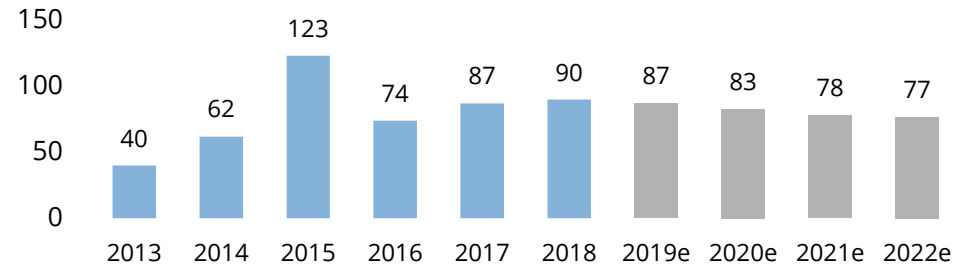
Source: Entra consensus report October 2019, average of estimates from leading market specialists in Norwegian market. Nominal rental value growth

Market development

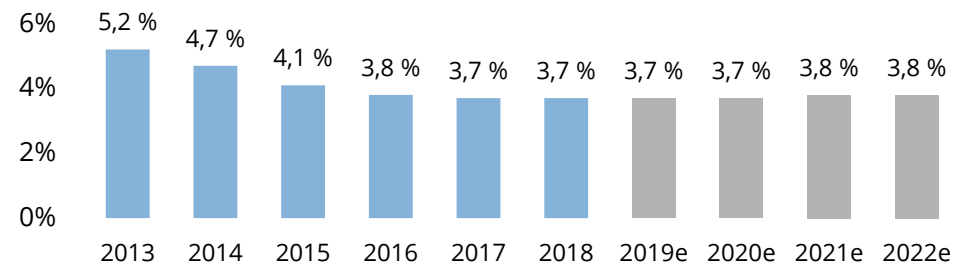
Transactions and yields

- Active transaction market
- Strong interest for office properties also in regional cities
- Flat prime yield outlook
- Financing market competitive and open

Total transaction volume (NOKbn)*



Prime yield Oslo*



* Source: Entra consensus report October 2019. Estimates from leading market specialists in Norwegian market

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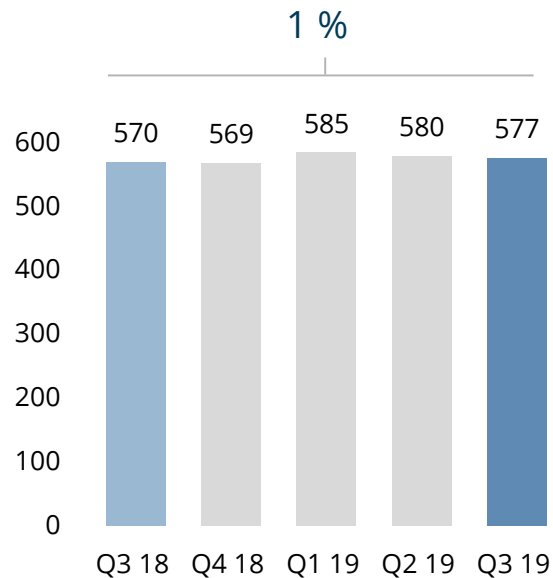
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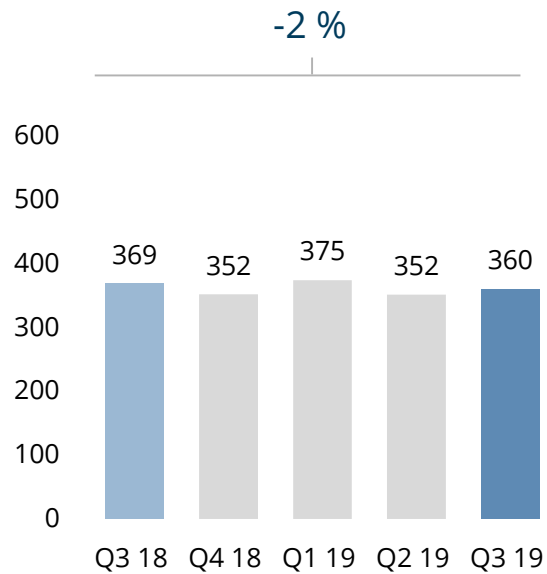
Q&A

Key financials

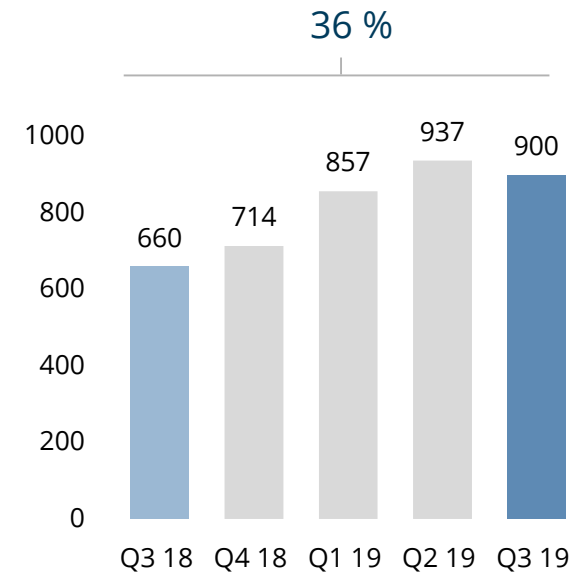
Rental income
(NOKm)



Net income from property
management (NOKm)



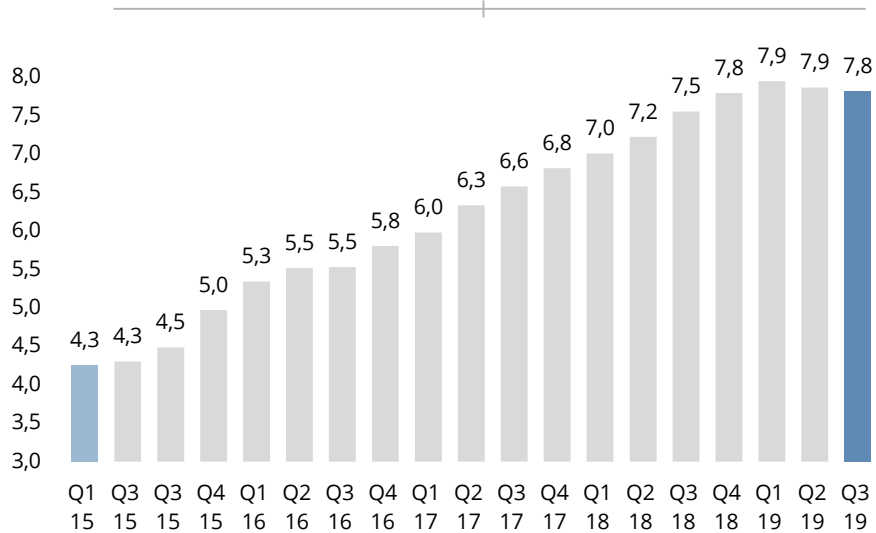
Profit before tax
(NOKm)



Key financials - per share

Cash Earnings* (NOK per share)

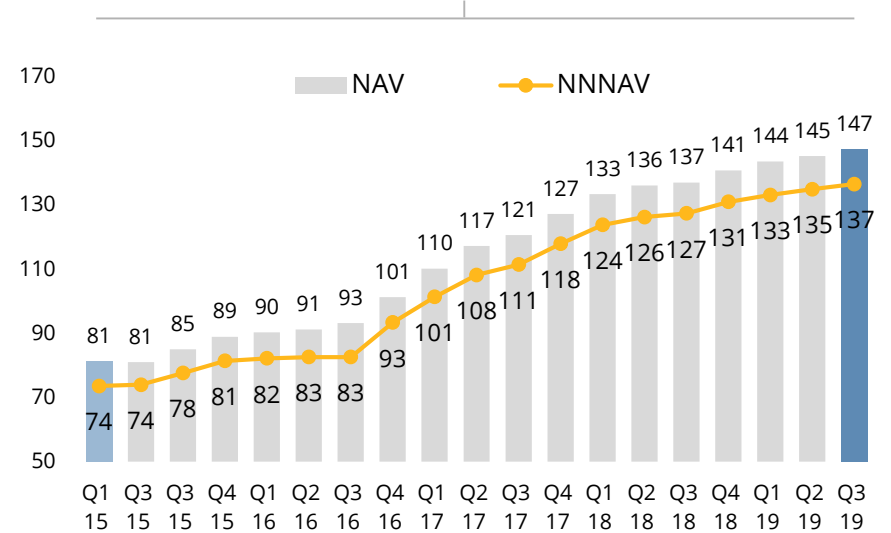
CAGR: 14 %



* Annualised, rolling four quarters

EPRA NAV/NNNAV (NOK per share)

CAGR: 14 %

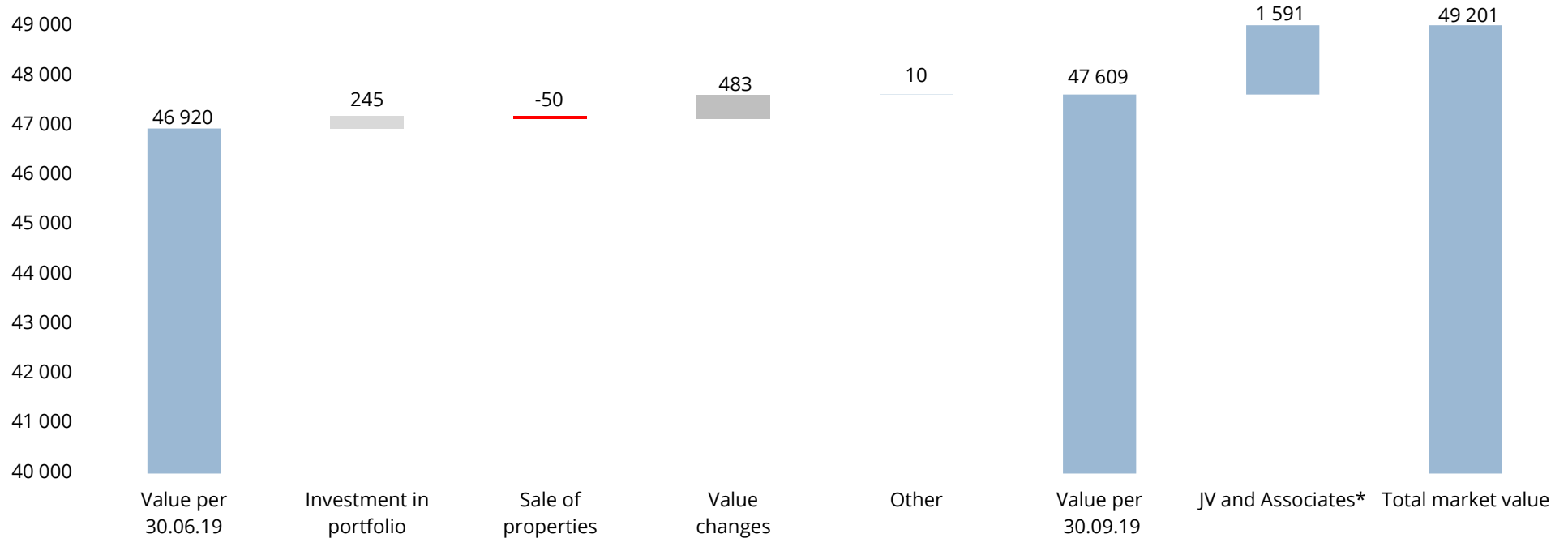


Profit and loss statement

All figures in NOK millions	Q3		YTD		Full year
	2019	2018	2019	2018	2018
Rental income	577	570	1 743	1 673	2 243
Operating costs	-47	-45	-140	-131	-184
Net operating income	530	525	1 602	1 543	2 058
Other revenue	100	22	241	66	521
Other costs	-90	-19	-217	-58	-500
Administrative costs	-41	-33	-131	-113	-157
Share of profit from associates and JVs	69	89	224	125	156
Net realised financials	-139	-127	-410	-358	-491
Net income	429	457	1 309	1 204	1 587
- of which net income from property management	360	369	1 087	1 082	1 434
Changes in value of investment properties	483	137	1 439	983	1 387
Changes in value of financial instruments	-12	67	-53	172	99
Profit before tax	900	660	2 694	2 359	3 073
Tax payable	-3	-3	-9	-8	-13
Change in deferred tax	-174	-130	-492	-396	-325
Profit for period/year	723	528	2 194	1 956	2 735

Investment property value development

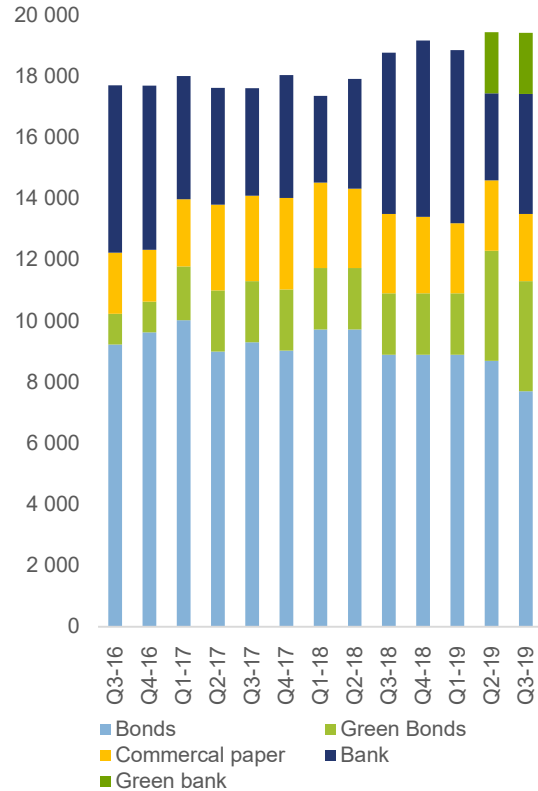
(NOKm)



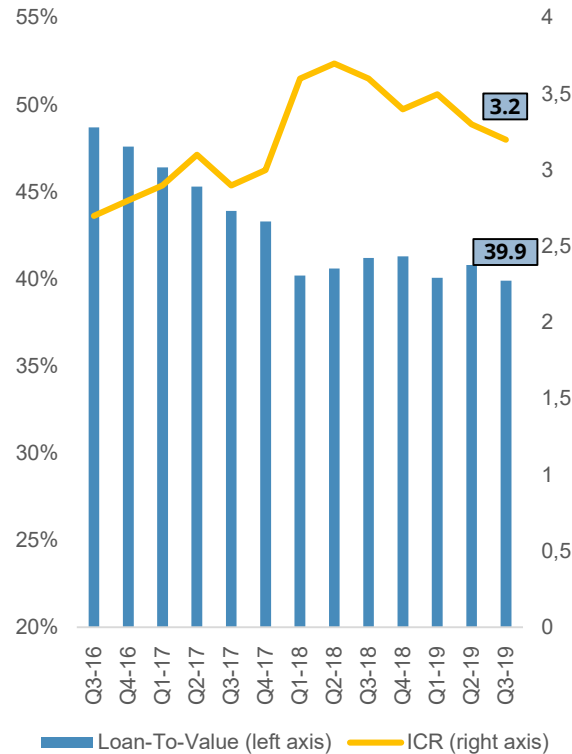
* Entra's share of gross market value of JVs and Associates (book value equity = 450 million)

Financial update

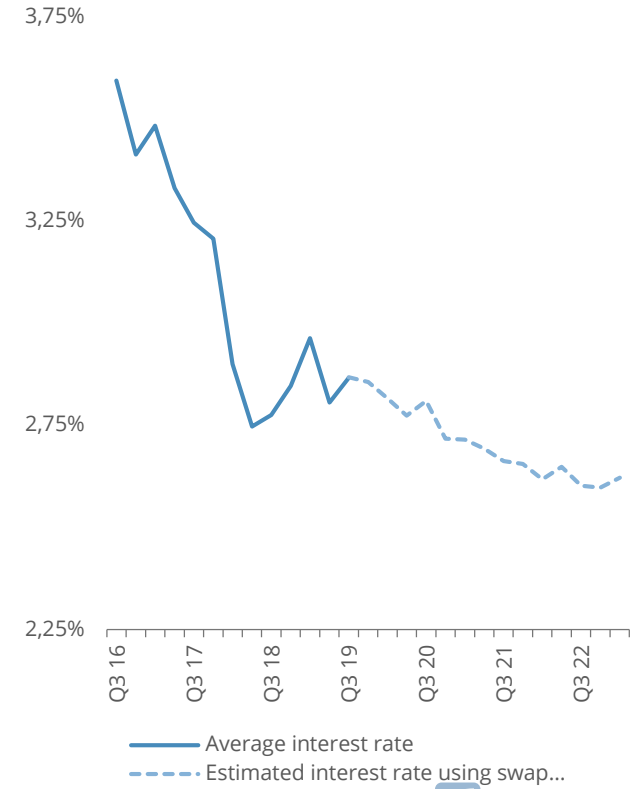
Financing mix



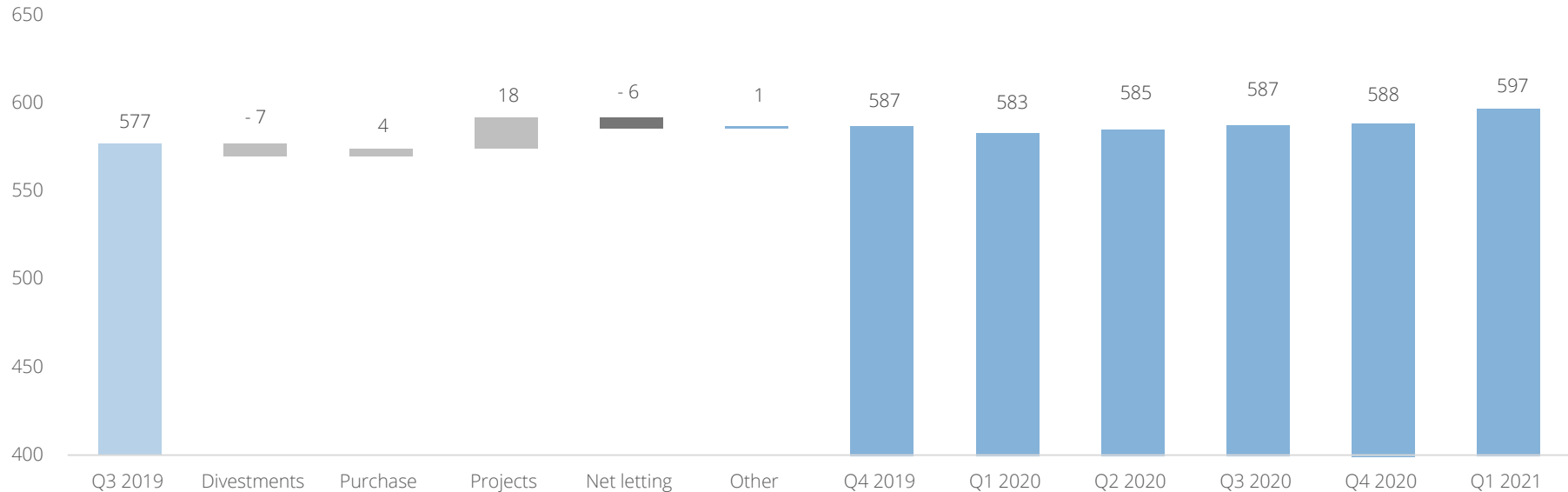
LTV and ICR



Development in avg. interest rate



Rental income development based on reported events



- Does not constitute a forecast; aims to demonstrate the rental income development based on all reported events
- Does not reflect letting targets on either vacant areas or on contracts that will expire, but where the outcome of the renegotiation process is not known

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- Robust Norwegian economy
- Strong letting and transaction market
- Short term portfolio consolidation, but value growth continues
- Solid development pipeline



Universitetsgata 7-9, Oslo

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Next event
4th quarter results
February 7, 2020

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