

Q1 2021

Oslo, 23 April 2021



Agenda

Highlights in the quarter

Operations and market

Financial update

Closing remarks

Q&A

Highlights in the quarter



Key figures:

(NOK million)	Q1 21	Q1 20
Rental income	591	587
Net income from property management	370	357
Net value changes	880	337
Profit before tax	1,290	58

Key events:

- Net letting of 18 million
- Started up two new development projects
- Acquired three properties and divested one
- Semi-annual dividend of NOK 2.50 per share for H2-20 to be paid on 4 May (subject to AGM decision), total of NOK 4.90 per share for 2020 (+ 4%)

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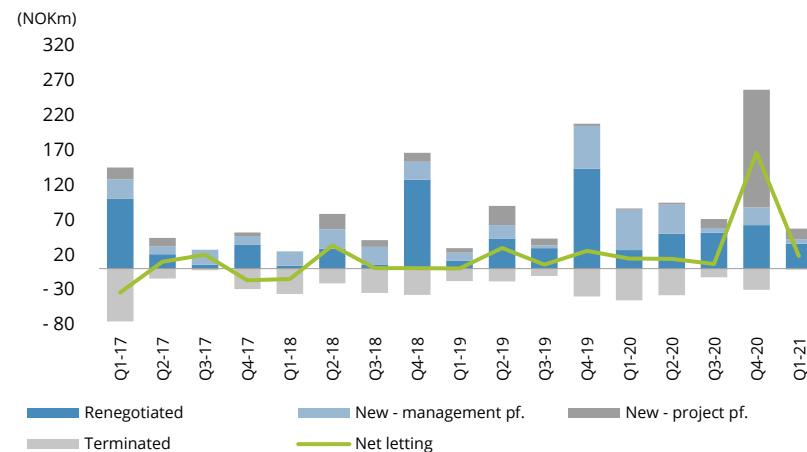
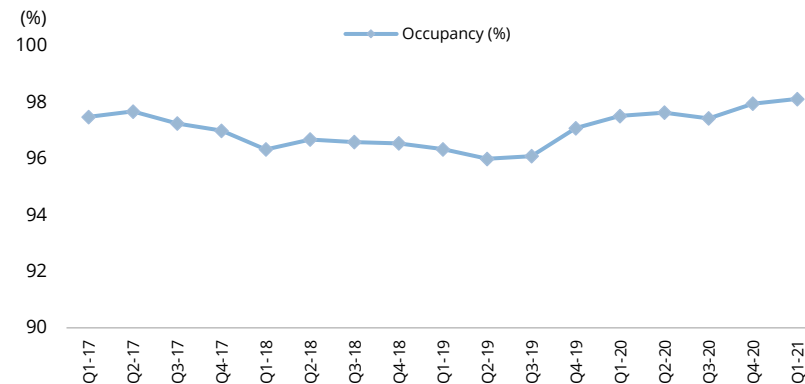
Q&A

Letting and occupancy

- New and renewed leases of 57 million (36,800 sqm)
- Terminated contracts of 1 million
- Net letting of 18 million
- Occupancy at 98.1 %
- WAULT at 6.7 yrs (6.9 yrs incl. project portfolio)

Largest new and renegotiated contracts:

Property	Tenant	Sqm	Contract
Lagårdsveien 6, Stavanger	Southwestern Police District	12,900	Renegotiated
Holtermannsveg 1-13, Trondheim	Volue	3,500	New
Nygårdsgaten 91/93, Bergen	SANDS	1,400	New
Holtermannsveg 1-13, Trondheim	WSP	1,200	New
Lilletorget 1, Oslo	Alternative to Violence (ATV)	1,100	Renegotiated



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

Start of newbuild project in Holtermanns veg 1-13 (phase 2) in Trondheim



Holtermanns veg 1-13 (phase 2), Trondheim

- Phase two out of three in new-build projects on land plot in Trondheim
 - 20,900 sqm
 - BREEAM-NOR Excellent
 - 29 % pre-let
- Phase one (11,700 sqm) finalised in Q1 2020
- Estimated project cost: NOK 703 mill (incl. initial value)
- Estimated yield on cost: 5.7 %
- Expected completion: Q2 2023

Start of newbuild project in Nygårdsgaten 91/93 in Bergen

- Newbuild project on land plot in Bergen city centre
 - 11,900 sqm
 - BREEAM-NOR Excellent
 - 14 % pre-let
- Estimated project cost: NOK 619 mill (incl. initial value)
- Estimated yield on cost: 5.3 %
- Expected completion: Q4 2022



Nygårdsgaten 91-93, Bergen

Status 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⁾ (%)
Redevelopment								
Universitetsgata 7-9	100	Oslo	Sep-21	21 900	86	1 295	1 069	5.8
Universitetsgata 2 - Rebel	100	Oslo	Sep-21	28 100	54 	1 650	1 449	5.6
St. Olavs plass 5	100	Oslo	Aug-22	16 500	60	1 148	698	4.8
Tordenskiolds gate 12	100	Oslo	Sep-22	13 000	92	1 203	766	4.4
Stenersgata 1	100	Oslo	Jun-23	15 800	57	1 166	666	4.5
Schweigaards gate 15	100	Oslo	Jun-23	22 900	34 	1 362	637	4.7
Møllendalsveien 6-8	100	Bergen	Dec-21	14 200	44	636	379	5.2
Newbuild								
Nygårdsgaten 91/93	100	Bergen	Dec-22	11 900	14	619	262	5.3
Holtermanns veg 1-13 phase 2	100	Trondheim	Jun-23	20 900	29	703	103	5.7
Refurbishment								
Grønland 32	100	Drammen	Jun-21	5 000	100	158	126	7.0
Hagegata 22-24	100	Oslo	Dec-21	10 100	100	433	396	5.5
Total				180 300	59	10 373	6 551	

¹⁾ Total project cost (Including book value at date of investment decision/cost of land); excluding capitalized interest costs

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

Acquisition of «Kanalpiren» at Hinna Park in Stavanger

- 25,900 sqm office property
- Located adjacent to existing portfolio at Hinna Park
- Total transaction value NOK 375 million
- 60 % let with an average duration of 7 years
- Acquired by Hinna Park Eiendom AS (50/50 owned by Entra and Camar Eiendom AS)
- Closed on 15 April 2021



Transactions in the quarter marked by asset rotation

Acquisitions:

Møllendalsveien 1A in Bergen



- 5,800 sqm
- Value: NOK 208 mill
- Closing: Q2 2021

Lagårdsveien 6 in Stavanger



- 13,600 sqm
- Option to acquire for NOK 126 mill vs market value at NOK 313 mill
- Closing: Q1 2021

50 % of Kanalpiren in Stavanger



- 25,900 sqm
- Value: NOK 375 mill
- Closing: April 2021
- Acquired by Hinna Park Eiendom AS

Divestments:

Tollbodallmenningen 2A in Bergen



- 1,800 sqm
- Value: NOK 40 million
- + 13 % to book values as of 31.12.20
- Closing: Q1 2021

50 % of Nytorget 1 in Stavanger



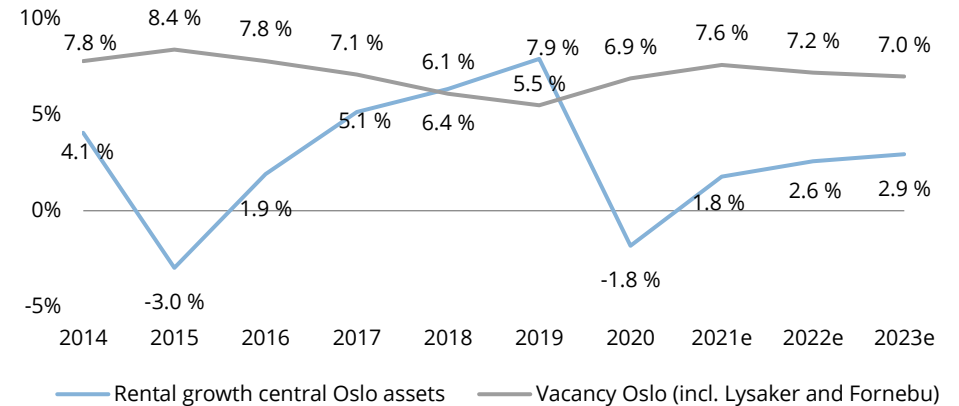
- 5,233 sqm
- Value: NOK 92 million
- + 21 % to book values as of 31.12.20
- Closing: May 2021
- Sold to/acquired by Hinna Park Eiendom AS

Market development

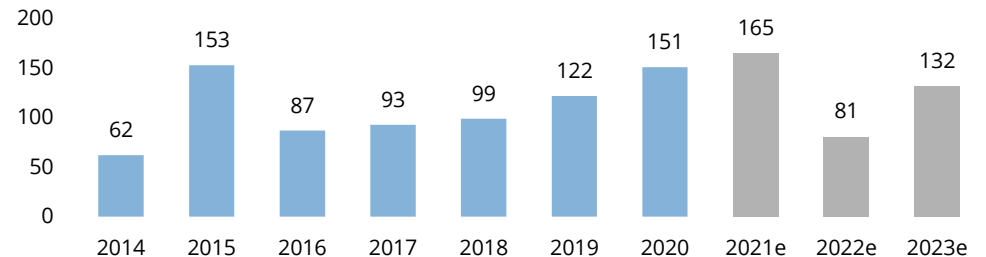
Rent and vacancy

- Q1 impacted by new lock down and strict travel restrictions
 - Infection rates now steadily decreasing;
 - Vaccination levels at around 20 % (first dose)
 - General opinion that vaccination will enable full opening over the summer and kick-start the economy
- Office market in Oslo;
 - Market rents holding up well
 - Vacancy slightly increasing
 - Limited new build activity
- Stable and solid activity in both Bergen and Trondheim

Market rental growth and vacancy in Oslo



Newbuild volumes Oslo (1,000 sqm)



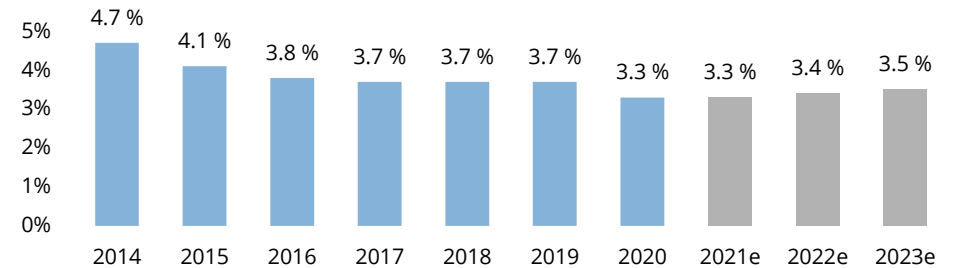
Source: Entra consensus report Q1 2021, average of estimates from leading market specialists in Norwegian market. Nominal rental value growth

Market development

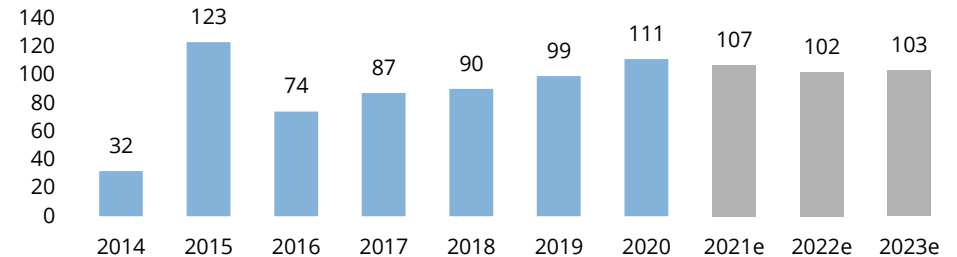
Transactions and yields

- Continued high interest for property investments
 - Particularly office and logistics
 - Strong demand for attractive properties with long leases and solid tenants
- Positive sentiment with both investors and tenants seem to believe that vaccination soon will re-start the economy
- Prime yield remain at 3.3 % after strong yield compression in H2 2020; narrow yield spread to regional markets
- Financing market open and well functioning
 - Increasing swap rates has not impacted valuation or interest for office properties
 - Higher interest rates to some extent balanced by lower margins

Prime yield Oslo*



Total transaction volume (NOKbn)*



* Source: Entra consensus report Q1 2021. Estimates from leading market specialists in Norwegian market

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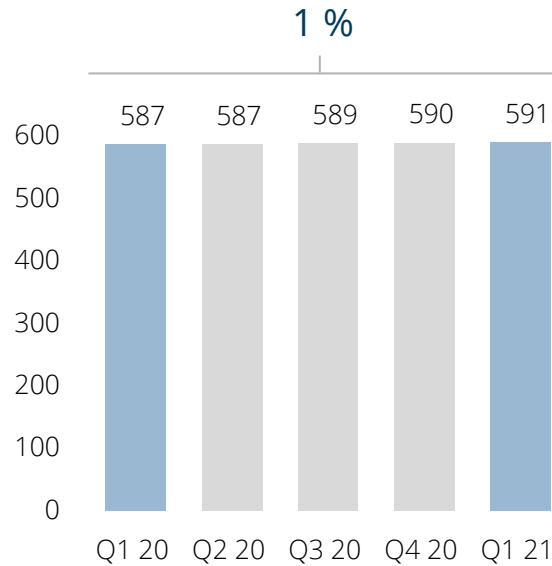
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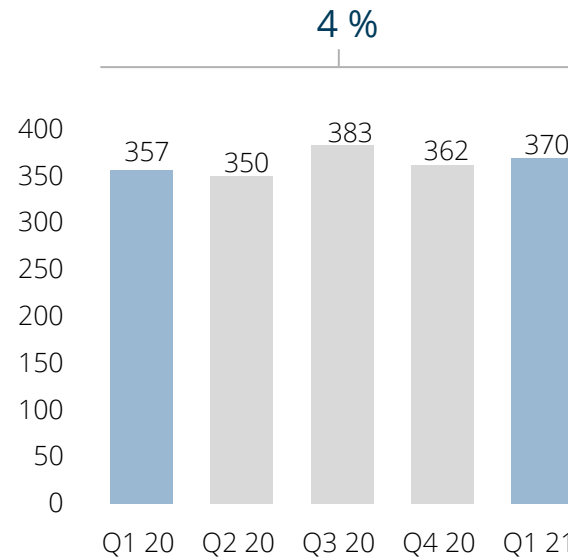
Key financials

NOK million

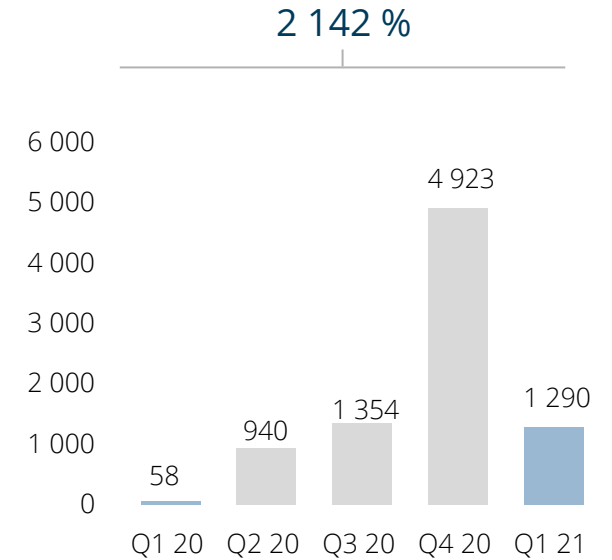
Rental income



Net Income from Property Management



Profit before tax

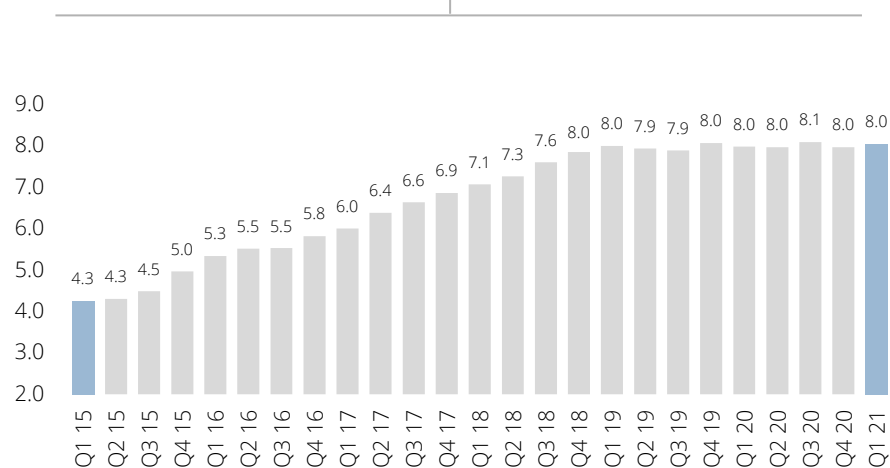


Key financials per share

NOK per share

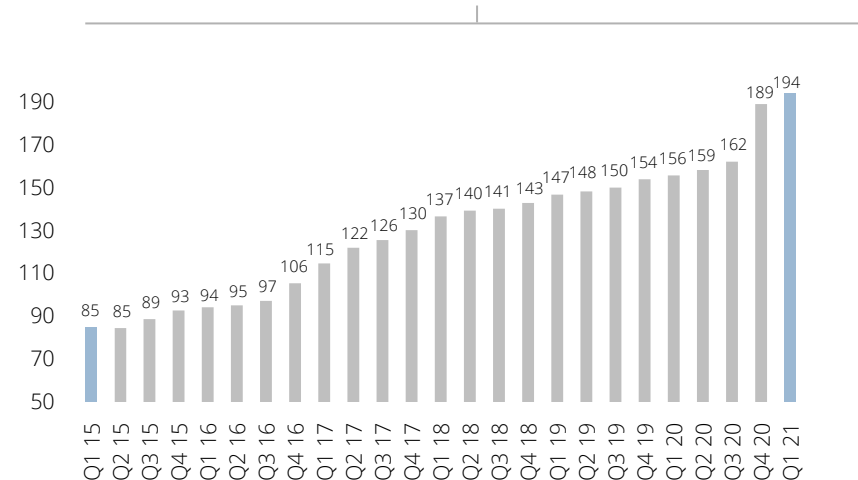
Cash Earnings*

CAGR: 11 %



EPRA NRV

CAGR: 15 %



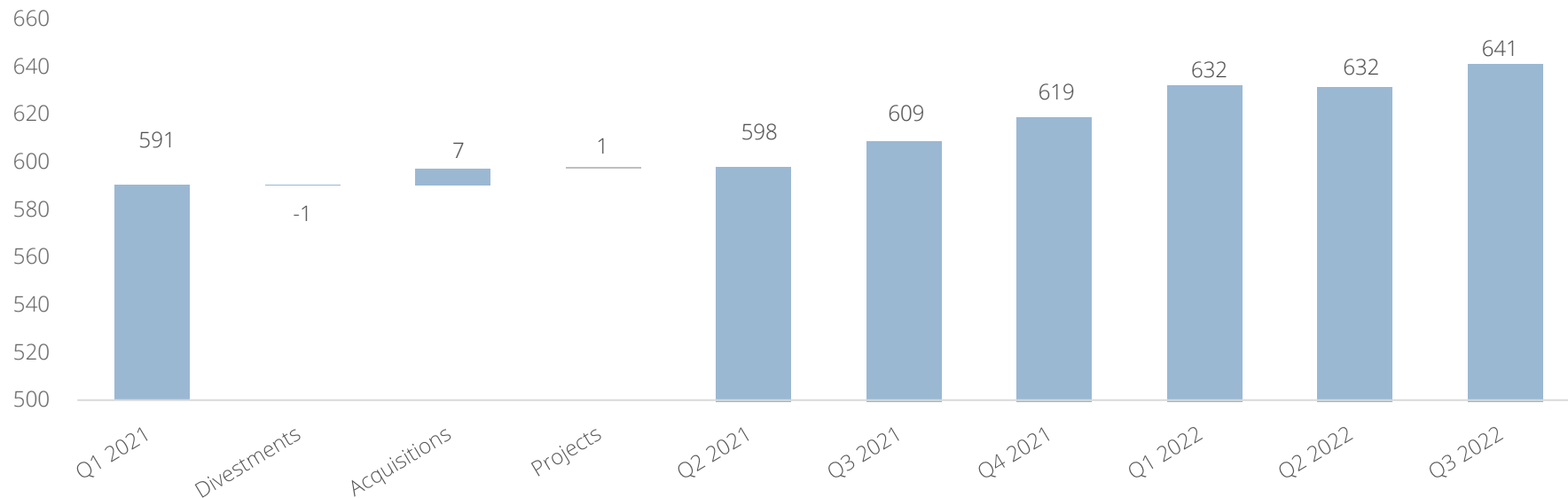
* Annualised, rolling four quarters

Profit and loss statement

All amounts in NOK million	Q1-21	Q1-20	2020
Rental income	591	587	2 353
Operating costs	-51	-42	-211
Net operating income	539	545	2 142
Other revenues	16	18	113
Other costs	-10	-9	-79
Administrative costs	-49	-50	-186
Share of profit from associates and JVs	40	38	120
Net realised financials	-127	-148	-541
Net income	410	394	1 569
- of which net income from property management	370	357	1 451
Changes in value of investment properties	781	0	5 980
Changes in value of financial instruments	99	-337	-275
Profit before tax	1 290	58	7 274
Tax payable	-4	-3	-26
Change in deferred tax	-264	-2	-1 552
Profit for period/year	1 022	52	5 696

Rental income development based on reported events*

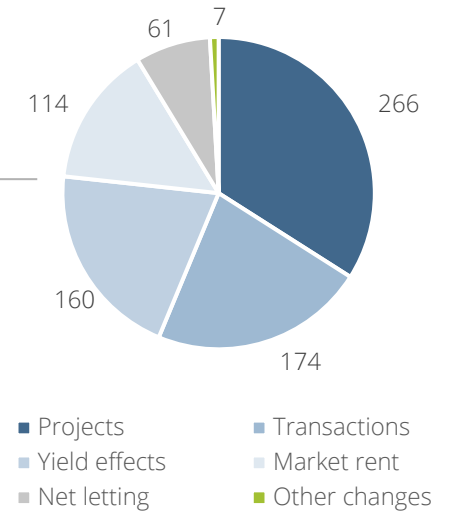
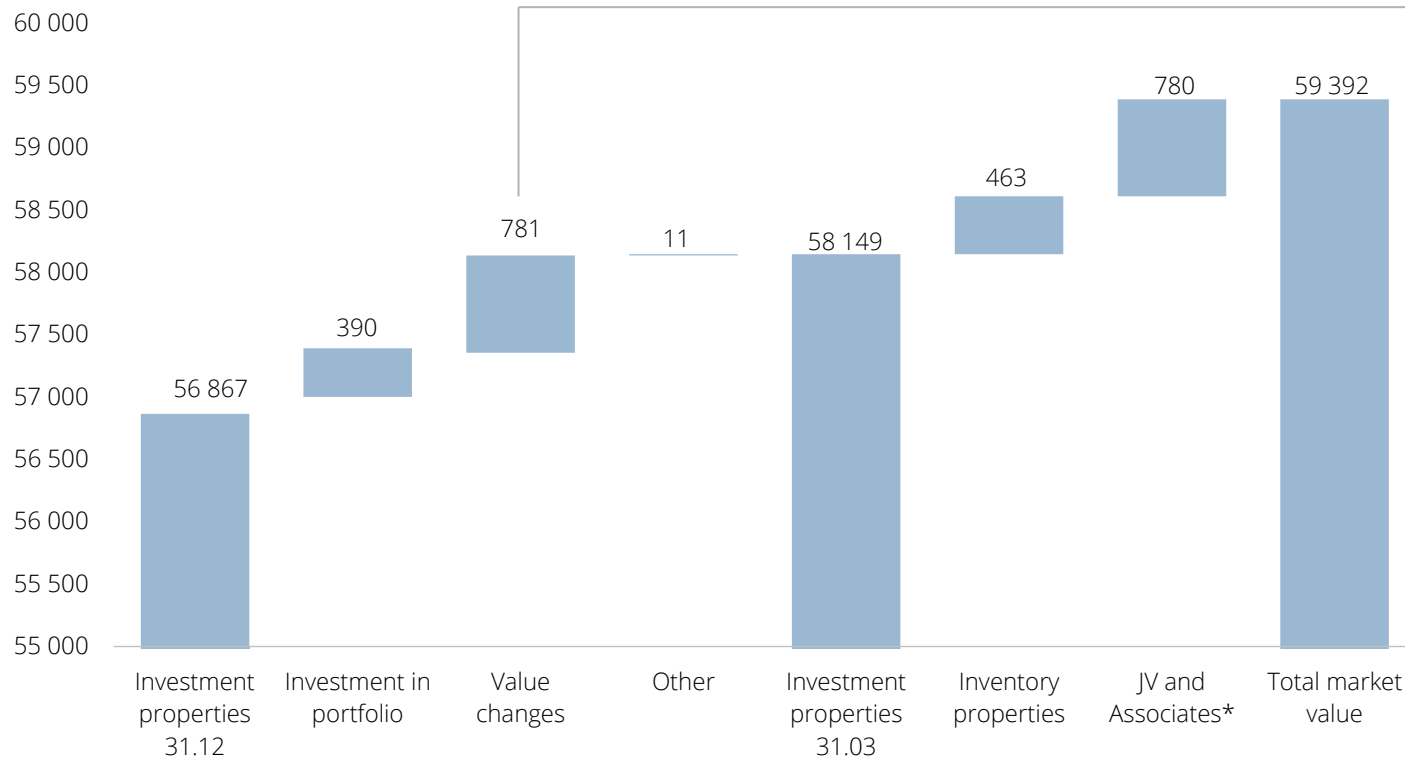
NOK million



* 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, and where the outcome of the renegotiation process is not known

Property value development

NOK million

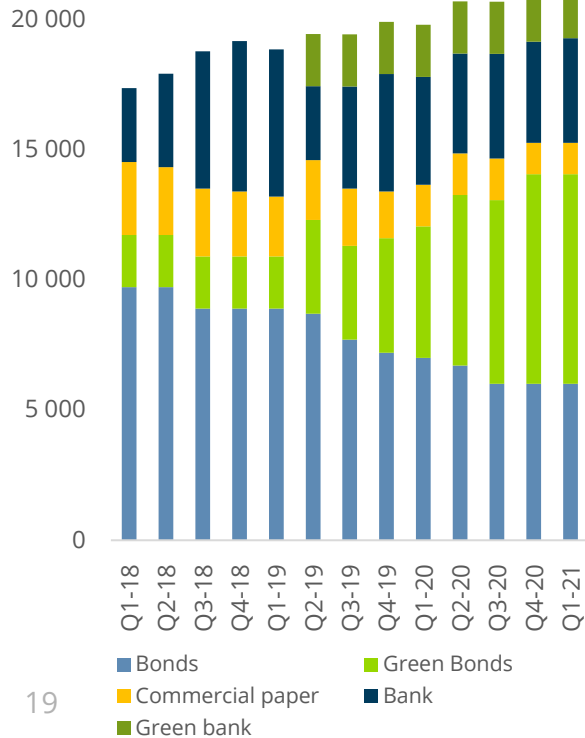


* Entra's share of gross market value of JVs and Associates (book value equity = NOKm 493)

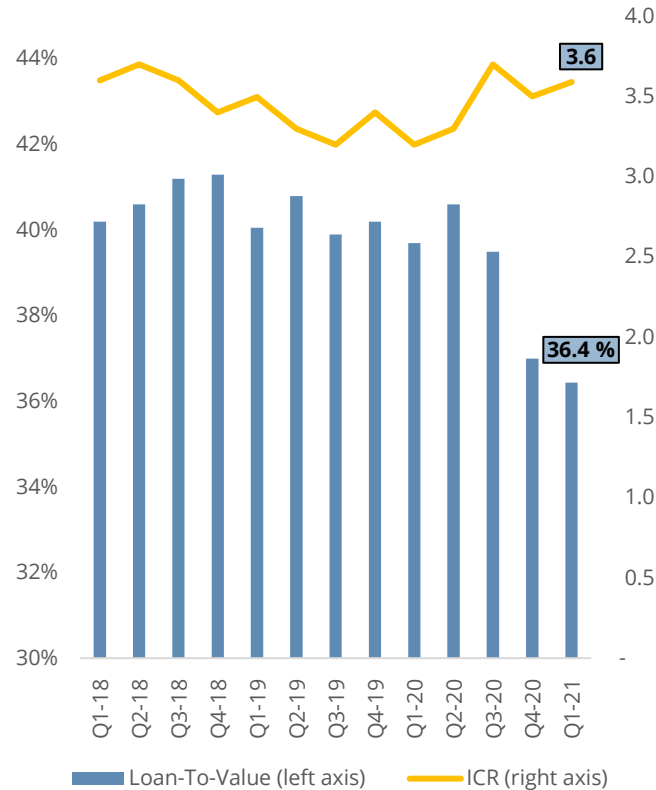
Financial update

Financing mix

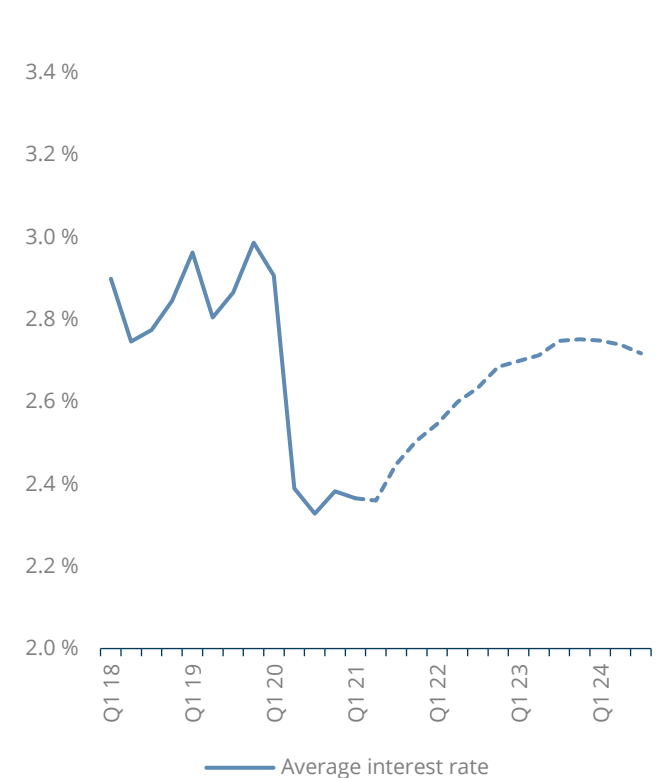
25 000 NOK billion



LTV and ICR



Development in avg. interest rate



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Closing remarks and outlook

- Solid market fundamentals
 - Rental market holding up well
 - Strong transaction market
- Covid-19 uncertainty remains
 - new cases dropping, first dose vaccination around 20 %
 - Marginal impact on Entra's operating results
- Back on growth track
 - Strong balance sheet and financial capacity
 - Continue to build project portfolio; currently at 180,300 sqm adding 530 million in rental income fully let
 - Selective acquisitions



Spire, potential newbuild project at Helsfyr in Oslo

An architectural rendering of a modern, multi-story brick building with a grid-like facade of windows. The building is situated in an urban environment with other buildings in the background. In the foreground, there is a courtyard with a paved walkway, greenery, and people walking and sitting. A woman is carrying a child, a man is sitting on a bench, and a group of people is sitting on the grass. Bicycles are parked along the walkway. The sky is overcast.

Next event
2nd quarter results
14 July, 2021

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