

Q2 2021

Oslo, 14 July 2021



Agenda

Highlights in the quarter

Operations and market

Financial update

Closing remarks

Q&A

Highlights in the quarter



Key figures:

(NOK million)	Q2-21	Q2-20
Rental income	602	587
Net income from property management	370	350
Net value changes	756	337
Profit before tax	1 126	940

Key events:

- Net letting of 13 million
- Acquired two properties and increased ownership in Oslo S Utvikling
- Finalised one development project
- Semi-annual dividend of NOK 2.50 per share for H1-21 to be paid on 12 October 2021

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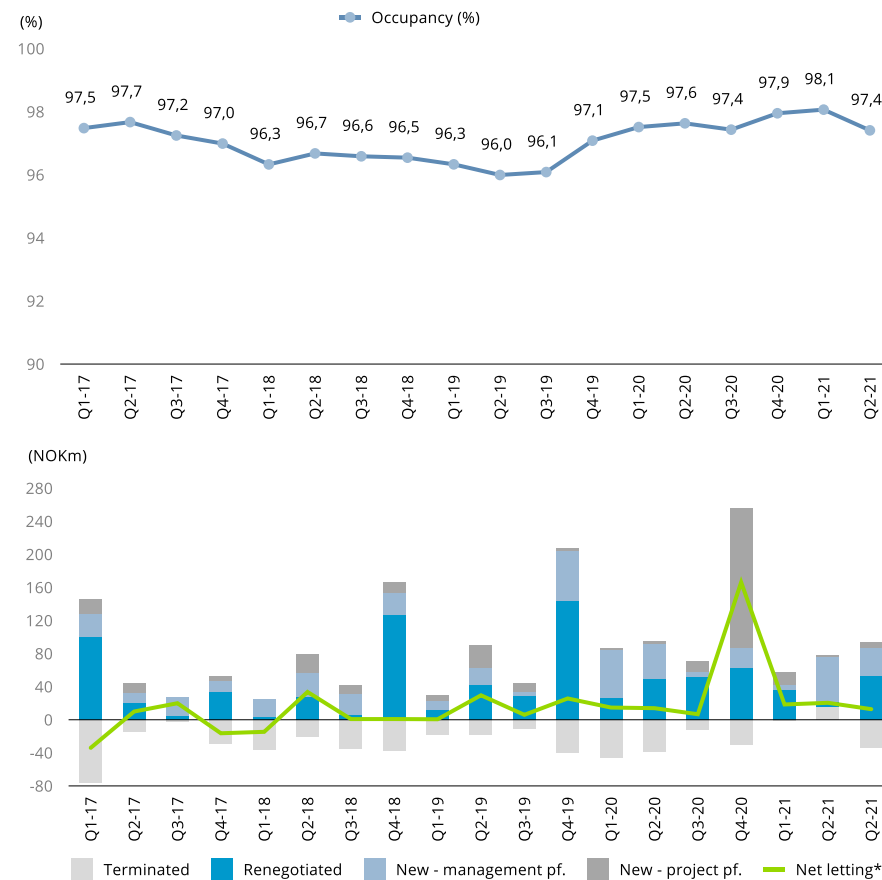
Q&A

Letting and occupancy

- New and renewed leases of 93 million (36,600 sqm)
- Terminated contracts of 38 million
- Net letting of 13 million
- Occupancy at 97.4 %
- WAULT at 6.7 yrs (6.9 yrs incl. project portfolio)

Largest new and renegotiated contracts

Property	Tenant	Sqm	Contract
Allehelgens gate 6, Bergen	Western Police District	14,100	Renegotiated
Drammensveien 134 II, Oslo	St1 Norway	2,300	Renegotiated
Universitetsgata 7, Oslo	SAP Norway	1,700	New
Prinsensgate 1, Trondheim	The Norwegian Directorate of immigration	1,400	Renegotiated
St. Olavsplass, Oslo	Geelmuyden Kise	1,100	New



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

Finalised refurbishment project in Grønland 32 in Drammen

- Refurbishment of 5,000 sqm
- 100 % let to public tenant
- Total project cost: 158 mill (incl. initial value)
- Yield on cost: 7.0 %



Grønland 32 in Drammen

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	Q3-21	21 900	97 ↑	1 295	1 160	5.8
Universitetsgata 2 - Rebel	100	Oslo	Q3-21	28 100	73 ↑	1 650	1 508	5.6
St. Olavs plass 5	100	Oslo	Q3-22	16 500	68 ↑	1 148	759	4.8
Tordenskiolds gate 12	100	Oslo	Q3-22	13 000	92	1 203	767	4.4
Stenersgata 1	100	Oslo	Q2-23	15 800	57	1 166	705	4.5
Schweigaards gate 15	100	Oslo	Q2-23	22 900	34	1 362	646	4.7
Møllendalsveien 6-8	100	Bergen	Q4-21 / Q4-22	14 200	95 ↑	636	418	5.2
Newbuild								
Nygårdsgaten 91-93	100	Bergen	Q4-22	11 900	14	619	297	5.3
Holtermanns veg 1-13 BTII	100	Trondheim	Q2-23	20 900	29	703	138	5.7
Refurbishment								
Hagegata 22-24	100	Oslo	Q4-21	10 100	100	433	407	5.5
Total				175 300	67	10 215	6 806	

¹⁾Total project cost (including book value at date of investment decision/cost of land), excluding capitalized interest cost

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

Acquisition of Fyrstikkalléen 1 at Helsfyr in Oslo

- 39,640 sqm new-built office property
- Large, high-quality and flexible office buildings
- Located in one of Entra's main office clusters
- Fully let to three public tenants; 9.4 yrs duration
- 12m rolling rent NOK 95 million
- Total transaction value NOK 2.4 bn
- Closed on 25 June 2021



Fyrstikkalleén 1 at Helsfyr in Oslo

Acquisition of Lars Hilles gate 19 in Bergen

- 5,900 sqm office property
- Attractive location nearby Media City Bergen
- Fully let; 5.4 yrs duration
- Total transaction value: 298 mill
- Closed on 22 June 2021

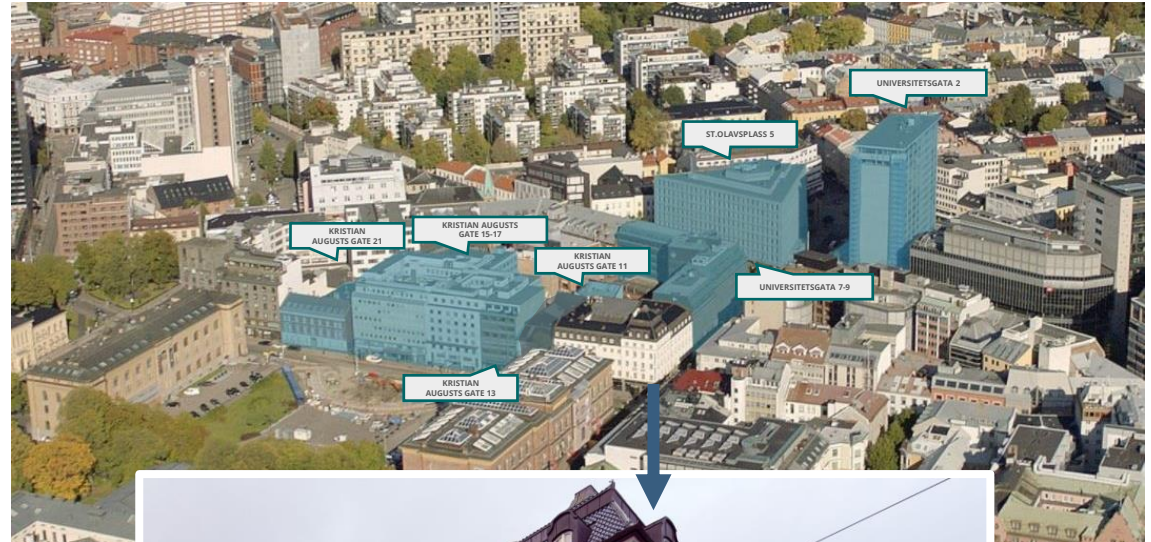


Lars Hilles gate 19 in Bergen



Acquisition of Hotel Savoy in Tullin quarter in Oslo

- Central and attractive location in the middle of Entra's property cluster at Tullin
- Historical hotel with a strong brand
- Currently 5,550 sqm and 93 rooms
- Operated by Nordic Choice Hotels
- Strategic rationale:
 - Part of urban development of Tullin
 - Important part of the product mix
 - Synergies from product bundling and cross-marketing
 - Development potential
- Total transaction value of 185 million
- Closing on 14 July 2021



Increasing ownership stake in Oslo S Utvikling

- Acquired 1/3 of Oslo S Utvikling (OSU) together with Linstow
- Increased ownership from 1/3 to 50 %
- Transaction value: 475 million for Entra's share
- Remaining development potential in OSU:
 - 800 residential + retail/restaurants
 - 72 % share of land plot zoned for commercial purposes (A)
 - option to acquire 25 % of a land plot under zoning for commercial purposes (B)
- Closing on 14 July 2021

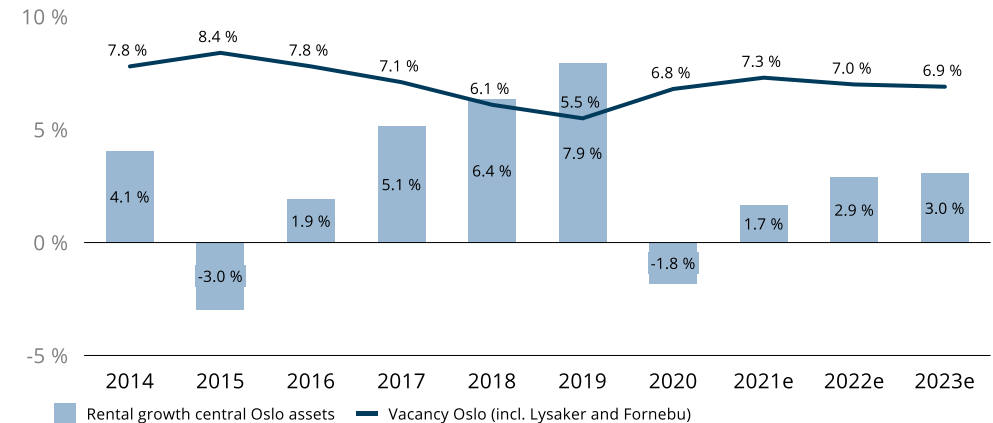


Market development

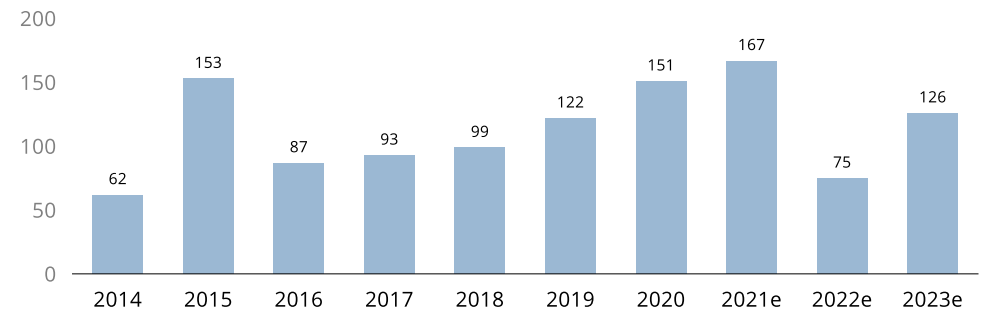
Rent and vacancy

- Control of the Covid-19 situation; society has re-opened
- Strong pick-up in activity; expecting solid employment growth
- Stable rent development through the pandemic
- Significant increase in searches for office space
- Limited new build volumes in the coming years
- Expecting decreasing vacancy rates and increasing rents
- Regional cities remain stable

Market rental growth and vacancy in Oslo



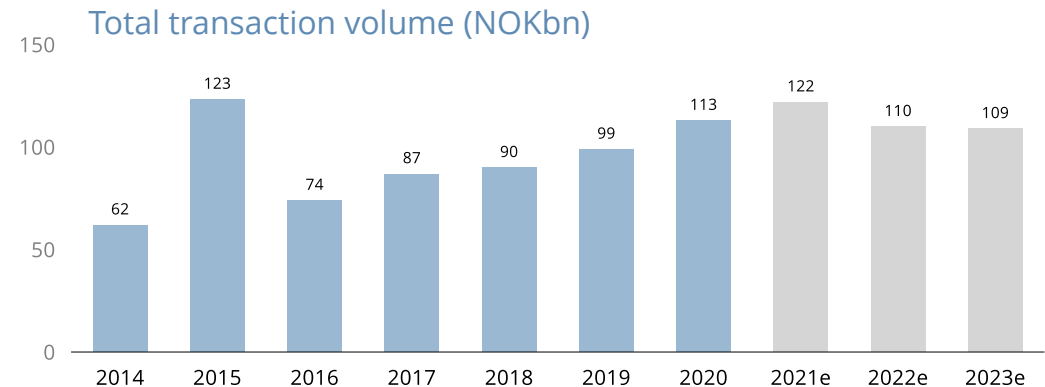
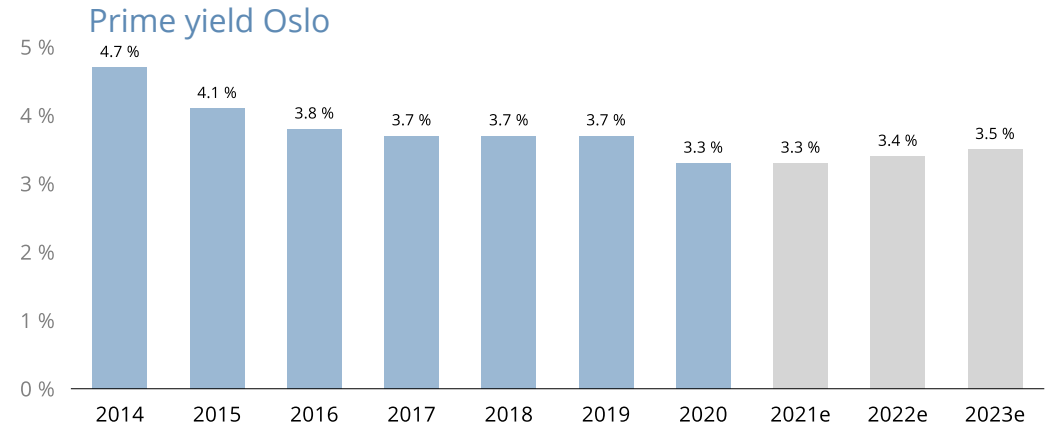
Newbuild volumes Oslo (1,000 sqm)



Market development

Transactions and yields

- Transaction volumes may see record high levels in 2021
 - Total transaction volume of around 70 bn YTD
- Very strong competition for attractive properties
- Favourable financing market and expectations for rental growth have balancing effects on rising long term interest rates
- Prime yield remain at 3.25 – 3.30 %



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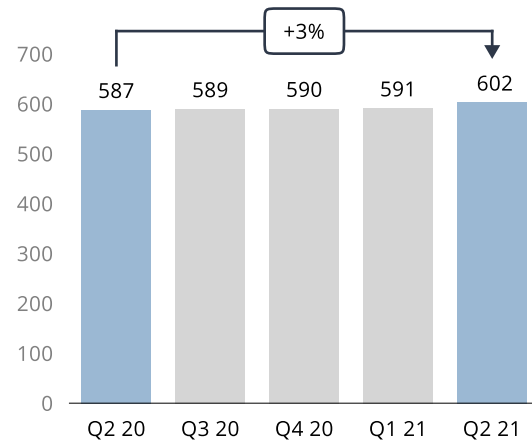
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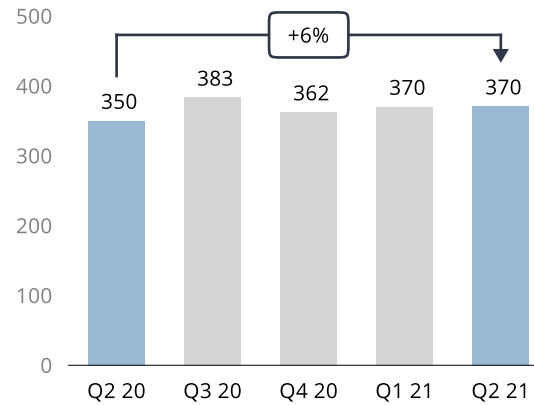
Key financials

NOK million

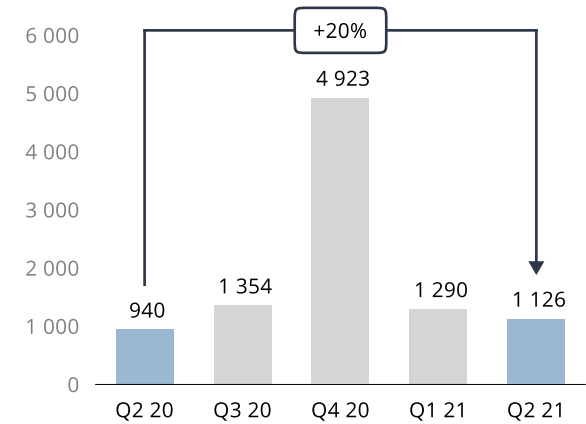
Rental income



Net Income from property management



Profit before tax

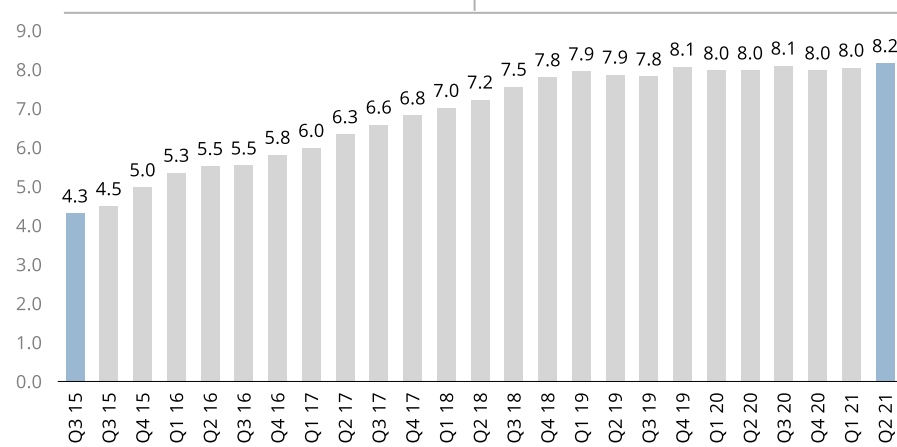


Key financials per share

NOK per share

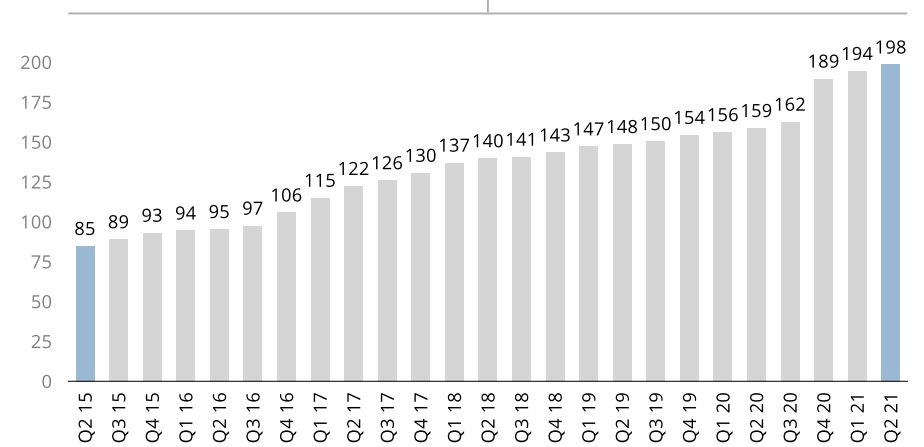
Cash Earnings*

CAGR: 11 %



EPRA NRV

CAGR: 15 %



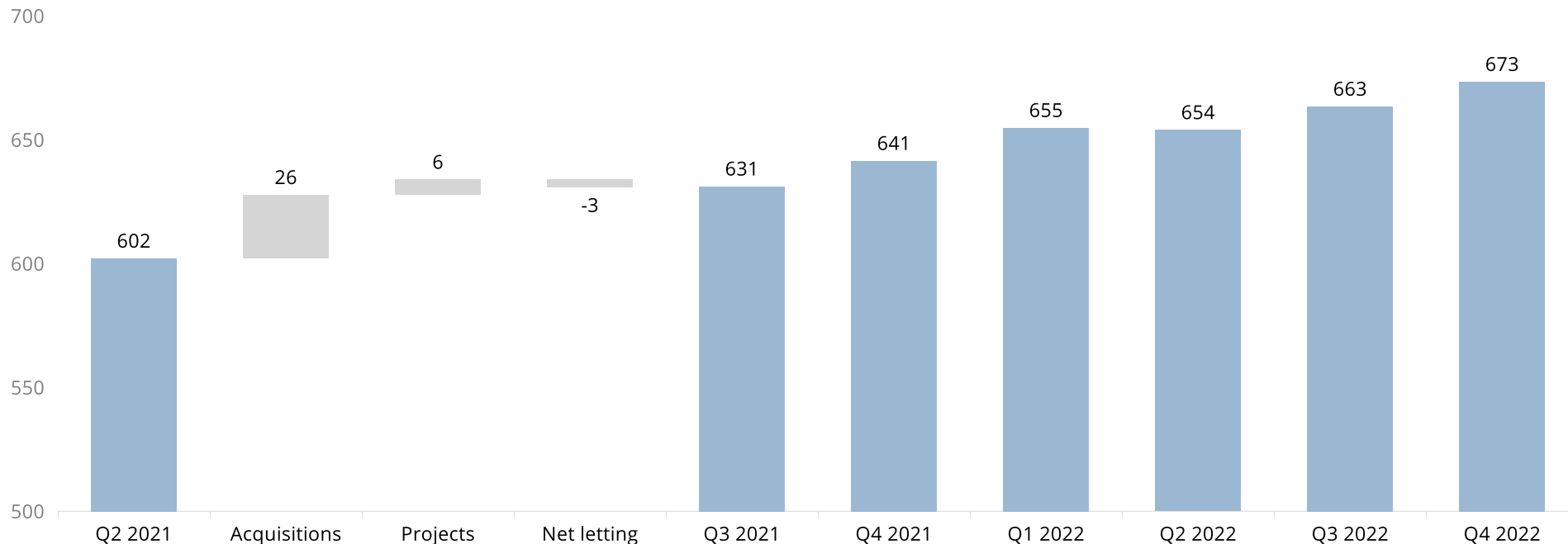
* Annualised, rolling four quarters

Profit and loss statement

All amounts in NOK million	Q2-21	Q2-20	YTD Q2-21	YTD Q2-20	2020
Rental income	602	587	1 193	1 174	2 353
Operating costs	-63	-65	-114	-108	-211
Net operating income	539	522	1 079	1 066	2 142
Other revenues	21	20	37	38	113
Other costs	-17	-14	-26	-23	-79
Administrative costs	-47	-39	-96	-89	-186
Share of profit from associates and JVs	1	1	41	39	120
Net realised financials	-128	-141	-255	-288	-541
Net income	370	349	780	744	1 569
- of which net income from property management	370	350	740	706	1 451
Changes in value of investment properties	724	619	1 505	619	5 980
Changes in value of financial instruments	33	-28	132	-365	-275
Profit before tax	1 126	940	2 417	997	7 274
Tax payable	-4	-6	-7	-10	-26
Change in deferred tax	-245	-204	-510	-206	-1 552
Profit for period/year	877	730	1 900	782	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

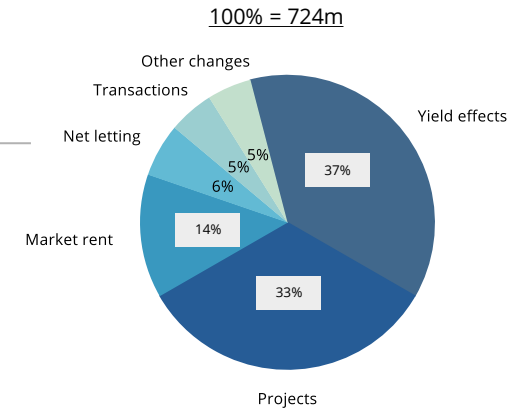
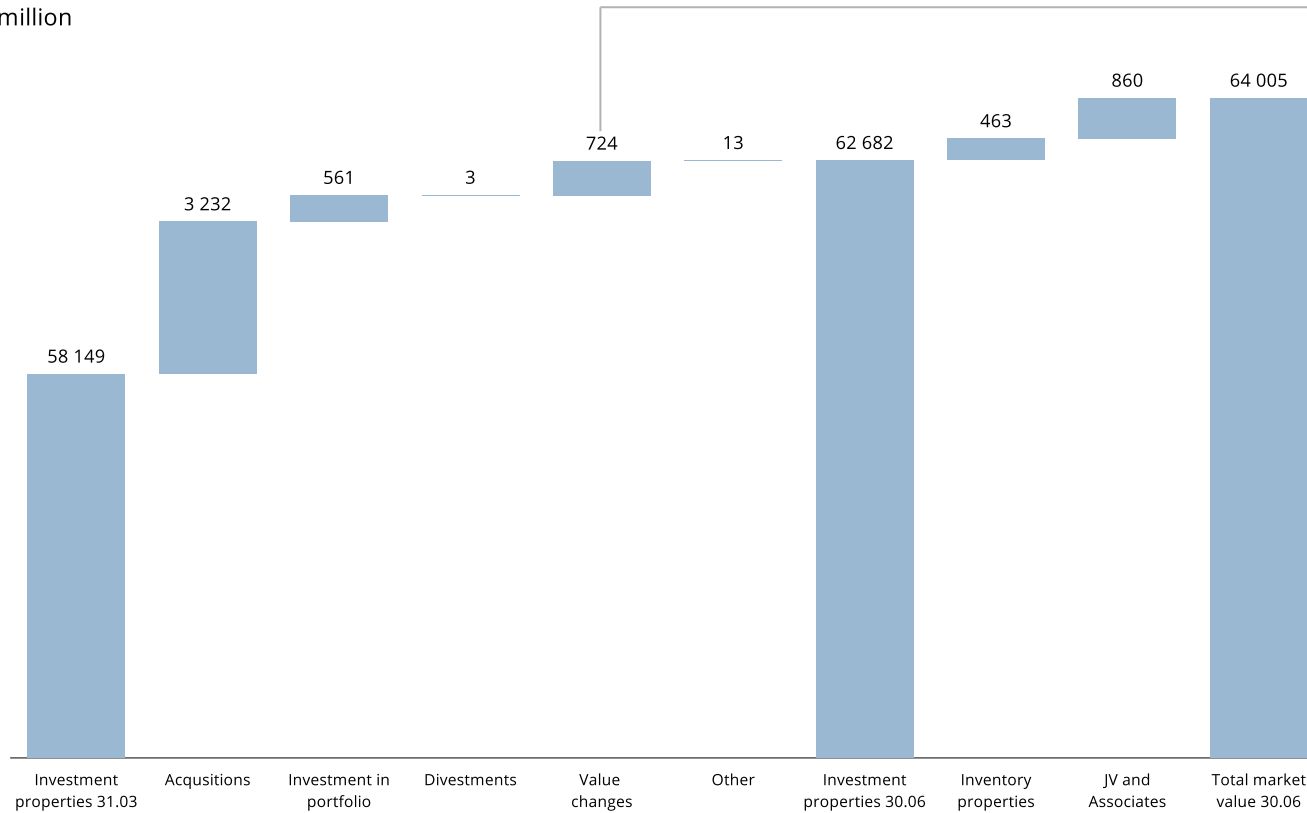
NOK million

65 000

60 000

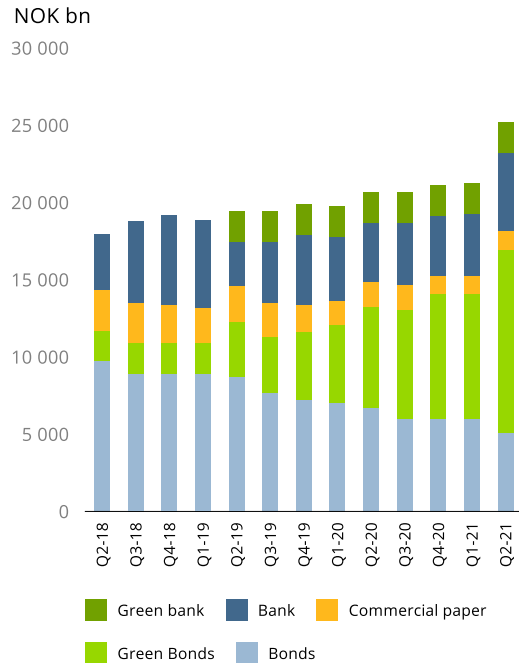
55 000

50 000

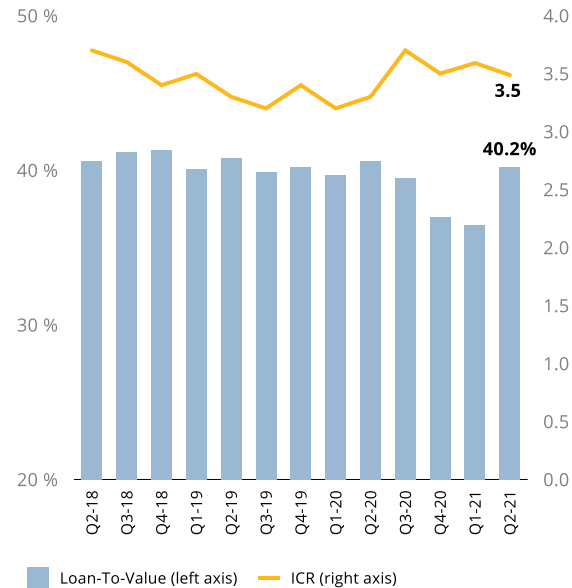


Financial update

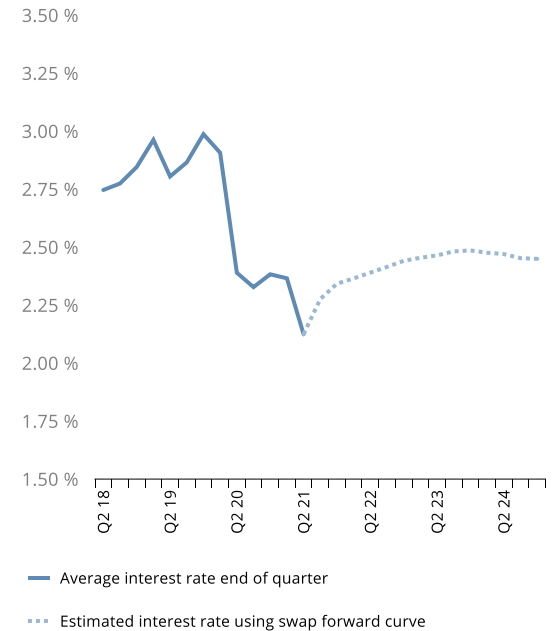
Financing mix



LTV and ICR



Development in avg. interest rate



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Closing remarks and outlook

- Solid market fundamentals
 - Rental market picking up after Covid-19
 - Very strong transaction market
- Strong growth ahead
 - Fully let, the current project portfolio will add more than 500 million in net rental income
 - Six transactions in H1 2021, adding ~150 million in annual rental income + long-term value-add potential
 - Actively use our balance sheet and capital structure to add further growth
- Positioning Entra for the future
 - Optimize and grow our high-quality office portfolio
 - Continue to build and progress our development pipeline
 - Increase our focus on the urban development dimension and our ability to create attractive areas to live and work
 - Actively use our competitive advantages; competence, network, scale and ESG leadership



Next event
3rd quarter results
19 October 2021

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