



Q1

Quarterly Report 2020



Central, flexible and environment friendly office properties

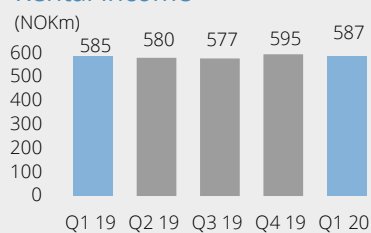
Highlights

- Adapting to the Covid-19 situation
- Rental income of 587 million (585 million)
- Net income from property management of 357 million (375 million)
- Net value changes of -337 million (462 million), reflecting no changes in value of investment properties and changes in value of financial instruments of -337 million
- Profit before tax of 58 million (857 million)
- Net letting of 15 million
- Finalised new-build project in Trondheim

Rental income

+ 2 mill.

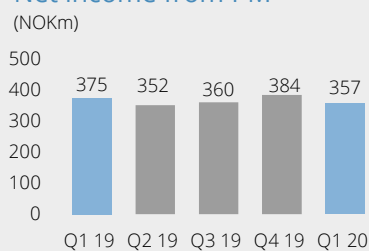
Rental income



Property management

- 17 mill.

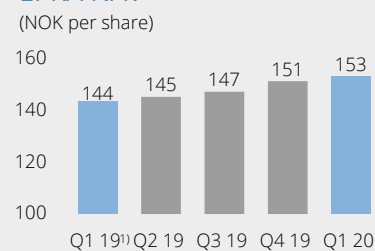
Net income from PM



EPRA NAV

+ 7 %

EPRA NAV



¹⁾ See section "Alternative performance measures"

Key figures

All amounts in NOK million	Q1-20	Q1-19	2019	2018	2017	2016
Rental income	587	585	2 338	2 243	2 075	1 899
Change period-on-period	0 %	7 %	4 %	8 %	9 %	8 %
Net operating income	545	542	2 149	2 058	1 913	1 740
Change period-on-period	0 %	8 %	4 %	8 %	10 %	11 %
Net income from property management ¹⁾	357	375	1 471	1 434	1 259	1 070
Change period-on-period	-5 %	7 %	3 %	14 %	18 %	34 %
Profit before tax	58	857	3 735	3 073	5 030	3 306
Change period-on-period	-93 %	0 %	22 %	-39 %	52 %	8 %
Profit after tax	52	707	3 225	2 735	4 514	2 722
Change period-on-period	-93 %	-4 %	18 %	-39 %	66 %	0 %
Market value of the property portfolio ¹⁾	49 428	46 438	48 964	45 630	40 036	35 785
Net nominal interest bearing debt ¹⁾	19 535	18 508	19 585	18 941	17 852	17 454
Loan to value ¹⁾	39.7 %	40.1%	40.2 %	41.3 %	43.3 %	47.6 %
Interest coverage ratio ¹⁾	3.2	3.5	3.3	3.6	3.0	2.7
Average outstanding shares (million)	182.1	182.7	182.4	183.6	183.7	183.7
All amounts in NOK per share	Q1-20	Q1-19	2019	2018	2017	2016
EPRA NAV ¹⁾	153	144	151	141	127	101
Change period-on-period	5 %	8 %	7 %	11 %	26 %	14 %
EPRA NNNNAV ¹⁾	142	133	141	131	118	93
Change period-on-period	5 %	8 %	9 %	11 %	26 %	15 %
EPRA Earnings ¹⁾	1.42	1.46	5.81	5.59	5.23	4.27
Change period-on-period	-3 %	8 %	4 %	7 %	22 %	31 %
Cash earnings ¹⁾	1.94	2.03	8.01	7.74	6.81	5.80
Change period-on-period	-5 %	8 %	3 %	14 %	17 %	17 %
Dividend per share ²⁾	0.00	0.00	4.70	4.50	4.10	3.45
Change period-on-period	0 %	0 %	4 %	10 %	19 %	15 %

Reference

¹⁾ Refer to section "Alternative performance measures" for calculation of the key figure

²⁾ Entra pays semi-annual dividends. Dividend for 2019 of 4.70 per share constitute dividend of 2.30 per share approved and paid for the first half 2019 and dividend of 2.40 per share proposed for the second half of 2019.

Financial developments

Strong position in a challenging period

Due to the COVID-19 pandemic, Norway went into a partial lockdown from 12 March 2020. All schools were closed and everyone that could be asked to work from home. Since then Entra's top priority has been to safeguard life and health and take responsibility for helping to reduce the spread of infection by following the advice of national and local authorities. Further, the recent and sudden decline in oil and gas prices will most likely impact the Norwegian economy.

Entra's rental income and results from property management has to a limited extent been impacted by these situations in Q1 2020.

Entra is in a robust situation with a solid tenant base comprising 58 per cent public tenants. Less than 10 per cent of Entra's rental income stems from industries that are most affected by the current situation. These include companies within retail and restaurants, tourism, co-working, training centers, companies with less than 15 employees, parking as well as companies within the oil and gas sector.

Entra's financial position is strong. Currently, Entra has available cash and unutilized credit facilities amounting to 7.3 billion, more than three times all debt falling due next 12 months. The debt portfolio has a well staggered maturity profile and is diversified with a good financing mix.

Results

Rental income

Rental income was 587 million in Q1 2020. Despite significant contribution from finalised projects, the top line growth is currently relatively flat as several of Entra's large assets has been vacated and prepared for redevelopment over the last 12 months. The underlying changes in rental income can be explained by the factors in the below income bridge.

All amounts in million	Q1-19 Q1-20
Rental income previous period	585
Development projects	6
Acquisitions	7
Divestments	-9
Other	-14
Like-for-like growth	12
Rental income	587

Net positive contribution from development projects was 6 million in Q1 2020 compared to Q1 2019. During the last 12 months Entra has finalised the new-build projects Powerhouse Brattørkaia, Brattørkaia 12, Holtermanns veg 1-13 and Tullinkvartalet adding a total of 29 million in annual rent. However, during the year the properties Tordenskjolds gate 12, Schweigaards gate 15 and parts of Stenersgata 1 have been vacated and are awaiting redevelopment.

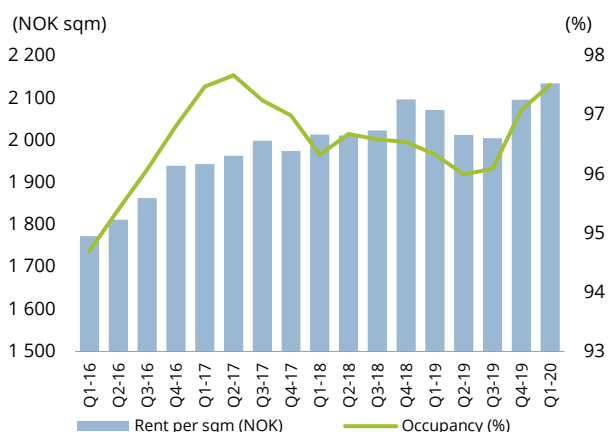
The acquisition of Møllendalsveien 6-8 in Bergen contributed with 7 million compared to the same quarter last year whereas divestment of five properties in Oslo during 2019 has reduced the rental income by 9 million.

Other effects stems from the same quarter last year whereas Entra recognised an extraordinary lease buy-out related to a termination of a lease contract two years prior to expiration.

Since Q1 last year rental income has been positively affected by an underlying like-for-like growth of 2.3 per cent (12 million), of which the underlying CPI adjustment was 1.6 per cent. Near all of Entra's lease contracts are 100 per cent linked to positive changes in CPI. The annual adjustment is mostly made on a November to November basis.

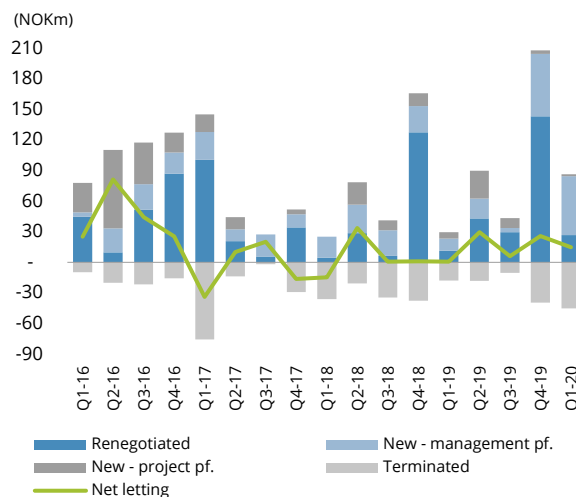
Average 12 months rolling rent per square meter was 2,134 (2,071) as of 31.03.20. The increase mainly stems from properties vacated during the year awaiting redevelopment that have been reclassified to the project portfolio in 2020.

RENT (12M ROLLING) PER SQM AND OCCUPANCY RATE



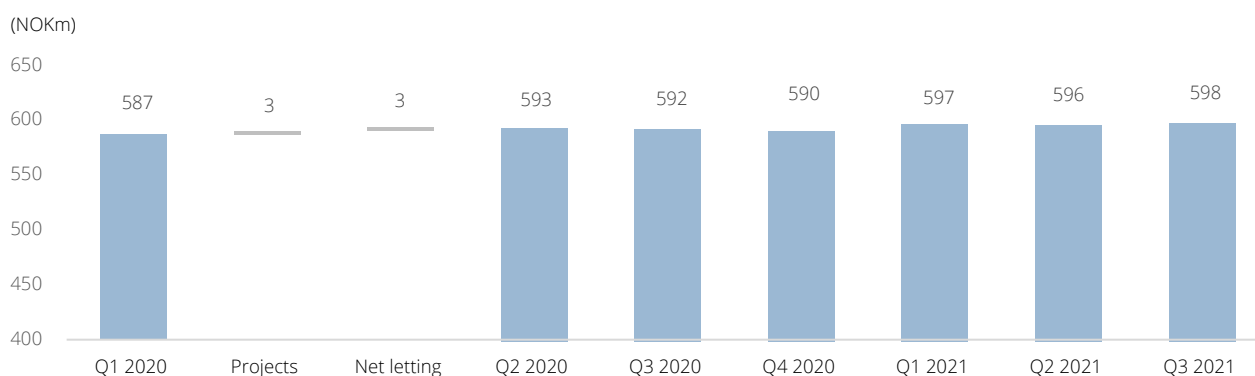
Compared to the previous quarter, the occupancy rate went up by three basis points to 97.4 per cent. The market rental income of vacant space as of 31.03.20 was approximately 60 million on an annualised basis.

QUARTERLY NET LETTING



Gross letting, including re-negotiated contracts, was 86 million in the quarter of which 2 million is attributable to letting in the project portfolio. Lease contracts with an annual lease of 45 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 15 million (1 million) in the quarter. The timing 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, 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. The graph does not include potential effects of the COVID-19 pandemic.

Operating costs

Operating costs is stable from the first quarter of 2019 and is split as follows:

All amounts in NOK million	Q1-20	Q1-19
Maintenance	5	6
Tax, leasehold, insurance	12	13
Letting and prop. adm.	15	14
Direct property costs	11	10
Operating costs	42	43

Net operating income

As a consequence of the effects explained above, net operating income came in at 545 million (542 million) in the quarter.

Other revenue and other costs

Other revenue was 18 million (69 million) and other costs were 9 million (60 million). Other revenue and other costs in the quarter mainly consists of income and costs related to inventory properties (properties in the Bryn portfolio which is expected to be zoned for residential development and subsequently sold to a third party) and from extra services provided to tenants.

In Q1 2019, 47 million of other revenue and 42 million of other costs were related to the development of Tollbugata 1A in Oslo, which was forward-sold and delivered to the buyer in the fourth quarter of 2019.

Administrative costs

Administrative costs amounted to 50 million (48 million) in the quarter. The increase in 2020 is primarily related to Entra's technology and digitalization initiatives.

Share of profit from associates and JVs

All amounts in NOK million	Q1-20	Q1-19
Income from property management	1	3
Other income and costs	38	21
Share of profit from associates and JVs	38	23

Other income and costs from associates and JVs in the quarter mainly relates to the net gains from the completion and delivery of residential apartments and the recognition of income and cost related to the completion and sale of forward-sold commercial assets in Bjørnvika. For a detailed breakdown

of the results from associates and JVs, see the section Partly owned companies.

Net realised financials

All amounts in NOK million	Q1-20	Q1-19
Interest and other finance income	3	2
Interest and other finance expense	-151	-134
Net realised financials	-148	-131

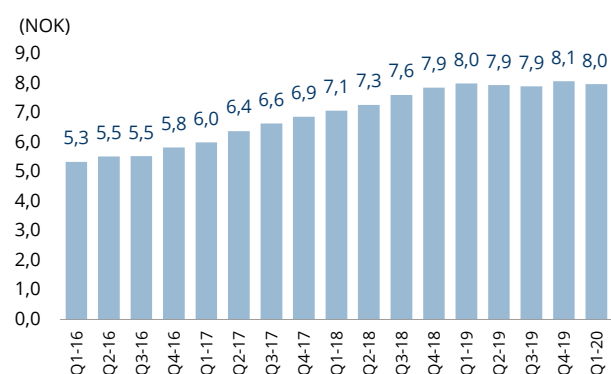
Net realised financials have increased in 2020 compared to 2019 mainly due to higher interest bearing debt and higher Nibor interest rates on floating rate debt in the quarter.

Net income and net income from property management

Net income came in at 394 million (395 million) in the quarter. When including only the income from property management in the results from JVs, net income from property management for the Group was 357 million (375 million). This represents a decrease of 5 per cent, mainly due to higher net realised financials. For calculation of Net income from property management, see the section Alternative performance measures.

NET INCOME FROM PROPERTY MANAGEMENT PER SHARE

(Annualised, rolling 4 quarters)



Value changes

Net value changes amounted to -337 million (462 million) in the quarter.

Changes in value of investment properties was nil (484 million) in the quarter.

Due to the COVID-19 pandemic and the changes in the oil price, valuation of properties as of 31.03.20 is connected with

very high uncertainty. Among the most important input factors to valuation of properties are the occupancy, market rent expectations and yield of a property, factors which Entra's two external appraisers (Akershus Eiendom/JLL and Newsec) base on observed market evidence. As the Norwegian transaction market came to a halt in March, the market evidence in the current situation is limited. The COVID-19 and oil situation may however affect future occupancy, market rent expectations and yield levels. Entra's external appraisers performed the valuation as of 31.03.20 on the market conditions without estimating the potential effects from COVID-19 and the lower oil price. Based on the valuations estimated by Entra's external appraisers as of 31.03.20, the fair value of the Entra's investment properties was 50,727 million, reflecting changes in the value of investment properties of 1,168 million due to a strong transaction and letting market in the first part of the quarter. The value changes were attributable to increased market rent, yield compression, new contracts signed in the quarter and reduced risk as the projects in the project portfolio is moving towards completion. Due to the material valuation uncertainty in the current situation, Entra has chosen to base the fair value as of 31.03.20 on the valuations obtained as of 31.12.19.

Net changes in value of financial instruments was -337 million (-22 million) in the quarter. The negative value change is mainly due to a sharp reduction in market interest rates, which with a weighted average interest rate duration of 2.7 years on the debt portfolio, implies a net liability increase on interest rate derivatives of 337 million.

Tax

Tax payable of 3 million (3 million) in the quarter is related to the partly owned entity Papirbredden in Drammen. The change in deferred tax was -2 million (-147 million) in the quarter.

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 2019, the tax loss carry forward for the Group's wholly-owned subsidiaries was 68 million (321 million).

Profit

Profit before tax was 58 million (857 million) in the quarter. Profit after tax was 52 million (707 million), which also equals the comprehensive income after tax.

EPRA Earnings

EPRA Earnings amounted to 259 million (266 million) in the first quarter of 2020. Refer to page 26 for further details.

Balance sheet

The Group's assets amounted to 51,789 million (48,564 million) as at 31.03.20. Of this, investment properties amounted to 49,559 million (45,837 million).

Inventory properties of 414 million (408 million) at the end of the quarter relates to the properties in the Bryn portfolio expected to be zoned for residential development and subsequently sold to a third party.

Other receivables and other current assets was 284 million (662 million) at the end of the quarter. The 2019 amount included contract assets related to the forward-sold asset Tollbugata 1A, which was delivered to the buyer in the fourth quarter of 2019.

Other non-current liabilities was 503 million (686 million) at the end of the quarter. The decrease is mainly related to the derecognition of a provision for the contract obligation assumed from the University of Oslo for the remaining lease period at St. Olavs plass 5, following the acquisition of the property in the fourth quarter of 2019.

Book equity totalled 24,551 million (22,913 million). Equity per share was 153 (144) based on the EPRA NAV standard, 142 (133) based on EPRA NNNNAV and 158 (147) based on EPRA NRV. Refer to pages 27 and 28 for further details.

Cash flow statement

Net cash flow from operating activities came in at 483 million (430 million) in the quarter. The increase mainly relates to working capital movements.

The net cash flow from investment activities was -432 million (9 million) in the quarter, mainly driven by the cash effect from investment in and upgrades of investment properties of -412 million (-335 million).

Net cash flow from financing activities was -107 million (-326 million) in the quarter. During the quarter, Entra had an increase in bond financing of 450 million and a decrease in commercial paper and bank financing of 200 million and 356 million, respectively.

The net change in cash and cash equivalents was -57 million (113 million) in the quarter.

Financing

During the first quarter, Entra's gross interest-bearing nominal debt decreased by 106 million to 19,795 million. The change in interest bearing debt comprised a net increase in bond financing of 450 million and a decrease in commercial paper and bank financing of 200 million and 356 million, respectively.

In the quarter, Entra re-opened two existing green bond loans with a total of 645 million. In connection with a re-opening of a 4-year green bond with 195 million, a short dated bond issue was re-purchased with the same amount, contributing to an extended debt maturity profile. Further, commercial paper loans has been refinanced with 800 million.

In the first quarter, Entra secured a new revolving credit facility of 500 million with maturity 22.06.23. After the balance sheet date, Entra extended the 750 million short-term unutilised

revolving credit facility with one year, bringing the maturity for this credit facility to 31.01.22.

As of 31.03.20, net nominal interest bearing debt after deduction of liquid assets of 260 million (343 million) was 19,535 million (18,508 million).

The average remaining term for the Group's debt portfolio was 4.8 years at 31.03.20 (4.9 years). The calculation takes into account that available long-term credit facilities can replace short-term debt.

Entra's financing is mainly based on negative pledge of the Group's assets, which enables a broad and flexible financing mix. Entra's financing structure includes bank loans, bonds and commercial papers. At the end of the period, 69 per cent (70 per cent) of the Group's financing came from debt 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 papers (NOKm)	1 600	0	0	0	0	1 600	8
Bonds (NOKm)	700	1 105	3 000	3 495	3 750	12 050	61
Bank loans (NOKm)	0	728	500	2 710	2 208	6 146	31
Total (NOKm)	2 300	1 833	3 500	6 205	5 958	19 795	100

Unutilised credit facilities (NOKm)	750	0	1 000	3 290	2 000	7 040
Unutilised credit facilities (%)	11	0	14	47	28	100

Financing policy and status

All amounts in NOK million	31.03.2020	Target
Loan-to-value (LTV)	39.7 %	Below 50 % over time
Interest coverage ratio (ICR)	3.2	Min. 1.8x
Debt maturities <12 months	12 %	Max 30 %
Maturity of hedges <12 months	41 %	Max 60 %
Average time to maturity (hedges)	2.9	2-6 years
Back-stop of short-term interest bearing debt	306 %	Min. 100 %
Average time to maturity (debt)	4.8	Min. 3 years

Interest rates and maturity structure

The average interest rate¹⁾ of the debt portfolio was 2.91 per cent (2.96 per cent) as at 31.03.20. The change in average interest rate stems mainly from lower Nibor interest rates.

59 per cent (62 per cent) of the Group's financing was hedged at a fixed interest rate as at 31.03.20 with a weighted average maturity of 2.9 years (3.3 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	200	4.0	800	2.21	5.8	4 965	0.96
1-2 years	950	3.2				1 105	0.94
2-3 years	1 550	2.2				3 500	0.90
3-4 years	1 250	1.9				4 975	0.93
4-5 years	1 300	2.4				0	0.00
5-6 years	1 900	2.2				1 450	0.75
6-7 years	3 360	2.1				2 700	0.84
7-8 years	0	0.0				0	0.00
8-9 years	0	0.0				0	0.00
9-10 years	0	0.0				0	0.00
>10 years	500	4.9				1 100	0.39
Total	11 010	2.4	800	2.21	5.8	19 795	0.88

¹⁾ Average reference rate (Nibor) is 1.58 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 76 buildings with a total area of approximately 1.1 million square meters. As of 31.03.20, the management portfolio had a market value of around 44 billion. The occupancy rate was 97.4 per cent (96.3 per cent). The weighted average lease term for the Group's leases was 6.9 years (6.5) for the management portfolio and 7.0 years (7.2) when the project portfolio is included. The public sector represents approximately 58 per cent of the total rental income. The entire property portfolio consists of 90 properties with a market value of about 49 billion.

Entra's properties are valued by two external appraisers (Akershus Eiendom/JLL and Newsec) on a quarterly basis. Due to the COVID-19 pandemic and the recent oil price

development, valuation of investment properties as of 31.03.20 is connected with very high uncertainty. Entra has chosen to base the fair value as of 31.03.20 on the valuations obtained as of 31.12.19. Refer to page 7 for further information.

Year-on-year, the portfolio net yield is reduced from 5.0 to 4.9 per cent. 12 months rolling rent increased from 2,071 to 2,134 mainly driven by properties that are vacated during 2019 awaiting redevelopment have been reclassified to the project portfolio in 2020.

The market rent has increased by 5 per cent, from 2,152 to 2,230 per square meter.

	Properties (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value (NOKm) (NOK/sqm)		12 months rolling rent (NOKm) (NOK/sqm)		Net yield ¹ (%)	Market rent (NOKm) (NOK/sqm)	
Oslo	34	557 981	97.4	6.9	26 838	48 098	1 377	2 467	4.8	1 459	2 614
Trondheim	12	166 442	96.4	7.5	4 894	29 402	272	1 632	5.2	294	1 767
Bergen	8	119 538	97.2	5.9	4 794	40 104	239	1 999	4.6	278	2 326
Sandvika	9	98 988	99.8	8.2	2 922	29 520	173	1 746	5.5	150	1 520
Stavanger	5	78 607	99.4	6.9	2 293	29 174	142	1 808	5.8	133	1 691
Drammen	8	70 422	97.5	5.8	2 085	29 611	129	1 825	5.8	121	1 720
Management portfolio	76	1 091 978	97.4	6.9	43 826	40 135	2 331	2 134	4.9	2 436	2 230
Project portfolio	8	120 981		9.2	4 723	39 035					
Development sites	6	114 859		0.3	832	7 248					
Property portfolio	90	1 327 818		7.0	49 381	37 190					

¹⁾ See the section "Definitions". The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 31.03.20 corresponds to 7.3 per cent of market rent.

Letting activity

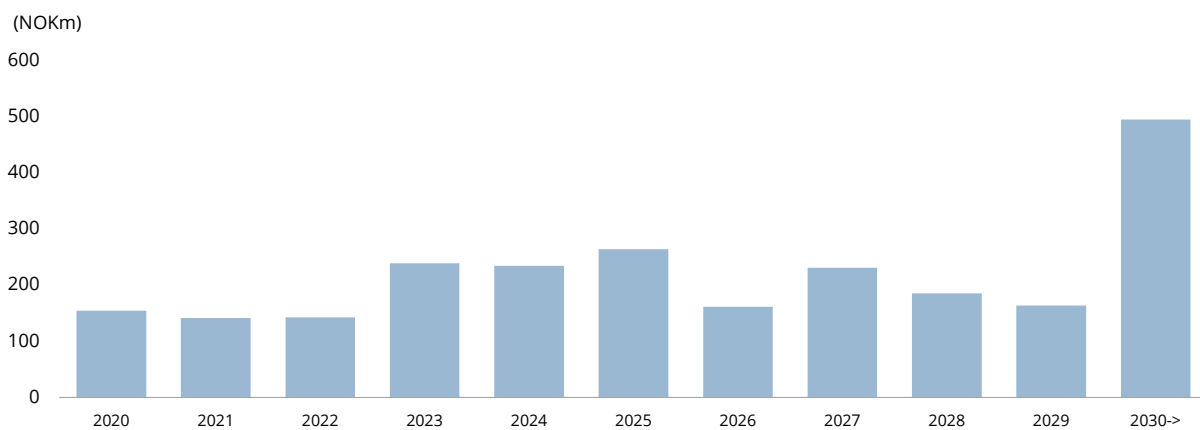
During the first quarter, Entra signed new and renegotiated leases with an annual rent totalling 86 million (36,400 square metres) and received notices of termination on leases with an annual rent of 45 million (16,500 square metres). Net letting

was 15 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.

Significant contracts signed in the quarter:

- New 6-year lease contract with Norwegian Health Network for 5,200 sqm in Verkstedveien 1 in Oslo
- Renegotiated lease contract for 6 years and 3,900 sqm in Verkstedveien 1 in Oslo with the Norwegian Directorate of eHealth
- New 10-year lease contract for 2,400 sqm in Langkaia 1 in Oslo
- New 4-year lease contract for 2,300 sqm in Langkaia 1 in Oslo with Gule sider
- New 8-year lease contract for 1,500 sqm in Fredrik Selmers vei 4 in Oslo with the Norwegian Tax Authority

MATURITY PROFILE OF THE MANAGEMENT PORTFOLIO:



Investments and divestments

Entra has invested a total of 464 million (395 million) in the portfolio of investment properties in the first quarter. The decomposition of the investments is as follows:

All amounts in NOK million	Q1-20	Q1-19	2019
Aquisitions	0	23	1 174
Developments	434	318	1 352
- Newbuild projects	234	262	791
- Redevelopment projects ¹⁾	200	55	561
Investment properties	23	43	120
- Incremental lettable space	0	0	0
- No incremental lettable space and tenant incentives	17	43	112
- Other material non-allocated types of expenditure	6	1	8
Capitalised interest	8	10	41
Total Capital Expenditure	464	395	2 686
Conversion from accrual to cash basis	-52	-36	-19
Total Capital Expenditure on cash basis	412	359	2 668

¹⁾Also includes tenant alterations and maintenance capex when this is done as a part of asset redevelopment

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⁾ (%)
Kristian Augusts gate 13	100	Oslo	Q4-20	4 300	100	304	222	5.0
Universitetsgata 7-9	100	Oslo	Q3-21	21 900	52	1 235	653	6.0
Universitetsgata 2 - Rebel	100	Oslo	Q3-21	28 100	18	1 650	1 109	5.6
Total				54 300		3 189	1 984	

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)

Status ongoing projects

In Tullinkvartalet in Oslo, Entra is building a new 21,900 sqm office property in Universitetsgata 7-9 in Oslo. Occupancy is currently 52 per cent. The property is expected to be finalised in Q3 2021 with high environmental ambitions and aims for a BREEAM-NOR Excellent classification.

Entra is further redeveloping the 4,300 sqm office property in Kristian Augusts gate 13. The project will demonstrate Entra's strong commitment to work for more sustainable solutions by incorporating a target of more than 60 per cent re-use of building materials. Occupancy is at 100 per cent as the property will be let to the co-working operator IWG/Spaces.

The construction project is slightly delayed due to COVID-19 and is expected to be completed in Q4 2020.

Next to Tullinkvartalet, Entra also has the redevelopment project Rebel ongoing in Universitetsgata 2. Rebel will be a hub for large and small tech companies and will be managed 50/50 by Entra and an external partner. The 28,100 sqm building will consist of office space, co-working areas, conference centre and restaurants. Occupancy is currently 18 per cent. Rebel will offer a full-service concept through flexible short-term contracts with access to meeting rooms, wi-fi and more through memberships. The project is expected to be completed in Q3 2021.

Transactions

Entra actively seeks to improve the quality of its property portfolio. Entra focuses on acquisitions of large properties and projects in specific areas within its four core markets; Oslo and the surrounding region, Bergen, Trondheim and Stavanger. Target areas include both areas in the city centers and selected clusters and public transportation hubs outside the city centers, allowing Entra to offer rental opportunities at a price

Projects completed in the quarter

During the first quarter, Entra finalised a new office building in Holtermanns veg 1-13 in Trondheim. This is the first of three planned buildings. The approved zoning allows total construction of approximately 48,000 sqm, where the first building is 11,700 sqm. This new-build includes a 2,000 sqm basement with parking facilities. The property is currently 98 per cent let. The project has high environmental ambitions and aims for a BREEAM-NOR Excellent classification.

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. The acquisition and divestment strategy is flexible, allowing Entra to adapt to feedback from customers and market changes, and to create and respond to market opportunities as they arise.

Transactions in 2019 and 2020

Purchased properties	Area	Transaction quarter	No of sqm	Transaction value	Closing date
Share of Jåttåvågen Fase 2	Stavanger	Q4 2019	-	13	Q4 2019
Møllendalsveien 6-8	Bergen	Q4 2019	14 500	400	Q4 2019
Section of Kristian Augusts gate 11	Oslo	Q1 2019		23	Q1 2020
Sum			14 500	436	

Sold properties		Transaction quarter	No of sqm	Transaction value	Closing date
Kristian Augusts gate 23	Oslo	Q3 2019	8 750	450	Q4 2019
Sorgenfriveien 11	Trondheim	Q3 2019	-	50	Q3 2019
Section of Karoline Kristiansens vei 2	Oslo	Q2 2019	450	23	Q2 2019
Sum			9 200	523	

Partly owned companies

Papirbredden Eiendom AS (60 %)

Entra and Drammen Municipality own Papirbredden Eiendom AS. The company owns six office properties totalling 59,000 sqm and a future development potential of 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 totalling 28,000 sqm and development potential for two new office properties of 37,000 sqm. The company is consolidated in the Group's financial statements as Entra has a controlling vote on the Board of Directors.

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 Allehelgens gate 6. The company is consolidated in the Group's financial statements as Entra has a controlling vote on the Board of Directors.

Oslo S Utvikling AS "OSU" (33.33 %)

OSU is a property development company that is undertaking primarily residential development in the city district Bjørvika, Oslo's CBD East.

Rebel U2 AS (50 %)

Rebel U2 AS will provide facility management services in Universitetsgata 2 in Oslo – with full-service solutions, flexible and short-term leases, co-working, conferences and events.

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	Total consolidated companies	Oslo S Utvikling AS	Rebel U2 AS	Other	Total associated companies & JVs
Share of ownership (%)	60	50	50		33	50		
Rental income	28	18	35	81	1		3	4
Net operating income	28	15	33	75	-1		3	1
Net income	21	5	33	59	128	-1	1	129
Changes in value of investment properties	0	0	0	0	0	0	0	0
Changes in value of financial instruments	-8	-5	0	-13	0	0	0	0
Profit before tax	13	-1	33	45	128	-1	1	129
Tax	-3	0	-7	-10	-14	0	0	-14
Profit for the period	10	-1	26	35	115	-1	1	115
<i>Non-controlling interests</i>	4	0	13	17				
<i>Entra's share of profit¹⁾</i>					38	0	0	38
<i>Book value</i>					411	13	24	448
Market value properties	1 861	1 216	2 880	5 956	4 081			4 081
Entra's share:								
<i>Market value properties</i>	1 116	608	1 440	3 164	1 360			1 360
<i>EPRA NAV</i>	667	237	1 481	2 386	812	13	24	850
<i>EPRA NNAV</i>	623	216	1 440	2 279	713	13	24	751
<i>EPRA Earnings</i>	10	2	13	24		0	1	0

¹⁾ Recognised as Share of profit from associates and JVs

Other information

Organisation and HSE

At 31.03.20 the Group had 179 (170) employees.

In Q1 2020, Entra had no injuries with long term absence from work in the ongoing projects. Entra has a continuous HSE focus both in on-going projects and in the operations and works continually to avoid injuries. The Group had an LTIF rate (number of accidents with lost time per million hours worked in last 12 months) on ongoing projects of 2.2 at the end of the first quarter 2020 vs. 2.0 at the end of the fourth quarter 2019.

Risk management

Entra assesses risk on an ongoing basis, primarily through semi-annually comprehensive reviews of the Group's risk maps, which includes assessments of all risk factors in collaboration with all levels of the organization. Each risk factor is described and presented with the possible negative outcome given an increased probability of a situation to occur. Entra's main risk factors consist of both financial and non-financial risk. A thorough description and analysis is included on pages 28-33 in the 2019 annual report.

The main risk factors described in the annual report does not include an evaluation of a pandemic. Depending on the length of the partial lockdown and the strength and effect of the government interventions, the COVID-19 or similar situations may have adverse effects on Entra's business. Entra has a strong tenant base with a seven-year WAULT with a solid backbone of high-quality tenants, including public tenants comprising 58 per cent of revenue. Less than 10 per cent of Entra's rental income stems from industries that are most affected by the current situation. Entra continuously work on risk reducing measures in the portfolio, including rent levels, lease lengths, counter party risk, occupancy ratio, and the overall quality of the portfolio. Entra further maintains a diversified financing structure with a balanced maturity profile and financing mix in order to ensure stable and predictable access to capital. Entra is therefore robust in the current situation.

Events after the balance sheet date

On 2 April 2020, the Norwegian Government proposed a cash support package for companies affected by the COVID-19 situation intending to cover fixed costs, hereunder office rent. The cash support given will correspond to: (Turnover decline in percent) x (fixed costs minus any deductible) x (an adjustment

factor). The adjustment factor is 0.9 for companies that have been shut down by the government and 0.8 for other companies. The cash support package was approved on 17 April 2020. The cash support package is expected to at least partly mitigate the risk related to rental income from tenants most affected by the current situation.

From 20 April 2020 the Norwegian government has decided to gradually reopen the society after the partial lockdown implemented on 13 March 2020.

Share and shareholder information

Entra's share capital is NOK 182,132,055 divided into 182,132,055 shares, each with a par value of NOK 1 per share. Entra has one class of shares and all shares provide equal rights, including the right to any dividends.

As of 21 April 2020, Entra had 7,062 shareholders. Norwegian investors held 28 per cent of the share capital. The 10 largest shareholders as registered in VPS 21 April 2020 were:

Shareholder	% holding
Folketrygdfondet	10.5
Norwegian Ministry of Trade, Industry and Fisheries	8.2
State Street Bank (Nominee)	8.0
The Bank of New York (Nominee)	3.4
JP Morgan Chase Bank (Nominee)	1.7
BNP Paribas Securities (Nominee)	1.6
Danske Invest Norske	1.5
Morgan Stanley & Co (Nominee)	1.3
Corem Property Group	1.2
State Street Bank (Nominee)	1.1
SUM 10 LARGEST SHAREHOLDERS	38.6

Annual general meeting

The annual general meeting in Entra ASA will be held on 30 April 2020. 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 2.40 per share for the second half of 2019. The last day the share is traded including the right to receive the dividend is 30 April 2020. The dividend will be paid on or about 12 May 2020.

Outlook

Well into the COVID-19 crisis, it is still difficult to make meaningful assessments of the overall impact on the global and Norwegian economy and the commercial real estate sector. The recent weeks have, however, brought somewhat more clarity about the longevity of the slowdown in economic activity and the cascading impact of supply-and-demand shocks propagating through the system, and it seems possible that economic life only will be allowed to return to normal when the world has access to a vaccine. The opening after a lockdown could be a lengthy process, and thus one should be prepared for an economic decline in 2020 and possibly also into 2021 stemming from COVID-19.

The Norwegian government acted at the outset of the crisis and implemented actions to safeguard the population and to ensure the survival of businesses through extensive support packages, including a targeted cash support initiative to cover fixed costs, including office rents. With solid infrastructure and a strong public funding, including the Government Pension Fund Global, Norway has the fundamentals in place for a recovery post-crisis.

In this situation, Entra has taken the necessary measures to protect the health and safety of our community, our tenants and other users of our buildings, as well as our employees. We have contingency plans, procedures, routines and staff in place that continue to deliver our services and property management without interruption. Entra has during March and April sought to find individual solutions that give tenants that struggle room to return to normal operation after this demanding period. In the first instance, we help tenants that are affected by changing payment schemes from upfront, quarterly to monthly invoices or giving monthly postponements on rent. If the COVID-19 situation persists, we will facilitate further, targeted support to customers particularly affected.

Entra's tenant base is strong with a seven-year WAULT and a solid backbone of public tenants comprising 58 per cent of

revenues. Less than 10 per cent of the rental income stems from industries that are most affected by the COVID-19 situation. These include companies within retail and restaurants, parking, tourism, co-working, training centres, as well as small companies with less than 15 employees.

Further, the recent and sudden decline in oil and gas prices will most likely impact the Norwegian economy. The effect from the price decline in 2014/15 was primarily seen in Stavanger and in the oil and gas intensive clusters in other cities. Entra's exposure to oil and gas is, however, limited with only around 2 per cent of total revenues through a fully consolidated 50/50 joint venture.

Entra's financial position is strong with a well staggered debt profile, a good financing mix available, and cash and unutilized credit facilities of 7.3 billion, more than three times all debt falling due next 12 months. We have constructive dialogues with our five banks, and the bank market is still open to us. During March and April, we extended a 750 million facility and put in place a new 500 million facility at favourable terms. Entra also has ample headroom to financial covenants, which are Loan-to-value of 75 per cent (39.7 per cent as of Q1) and Interest coverage ratio of 1.4 (3.2 as of Q1).

Uncertainty will prevail also in the months to come. But Entra, with modern, flexible and environmentally friendly assets located in attractive clusters near public transportation hubs, a solid tenant base with long lease contracts, a strong financial position, and an exciting project pipeline for future growth, has a proven and resilient business profile that is well positioned both through the ongoing COVID-19 and oil crisis and for the future thereafter.

Oslo, 29 April 2020

The Board of Entra ASA

Financial statements

Statement of comprehensive income

All amounts in NOK million	Q1-20	Q1-19	2019
Rental income	587	585	2 338
Operating costs	-42	-43	-189
Net operating income	545	542	2 149
Other revenue	18	69	300
Other costs	-9	-60	-260
Administrative costs	-50	-48	-171
Share of profit from associates and JVs	38	23	312
Net realised financials	-148	-131	-551
Net income	394	395	1 780
- of which net income from property management	357	375	1 471
Changes in value of investment properties	0	484	1 909
Changes in value of financial instruments	-337	-22	46
Profit before tax	58	857	3 735
Tax payable	-3	-3	-11
Change in deferred tax	-2	-147	-498
Profit for period/year	52	707	3 225
Actuarial gains and losses	0	0	5
Change in deferred tax on comprehensive income	0	0	-1
Total comprehensive income for the period/year	52	707	3 229
Profit attributable to:			
Equity holders of the Company	36	654	2 946
Non-controlling interest	17	53	279
Total comprehensive income attributable to:			
Equity holders of the Company	36	654	2 949
Non-controlling interest	17	53	279

Balance sheet

All amounts in NOK million	31.03.2020	31.03.2019	31.12.2019
Intangible assets	117	133	117
Investment properties	49 559	45 837	49 095
Other operating assets	19	20	22
Investments in associates and JVs	448	260	397
Financial derivatives	416	320	274
Long-term receivables and other assets	242	241	256
Total non-current assets	50 801	46 811	50 161
Inventory properties	414	408	413
Trade receivables	29	79	43
Other receivables and other current assets	284	662	226
Cash and bank deposits	260	343	317
Total current assets	988	1 753	998
Investment properties held for sale	0	260	0
Total assets	51 789	48 564	51 160
Shareholders' equity	22 607	21 118	22 570
Non-controlling interests	1 944	1 795	1 947
Total equity	24 551	22 913	24 517
Interest bearing debt	17 478	14 812	17 362
Deferred tax liability	5 369	5 005	5 367
Financial derivatives	821	501	341
Other non-current liabilities	503	686	505
Total non-current liabilities	24 172	21 004	23 576
Interest bearing debt	2 323	4 039	2 539
Trade payables	251	207	200
Other current liabilities	492	401	328
Total current liabilities	3 066	4 647	3 067
Total liabilities	27 238	25 651	26 642
Total equity and liabilities	51 789	48 564	51 160

Changes in equity

All amounts in NOK million	Share capital	Treasury shares	Other paid-in capital	Retained earnings	Non-controlling interests	Total equity
Equity 01.01.2019	184	-1	3 535	16 800	1 742	22 260
Profit for period				2 946	279	3 225
Other comprehensive income				4		4
Equity transaction at fair value in JV				11		11
Dividend				-840	-75	-915
Net equity effect of LTI & employee share saving scheme		0	0	-2		-2
Repurchase of shares		-1	-12	-54		-66
Share capital decrease	-2	2				0
Equity 31.12.2019	182	0	3 523	18 865	1 947	24 517
Profit for period				36	17	52
Dividend					-20	-20
Net equity effect of LTI		0	0	1		1
Equity 31.03.2020	182	0	3 524	18 902	1 944	24 551

Statement of cash flows

All amounts in NOK million	Q1-20	Q1-19	2019
Profit before tax	58	857	3 735
Income tax paid	-10	-8	-11
Net expensed interest and fees on loans and leases	148	131	551
Net interest and fees paid on loans and leases	-131	-119	-582
Share of profit from associates and jointly controlled entities	-38	-23	-312
Depreciation and amortisation	1	2	8
Changes in value of investment properties	0	-484	-1 909
Changes in value of financial instruments	337	22	-46
Change in working capital	119	51	-81
Net cash flow from operating activities	483	430	1 352
Proceeds from property transactions	0	291	1 619
Purchase of investment properties	0	-23	-1 241
Investment in and upgrades of investment properties	-412	-335	-1 427
Investment in properties for sale and inventory properties	-2	-48	-192
Purchase of intangible and other non-current assets	-7	-8	-35
Net payment financial assets	1	-7	-23
Net payment of loans to associates and JVs	0	0	1
Net payments in associates and JVs	-13	0	-16
Dividends from associates and JVs	0	140	308
Net cash flow from investment activities	-432	9	-1 005
Proceeds interest bearing debt	3 195	4 550	16 430
Repayment interest bearing debt	-3 301	-4 870	-15 699
Repayment of lease liabilities	-2	0	-9
Proceeds from issue of shares/repurchase of shares	1	-6	-69
Dividends paid	0	0	-840
Dividends paid to non-controlling interests	0	0	-75
Net cash flow from financing activities	-107	-326	-260
Change in cash and cash equivalents	-57	113	87
Cash and cash equivalents at beginning of period	317	230	230
Cash and cash equivalents at end of period	260	343	317

NOTE 1 – ACCOUNTING PRINCIPLES

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

The accounting principles that have been used in the preparation of the interim financial statements are in conformity with the principles used in preparation of the annual financial statements for 2019 with one exception. In the accounting principles in the annual financial statements for 2019, it is stated that investment properties are valued by independent appraisers at each reporting date. Due to the COVID-19 pandemic and the recent oil price development, valuation of investment properties as of 31.03.20 is connected with very high uncertainty. Entra has chosen to base the fair value as of 31.03.20 on the valuations obtained as of 31.12.19. Refer to note 5 for further information.

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

NOTE 2 – SEGMENT INFORMATION

The Group has one main operational unit, led by the COO. 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 Market 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, investment, procurement, communication and HR.

The geographic areas do not have their own profit responsibility. The geographical areas are instead followed up on economical and noneconomical 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 the segment information based upon these six geographic areas.

Operating segments Q1–20

	Properties (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value (NOKm) (NOK/sqm)		12 months rolling rent (NOKm) (NOK/sqm)		Net yield ¹ (%)	Market rent (NOKm) (NOK/sqm)	
Oslo	34	557 981	97.4	6.9	26 838	48 098	1 377	2 467	4.8	1 459	2 614
Trondheim	12	166 442	96.4	7.5	4 894	29 402	272	1 632	5.2	294	1 767
Bergen	8	119 538	97.2	5.9	4 794	40 104	239	1 999	4.6	278	2 326
Sandvika	9	98 988	99.8	8.2	2 922	29 520	173	1 746	5.5	150	1 520
Stavanger	5	78 607	99.4	6.9	2 293	29 174	142	1 808	5.8	133	1 691
Drammen	8	70 422	97.5	5.8	2 085	29 611	129	1 825	5.8	121	1 720
Management portfolio	76	1 091 978	97.4	6.9	43 826	40 135	2 331	2 134	4.9	2 436	2 230
Project portfolio	8	120 981		9.2	4 723	39 035					
Development sites	6	114 859		0.3	832	7 248					
Property portfolio	90	1 327 818		7.0	49 381	37 190					

¹⁾ See the section "Definitions". The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 31.03.20 corresponds to 7.3 per cent of market rent.

Operating segments Q1-19

	Properties (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value		12 months rolling rent		Net yield ¹⁾ (%)	Market rent	
					(NOKm)	(NOK/sqm)	(NOKm)	(NOK/sqm)		(NOKm)	(NOK/sqm)
Oslo	38	602 544	96.1	5.8	26 514	44 003	1 375	2 282	4.8	1 476	2 450
Trondheim	9	133 794	95.7	7.5	3 855	28 816	227	1 697	5.5	232	1 738
Bergen	7	104 986	95.0	7.1	4 010	38 200	213	2 027	4.8	240	2 284
Sandvika	9	98 733	99.7	9.0	2 888	29 246	171	1 731	5.5	148	1 504
Stavanger	5	78 612	96.4	8.4	2 174	27 653	141	1 798	6.0	129	1 644
Drammen	8	70 520	98.3	6.7	2 034	28 846	129	1 828	6.0	118	1 679
Management portfolio	76	1 089 189	96.3	6.5	41 475	38 079	2 256	2 071	5.0	2 344	2 152
Project portfolio	8	104 457		15.9	4 148	39 707					
Development sites	7	114 859		0.5	815	7 095					
Property portfolio	91	1 308 505		7.2	46 438	35 489					

¹⁾ The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 31.03.19 corresponds to 7.3 per cent of market rent.

NOTE 3 – INVESTMENT PROPERTIES

All amounts in NOK million	Q1-20	Q1-19	2019
Closing balance previous period	49 095	45 279	45 279
Implementation of IFRS 16		231	231
Purchase of investment properties	0	23	1 174
Investment in the property portfolio	456	361	1 472
Capitalised borrowing costs	8	10	41
Sale of investment properties	0	-291	-1 010
Changes in value of investment properties ¹⁾	0	484	1 909
Closing balance	49 559	46 097	49 095
Investment properties held for sale	0	260	0
Investment properties	49 559	45 837	49 095

¹⁾ Entra has chosen to base the fair value as of 31.03.20 on the valuations obtained as of 31.12.19. Refer to note 5 for further information.

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

All amounts in NOK million	Fair value level	31.03.2020	31.03.2019	31.12.2019
Assets measured at fair value:				
Assets measured at fair value through profit or loss				
- Investment properties	Level 3	49 559	45 837	49 095
- Investment properties held for sale	Level 3	0	260	0
- Derivatives	Level 2	416	320	274
- Equity instruments	Level 3	34	11	36
Total		50 009	46 428	49 404
Liabilities measured at fair value:				
Financial liabilities measured at fair value through profit or loss				
- Derivatives	Level 2	821	501	341
Total		821	501	341

NOTE 5 – RISK AND UNCERTAINTIES

The main risk factors described in the 2019 annual report does not include an evaluation of a pandemic. Refer to the Risk management section on page 15 for an assessment of COVID-19 and similar situations.

Due to the COVID-19 pandemic and the recent oil price development, valuation of properties as of 31.03.20 is connected with very high uncertainty. Among the most important input factors to valuation of properties are the occupancy, market rent expectations and yield of a property, factors which Entra's two external appraisers (Akershus Eiendom/JLL and Newsec) base on observed market evidence. As the Norwegian transaction market came to a halt in March, the market evidence in the current situation is limited. The COVID-19 and oil situation may however affect future occupancy, market rent expectations and yield levels. Due to the material valuation uncertainty in the current situation, Entra has chosen to base the fair value as of 31.03.20 on the valuations obtained as of 31.12.19.

NOTE 6 – SUBSEQUENT EVENTS

Refer to the Events after the balance sheet date section on page 15 for information on significant events after period end.

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, EPRA NNNAV and EPRA NRV
- EPRA net initial yield
- EPRA cost ratio

NET INCOME FROM PROPERTY MANAGEMENT & CASH EARNINGS

All amounts in NOK million	Q1-20	Q1-19	2019
Net income	394	395	1 780
Less:			
Other income and costs in associates and JVs	38	21	309
Net income from property management	357	375	1 471
Tax payable	-3	-3	-11
Cash earnings	353	372	1 460

MARKET VALUE OF THE PROPERTY PORTFOLIO

All amounts in NOK million	31.03.2020	31.03.2019	31.12.2019
Investment properties	49 559	45 837	49 095
Investment properties held for sale	0	260	0
Other	-131	341	-131
Market value of the property portfolio	49 428	46 438	48 964

NET NOMINAL INTEREST BEARING DEBT

All amounts in NOK million	31.03.2020	31.03.2019	31.12.2019
Nominal value of interest bearing debt	19 795	18 851	19 901
Cash and bank deposits	-260	-343	-317
Net nominal interest bearing debt	19 535	18 508	19 585

DEBT RATIO (LTV)

All amounts in NOK million except ratio	31.03.2020	31.03.2019	31.12.2019
Total net nominal interest bearing debt	19 797	18 767	19 846
- Net nominal interest bearing debt	19 535	18 508	19 585
- Other interest bearing liabilities	261	259	261
Total market value of the property portfolio	49 842	46 846	49 377
- Market value of the property portfolio	49 428	46 438	48 964
- Inventory properties	414	408	413
Debt ratio (LTV) %	39.7	40.1	40.2

INTEREST COVERAGE RATIO (ICR)

All amounts in NOK million except ratio	Q1-20	Q1-19	2019
Net income	394	395	1 780
Depreciation	1	2	8
Results from associates and joint ventures	-38	-23	-312
Net realised financials	148	131	551
EBITDA adjusted	505	506	2 027
Interest cost	153	139	577
Other finance expense	6	6	28
Applicable net interest cost	159	145	606
Interest Coverage Ratio (ICR)	3.2	3.5	3.3

EPRA REPORTING

The following performance indicators have been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its Best Practices Recommendations guide. 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	Q1-20 / 31.03.2020	Q1-19 / 31.03.2019
A	EPRA earnings per share (EPS)	NOK	1.42	1.46
B	EPRA NAV per share	NOK	153	144
	EPRA NNNNAV per share	NOK	142	133
	EPRA NRV per share	NOK	158	147
C	EPRA net initial yield	%	4.9	5.0
	EPRA, "topped-up" net initial yield	%	4.9	5.0
D	EPRA vacancy rate	%	2.5	3.6
E	EPRA cost ratio (including direct vacancy costs)	%	15.4	14.8
	EPRA cost ratio (excluding direct vacancy costs)	%	13.7	13.2

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 operational performance of the property portfolio. EPRA Earnings is calculated based on the income statement, adjusted for non-controlling interests, value changes on investment properties, changes in the market value of financial instruments and the associated tax effects. In addition, earnings from the jointly controlled entity OSU is adjusted for as the business of this company is development of properties for sale and is not considered relevant for measurement of the underlying operating performance of the property portfolio under management.

All amounts in NOK million	Q1-20	Q1-20	Q1-20	Q1-20	Q1-19	Q1-19	Q1-19	Q1-19
	IFRS reported	EPRA adjustments	Non-controlling Interests ¹⁾	EPRA Earnings	IFRS reported	EPRA adjustments	Non-controlling Interests ¹⁾	EPRA Earnings
Rental income	587	0	38	549	585	0	44	541
Operating costs	-42	0	-2	-40	-43	0	-2	-41
Net operating income	545	0	35	509	542	0	41	501
Other revenue	18	0	1	17	69	0	0	69
Other costs	-9	0	-2	-7	-60	0	0	-60
Administrative costs	-50	0	-2	-48	-48	0	-2	-46
Share of profit from associates and JVs	38	38	0	0	23	21	0	3
Net realised financials	-148	0	-6	-141	-131	0	-6	-125
Net income	394	38	25	331	395	21	33	342
Changes in value of investment properties	0	0	0	0	484	484	0	0
Changes in value of financial instruments	-337	-337	0	0	-22	-22	0	0
Profit before tax/EPRA Earnings before tax	58	-299	25	331	857	483	33	342
Tax payable	-3	0	-1	-2	-3	0	-1	-2
Change in deferred tax	-2	73	-5	-70	-147	-68	-6	-73
Profit for period/EPRA Earnings	52	-226	19	259	707	415	26	266
Average outstanding shares (million)				182.1				182.7
EPRA Earnings per share				1.42				1.46

¹⁾ Excluding non-controlling interests in relation to EPRA adjustments.

B. NET ASSET VALUE

Net Asset Value (NAV) is a key performance measure widely used in the real estate industry. In 2003, EPRA introduced its Best Practices Recommendations (BPR) guidelines for calculating NAV, with two NAV metrics: EPRA NAV and EPRA NNNAV. Since the introduction of EPRA NAV and EPRA NNNAV, European real estate companies have evolved into actively managed entities, including non-property operating activities, which has resulted in more active ownership, higher asset turnover, and balance sheet financing has shifted from traditional bank lending into capital markets. In the BPR guidelines released in October 2019, EPRA introduced three new Net Asset Valuation metrics: EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV). Entra presents EPRA NAV, EPRA NNNAV and EPRA NRV.

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	31.03.2020	31.03.2019	31.12.2019
IFRS equity attributable to shareholders	22 607	21 118	22 570
Add: Adjustment to property portfolio	0	0	0
Add: Revaluation of investments made in JVs ¹⁾	402	756	400
Add: Net market value on financial derivatives	405	181	68
Add: Deferred tax arising on revaluation moments	4 452	4 177	4 517
EPRA NAV	27 865	26 233	27 555
Market value on property portfolio	49 428	46 438	48 964
Tax value on property portfolio	19 182	17 954	18 944
Basis for calculation of tax on gain on sale	30 245	28 483	30 021
Less: Market value of tax on gain on sale (5% tax rate)	1 512	1 424	1 501
Net market value on financial derivatives	405	181	68
Tax expense on realised financial derivatives	89	40	15
Less: Net result from realisation of financial derivatives	316	141	53
Market value of interest bearing debt ²⁾	19 847	19 103	20 212
Carrying value of interest bearing debt	19 802	18 851	19 901
Basis for calculation of tax on realisation of interest bearing debt	45	252	311
Market value of tax on realisation	10	56	68
Less: Net result from realisation of interest bearing debt	35	197	242
Less: MV of tax on gain on sale (5% tax rate) & realisation of financial derivatives in JVs	97	147	93
EPRA NNNAV	25 905	24 323	25 666
Outstanding shares at period end (million)	182.1	182.7	182.1
EPRA NAV per share (NOK)	153	144	151
EPRA NNNAV per share (NOK)	142	133	141

¹⁾ The revaluation of investments made in JVs was in the report for Q1 2019 reported as 1,108 million. The correct revaluation should however have been 756 million. Comparative figures were updated from the report Q2 2019.

²⁾ The market value of interest bearing debt was in the report for Q4 2019 reported as 19,910 million, resulting in a reported EPRA NNNAV of 25,901 million (142 per share). Comparative figures were updated from 2019 annual report.

EPRA NET REINSTATEMENT VALUE (NRV)

The objective of the EPRA NRV measure is to highlight the value of net assets on a long-term basis and assumes that no selling of assets takes place. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Real estate transfer taxes are generally not levied on property transactions in Norway, and such taxes are accordingly not included in the gross value in Entra's valuation certificates. Consequently, no adjustment is in done for real estate transfer taxes in the calculation of NRV.

All amounts in NOK million	31.03.2020	31.03.2019	31.12.2019
IFRS equity attributable to shareholders	22 607	21 118	22 570
Add: Adjustment to property portfolio	0	0	0
Add: Revaluation of investments made in JVs	402	756	400
Net asset value at fair value	23 008	21 874	22 971
Add: Deferred tax in relation to properties and financial instruments	5 531	5 173	5 529
Add: Net fair value on financial derivatives	405	181	68
Less: Goodwill as a result of deferred tax	-109	-109	-109
EPRA NRV	28 835	27 119	28 458
Outstanding shares at period end (million)	182.1	182.7	182.1
EPRA NRV per share (NOK)	158	147	156

Bridge to EPRA NAV:

EPRA NRV	28 835	27 119	28 458
Difference in adjustment for deferred tax ¹⁾	-1 079	-996	-1 012
Goodwill as a result of deferred tax excluded from NRV, not from NAV	109	109	109
EPRA NAV	27 865	26 233	27 555

¹⁾ For the calculation of EPRA NRV, adjustment is made for all deferred taxes in relation to properties and financial instruments. For the calculation of EPRA NAV, adjustment is made for the difference between deferred tax as per the IFRS balance sheet and the balance sheet as per the underlying tax filings.

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 property - wholly owned	31 723	5 029	2 952	1 316	225	2 180	43 425
Investment property - share of JVs/Funds	0	0	0	608	1 116	1 440	3 164
Total property portfolio	31 723	5 029	2 952	1 924	1 341	3 620	46 589
Less projects and land and developments	-4 885	-135	-30	-119	0	-266	-5 436
Completed management portfolio	26 838	4 894	2 922	1 805	1 341	3 354	41 154
Allowance for estimated purchasers' cost	52	15	10	4	5	8	94
Gross up completed management portfolio valuation	26 890	4 909	2 932	1 809	1 346	3 362	41 247
12 months rolling rent	1 377	272	173	111	86	169	2 186
Estimated ownership cost	101	18	12	8	5	16	160
Annualised net rents	1 276	253	161	103	81	153	2 026
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	1 276	253	161	103	81	153	2 026
EPRA NIY (net initial yield)	4.7%	5.2%	5.5%	5.7%	6.0%	4.6%	4.9%
EPRA "topped-up" NIY (net initial yield)	4.7%	5.2%	5.5%	5.7%	6.0%	4.6%	4.9%

All figures are adjusted for actual share of ownership of each property

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	38	11	0	1	2	5	57
Total market rent	1 459	294	150	101	80	206	2 290
Vacancy	2.6%	3.6%	0.2%	0.5%	2.8%	2.4%	2.5%

All figures are adjusted for actual share of ownership of each property

E. EPRA COST RATIO

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

All amounts in NOK million	Q1-20	Q1-19	2019
Operating costs	-42	-43	-189
Administrative costs	-50	-48	-171
Share of joint ventures expences	0	0	0
Less: Ground rent cost	2	4	9
EPRA Cost (including direct vacancy cost)	-90	-87	-351
Direct vacancy cost	-9	-9	-38
EPRA Cost (excluding direct vacancy cost)	-81	-77	-313
Gross rental income less ground rent	587	585	2 338
Share of joint ventures and fund (GRI)	0	0	0
Total gross rental income less ground rent	587	585	2 338
Epra cost ratio (including direct vacancy cost)	15.4%	14.8%	15.0%
Epra cost ratio (excluding direct vacancy cost)	13.7%	13.2%	13.4%

For further information about EPRA, go 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.
Capital expenditure	- Property related capital expenditure, split into four components: (i) Acquisition, (ii) Development, (iii) Like-for-like portfolio and (iv) Other. The components Development and Like-for-like portfolio combined ties to the line item Investment in the property portfolio in the investment properties rollforward, while the two other categories ties to separate line items in the rollforward.
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/JLL and Newsec
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.
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 properties owned by the parent company and subsidiaries. The figure does not include Inventory properties.
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
Total net nominal interest bearing debt	- Net nominal interest bearing debt and other interest bearing liabilities, including seller's credits and lease liabilities for land and parking lots in connection with the property portfolio
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

Second quarter 2020 10.07.2020

Third quarter 2020 16.10.2020

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