



Q3

Quarterly Report 2021



Central, flexible and environment friendly office properties

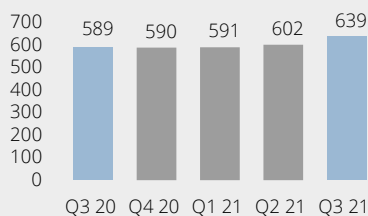
Highlights

- Rental income of 639 million (589 million)
- Net income from property management of 402 million (383 million)
- Net value changes of 794 million (918 million)
- Profit before tax of 1,192 million (1,354 million)
- Net letting of -44 million
- Acquired one property and finalised two large development projects

Rental income

+ 50 mill.

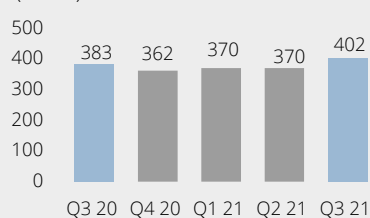
Rental income
(NOKm)



Property management

+ 19 mill.

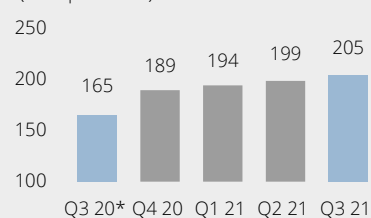
Net income from PM
(NOKm)



EPRA NRV

+ 24 %

EPRA NRV
(NOK per share)



*Updated from previously reported. See page 28.

Key figures

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020	2019	2018
Rental income	639	589	1 832	1 763	2 353	2 338	2 243
Change period-on-period	9 %	2 %	4 %	1 %	1 %	4 %	8 %
Net operating income	581	543	1 660	1 609	2 142	2 149	2 058
Change period-on-period	7 %	2 %	3 %	0 %	0 %	4 %	8 %
Net income from property management ¹⁾	402	383	1 142	1 089	1 451	1 471	1 434
Change period-on-period	5 %	6 %	5 %	0 %	-1 %	3 %	14 %
Net value changes ¹⁾	794	918	2 431	1 172	5 705	1 955	1 486
Change period-on-period	-14 %	95 %	107 %	-15 %	192 %	32 %	-58 %
Profit before tax	1 192	1 354	3 609	2 351	7 274	3 735	3 073
Change period-on-period	-12 %	50 %	53 %	-13 %	95 %	22 %	-39 %
Profit after tax	930	1 068	2 830	1 850	5 696	3 225	2 735
Change period-on-period	-13 %	48 %	53 %	-16 %	77 %	18 %	-39 %
Market value of the property portfolio ¹⁾	64 139	51 842	64 139	51 842	56 746	48 964	45 630
Net nominal interest bearing debt ¹⁾	26 059	20 380	26 059	20 380	20 930	19 585	18 941
Loan to value ¹⁾	40.7 %	39.5 %	40.7 %	39.5 %	37.0 %	40.2 %	41.3 %
Interest coverage ratio ¹⁾	3.5	3.7	3.5	3.4	3.4	3.3	3.6
Average outstanding shares (million)	182.1	182.1	182.1	182.1	182.1	182.4	183.6
All amounts in NOK per share	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020	2019	2018
EPRA NRV ¹⁾²⁾	205	165	205	165	189	154	144
Change period-on-period	24 %	8%	24 %	8%	23 %	7 %	10 %
EPRA NTA ¹⁾²⁾	202	163	202	163	187	153	142
Change period-on-period	24 %	8%	24 %	8%	23 %	8 %	10 %
EPRA Earnings ¹⁾	1.59	1.52	4.51	4.69	5.73	5.81	5.59
Change period-on-period	5 %	7 %	-4 %	22 %	-1 %	4 %	7 %
Cash Earnings ¹⁾	2.18	2.08	6.21	5.91	7.83	8.01	7.74
Change period-on-period	5 %	6 %	5 %	0 %	-2 %	3 %	14 %
Dividend ³⁾	0.00	0.00	2.50	2.40	4.90	4.70	4.50
Change period-on-period	0 %	0 %	4 %	4 %	4 %	4 %	10 %

Reference

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

²⁾ Entra's calculation of EPRA NAV metrics are modified from Q3-21 to include dividend approved, but not paid at period end. See page 28 for further information. Figures for previous periods are adjusted from Q3-21.

³⁾ Entra pays semi-annual dividends. Dividend for 2020 of 4.90 per share constitute dividend of 2.40 for the first half 2020 and dividend of 2.50 for the second half of 2020. Dividend year to date Q3-21 relates to approved on 13 July and paid on 12 October.

Financial development

Results

Rental income

Rental income was up 9 per cent from 589 million in the third quarter of 2020 to 639 million in the third quarter of 2021, and up 4 per cent from 1,763 million to 1,832 for the first nine months of 2021. The changes in rental income can be explained by the factors in the income bridge below.

All amounts in NOK million	Q3-20 Q3-21	YTD Q3-20 YTD Q3-21
Rental income previous period	589	1 763
Development projects	-2	-37
Acquisitions	38	52
Divestments	-1	-2
CPI growth	4	12
Like-for-like growth above CPI	8	34
Other	3	10
Rental income	639	1 832

Net contribution from development projects was negative 2 million in the quarter compared to the same quarter last year. During the last 12 months, Entra has finalised the redevelopment of Universitetsgata 2, Grønland 32, Holtermanns veg 1-13 phase 1 and Kristian Augusts gate 13, contributing of total 8 million on rental income compared to the same quarter last year. However, Møllendalsveien 6-8 in Bergen and parts of Stenersgata 1 in Oslo have been vacated in the same period for redevelopment and has thus reduced the rental income by 10 million.

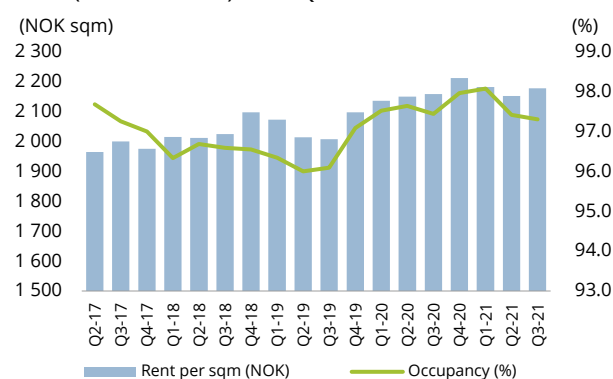
The acquisition of Lagårdsveien 6 and Kanalpiren in Stavanger, Møllendalsveien 1A and Lars Hilles gate 19 in Bergen and Hagegata 27, Fyrstikkalléen 1 and Universitetsgata 11 (Hotel Savoy) in Oslo contributed with rental income of 38 million compared to the same quarter last year, whereas divestment of Tollbodallmenningen 2A in Bergen in February 2021 reduced rental income by 1 million.

Compared to last year, rental income has been positively affected by an underlying like-for-like growth of 2.1 per cent (12 million) for the quarter and 2.8 per cent (46 million) for the first nine months, of which the underlying CPI adjustment was 0.7 per cent (12 million). 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.

Other effects stems from an administrative fee of 3 million per quarter during 2021.

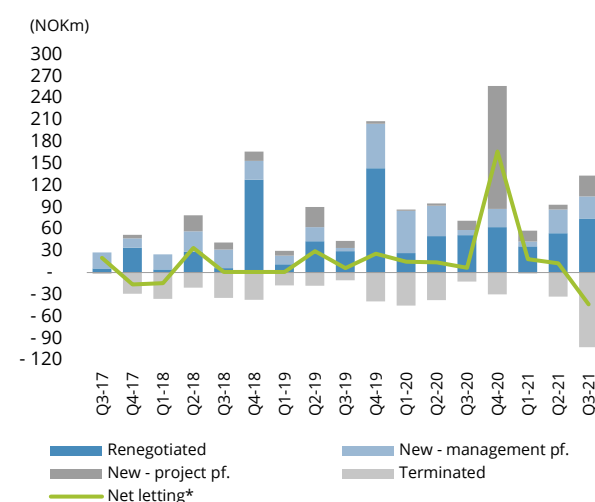
Average 12 months rolling rent per square meter was 2,176 (2,157) as of 30.09.21. The increase in 12 months rolling rent over the last three quarters is mainly a result of acquisitions and finalised projects.

RENT (12M ROLLING) PER SQM AND OCCUPANCY RATE



Compared to the same quarter last year, the occupancy rate went down by 10 basis points to 97.3 per cent. The market rental income of vacant space as of 30.09.21 was approximately 76 million on an annualised basis.

QUARTERLY NET LETTING



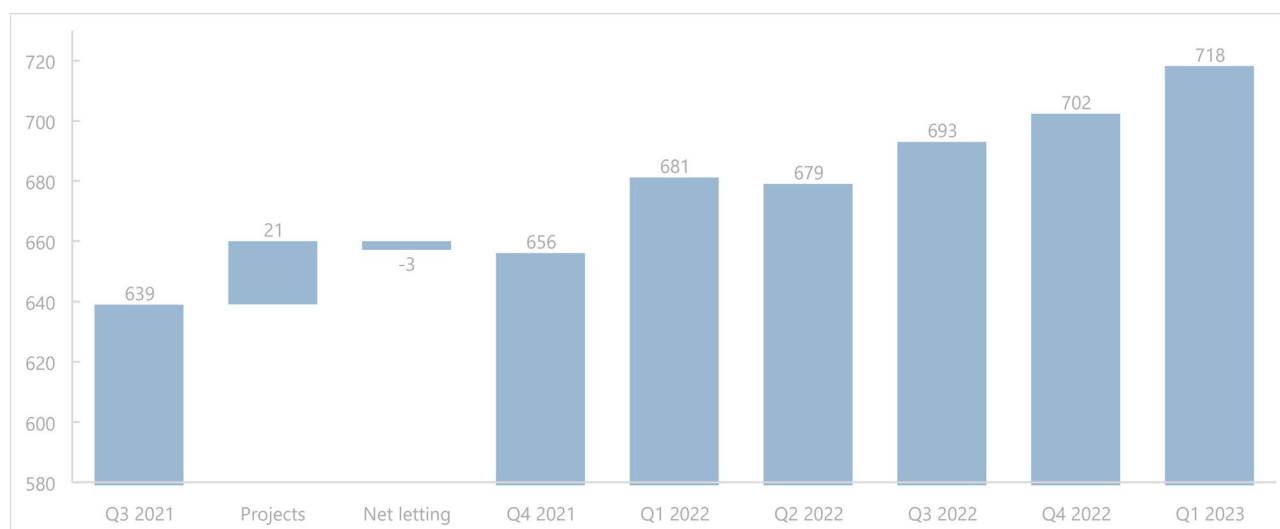
Gross letting, including re-negotiated contracts, was 133 million in the quarter of which 29 million is attributable to letting in the project portfolio.

Lease contracts with an annual lease of 102 million were terminated in the quarter, of which 72 million is attributable to Brynsengfaret 4-6 where The Norwegian Public Roads Administration notified that they will not renew their contract from Q3 2023.

Net letting, defined as new lease contracts plus lease-up on renegotiated contracts less terminated contracts, came in at

negative 44 million (positive 7 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 an even later impact on the results. Please see the project development section for further information regarding project completion.

RENTAL INCOME DEVELOPMENT



The graph above shows the estimated development of contracted rental income based on all reported events, including income effect from acquisitions and divestments, 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.

Operating costs

Total operating costs amounted to 58 million (46 million) in the quarter, and is split as follows:

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20
Maintenance	8	9	22	21
Tax, leasehold, insurance	17	13	47	42
Letting and prop. adm.	22	12	65	55
Direct property costs	11	12	37	36
Operating costs	58	46	172	154

Net operating income

As a consequence of the effects explained above, net operating income came in at 581 million (543 million) in the quarter.

Other revenue and other costs

Other revenue were 15 million (31 million) in the quarter and other costs were 7 million (20 million). Other revenue and other costs mainly consists of services provided to tenants and 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 at a predetermined price).

Administrative costs

Administrative costs amounted to 43 million (42 million) in the quarter.

Share of profit from associates and JVs

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20
Profit from property management	-4	0	-3	2
Other income and costs	-3	52	37	90
Share of profit from associates and JVs	-7	53	34	92

Share of profit from associates and JVs in the quarter is impacted by opening of the Rebel concept in Rebel U2. See the section Partly owned companies for a detailed breakdown of the results from associates and JVs.

Net realised financials

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20
Interest and other finance income	3	1	6	7
Interest and other finance expense	-144	-130	-401	-424
Net realised financials	-141	-129	-396	-417

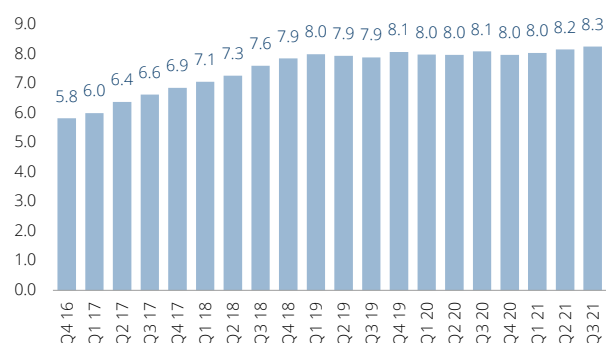
Net realised financials have increased in the third quarter mainly as a result of higher interest bearing debt.

Net income and net income from property management

Net income came in at 398 million (435 million) in the quarter. When including only the profit from property management in the results from associates and JVs, net income from property management for the Group was 402 million (383 million). This represents an increase of 5 per cent. 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 794 million (918 million) in the quarter.

The valuation of the property portfolio resulted in net positive value changes of 780 million (892 million) in the quarter. 322 million of the total value changes in the third quarter of 2021 is related to yield effects, primarily in Trondheim. 165 million is related to projects, mainly explained by reduced risk as each project is moving towards completion in combination with improved market conditions. 142 million is attributable to increased markets rents. 121 million is a result of new contracts signed in the quarter, partly offset by effects from terminated contracts. The remaining 30 million stems from other property related changes.

Net changes in value of financial instruments was 14 million (26 million) in the quarter. The positive value change is mainly explained by higher long-term interest rates, partly offset by negative value change from two bond switch transactions executed in the third quarter.

Tax

Tax payable of 4 million (3 million) in the quarter is related to the partly owned entity Papirbredden in Drammen. The change in deferred tax was -259 million (-283 million).

Profit

Profit before tax was 1,192 million (1,354 million) in the quarter. Profit after tax was 930 million (1,068 million), which also equals the comprehensive income for the period.

EPRA Earnings

EPRA Earnings amounted to 290 million (276 million) in the third quarter.

Balance sheet

The Group's assets amounted to 66,920 million (54,441 million) as at 30.09.21. Of this, investment properties amounted to 64,163 million (51,965 million). The property Borkenveien 1-3 in Sandvika is classified as held for sale at 30 September 2021 as the tenant has exercised the option to acquire the property.

Inventory properties of 467 million (418 million) at the end of the quarter relates to the properties expected to be zoned for residential development and subsequently sold to a third party at a predetermined price.

Interest bearing debt were 25,992 million (20,688 million) as of 30.09.21, of which 19,579 million were bonds outstanding, 5,263 million were bank financing and 1,150 million were commercial papers.

Book equity totalled 31,074 million (25,442 million) at 30.09.21. EPRA NRV per share was 205 (165) and EPRA NTA 202 (163).

Cash flow statement

Net cash flow from operating activities came in at 481 million (561 million) in the quarter. The decrease mainly relates to working capital movements.

The net cash flow from investments was -1,134 million (-505 million) in the quarter. Purchase of investment properties of -167 million (-134 million) in the quarter is mainly related to the acquisition of Universitetsgata 11 (Hotel Savoy) in Oslo. The cash effect of investment in and upgrades of investment properties is -486 million (-367 million) in the quarter. Investments in associates and JVs is related to Entra's increase in the share in Oslo S Utvikling from 33.3 % to 50 %.

Net cash flow from financing activities was 805 million (-12 million) in the quarter. During the quarter, Entra had a net nominal increase in bond financing of 2,936 million, with a corresponding cash effect of 2,639 million, partly offset by a net decrease in bank and commercial paper financing of 1,781 million and 50 million, respectively.

The net change in cash and cash equivalents was 152 million (44 million) in the quarter.

Financing

During the third quarter, Entra's nominal interest bearing debt increased by 1,105 million to 26,315 million. The change in interest bearing debt came from an increase in bond financing of 2,936 million, partly offset by a decrease in bank and

commercial paper financing of 1,781 million and 50 million, respectively.

In the quarter, Entra issued four new green bonds with total of 6,515 million. Entra also re-opened an eight and nine year floating rate green bond issue with 700 million and 150 million, respectively. The weighted average maturity of the bonds issued was 6.9 years. The green bonds are earmarked funding of a pool of properties/projects with high environmental standards and a certification from BREEAM with a minimum certification of "excellent". In the process of increasing the bond financing maturity, Entra repurchased 4,429 million of outstanding bonds with a weighted average maturity of 3.9 years. In addition, Entra issued commercial paper loans of 500 million.

Further, the weighted average maturity of Entra's bank facilities have been extended in the quarter by using extension options in the loan agreements. Bank facilities with a total volume of 8,250 million have thus been extended, bringing the weighted average maturity for these facilities up to 4.2 years as of 30.09.2021 (3.3 years as of 30.06.2021).

As of 30.09.21, net nominal interest bearing debt after deduction of liquid assets of 256 million (302 million) was 26,059 million (20,380 million).

The average remaining term for the Group's debt portfolio was 6.1 years at 30.09.21 (5.5 years as of 30.09.20, 5.0 years as of 31.06.21). 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. As of 30.09.21, 80 per cent (71 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)	1 150	0	0	0	0	1 150	4
Bonds (NOKm)	1 182	2 742	924	600	14 438	19 886	76
Bank loans (NOKm)	0	1 025	275	2 070	1 908	5 279	20
Total (NOKm)	2 332	3 767	1 199	2 670	16 346	26 315	100
Unutilised credit facilities (NOKm)	0	0	1 500	4 430	2 250	8 180	
Unutilised credit facilities (%)	0	0	18	54	28	100	

Financing policy and status

All amounts in NOK millions	30.09.2021	Finance policy
Loan-to-value (LTV)	40.7 %	Below 50 per cent over time
Interest coverage ratio (ICR)	3.5	Min. 1.8x
Debt maturities <12 months	9 %	Max 30%
Maturity of hedges <12 months	52 %	Max 60%
Average time to maturity (hedges)	2.8	2-6 years
Back-stop of short-term interest bearing debt	351 %	Min. 100%
Average time to maturity (debt)	6.1	Min. 3 years

Interest rates and maturity structure

The average interest rate¹⁾ of the debt portfolio was 2.12 per cent (2.33 per cent) as at 30.09.21. The change in average interest rate stems mainly from repurchase of outstanding bonds with high coupon rates.

48 per cent (52 per cent) of the Group's financing was hedged at a fixed interest rate as at 30.09.21 with a weighted average maturity of 2.75 years (2.6 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.

	<1 year	1-2 yrs	2-3 yrs	3-4 yrs	4-5 yrs	5-6 yrs	6-7 yrs	7-8 yrs	8-9 yrs	9-10 yrs	>10 yrs	Total
Fixed rate instruments ²⁾ (NOKm)	1 332	745	1 000	1 200	4 229	2 460	1 000	1 400	400	100	0	13 866
Interest rate (%)	1.83	2.81	2.55	2.23	1.64	2.22	0.92	1.50	5.63	1.75	0.00	1.99
Forward starting swaps ³⁾ (NOKm)		1 000										1 000
Interest rate (%)		1.75										1.75
Tenor (years)		7										7
Maturity credit margins (NOKm)	5 241	2 742	924	1 470	5 029	2 094	2 000	2 900	2 100	1 815	0	26 315
Credit margin (%)	1.09	0.90	0.80	0.86	0.73	0.86	0.84	0.75	0.60	0.91	0.00	0.85

¹⁾ Average reference rate (Nibor) is 0.46 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 82 properties with a total area of approximately 1.2 million square meters. As of 30.09.21, the management portfolio had a market value of 58.2 billion. The occupancy rate was 97.3 per cent (97.4 per cent). The weighted average lease term for the Group's leases was 6.9 years (6.9) for the management portfolio and 7.1 years (6.9) when the project portfolio is included. For the management portfolio, the public sector represents approximately 58 per cent of the total rental income. The entire property portfolio consists of 96 properties with a market value of 64.1 billion.

Entra's properties are valued by two external appraisers (Akershus Eiendom/JLL and Newsec) on a quarterly basis. The market value of the portfolio in Entra's balance sheet is based on the average of the appraisers' valuation. Valuation of the management portfolio is performed on a property by property basis, using individual DCF models and taking into account the property's current characteristics combined with the external

appraiser's estimated return requirements and expectations on future market development.

The market value is defined as the external appraiser's estimated transaction value of the individual properties on valuation date. The project portfolio is valued based on the same principles, but with deduction for remaining investments and perceived risk as of valuation date. The land and development portfolio is valued based on actually zoned land.

Year-on-year, the portfolio net yield is reduced from 4.76 to 4.22 per cent. 12 months rolling rent per square meter increased from 2,157 to 2,176 mainly driven by projects that are finalized in Central Oslo and by transactions of new properties to the portfolio.

The market rent per square meter has increased by 3 per cent from the third quarter of 2020, from NOK 2,249 to 2,317.

	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	39	650 883	97.9	7.2	38 551	59 229	1 629	2 502	3.93	1 761	2 705
Trondheim	11	158 737	96.3	6.5	5 558	35 012	290	1 828	4.90	285	1 795
Bergen	8	115 640	96.5	5.2	5 330	46 089	238	2 058	4.10	289	2 499
Sandvika	9	98 990	97.6	7.0	3 176	32 087	171	1 729	5.12	155	1 567
Stavanger	7	119 297	93.3	6.1	3 005	25 192	175	1 470	5.29	189	1 587
Drammen	8	69 470	98.9	8.7	2 595	37 347	136	1 956	4.95	132	1 895
Management portfolio	82	1 213 015	97.3	6.9	58 215	47 992	2 639	2 176	4.22	2 811	2 317
Project portfolio	9	132 784		9.8	5 026	37 854					
Development sites	5	109 847		0.2	898	8 175					
Property portfolio	96	1 455 646		7.1	64 139	44 062					

¹⁾ See the section "Definitions". The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 30.09.21 is 7.0 per cent of market rent.

Letting activity

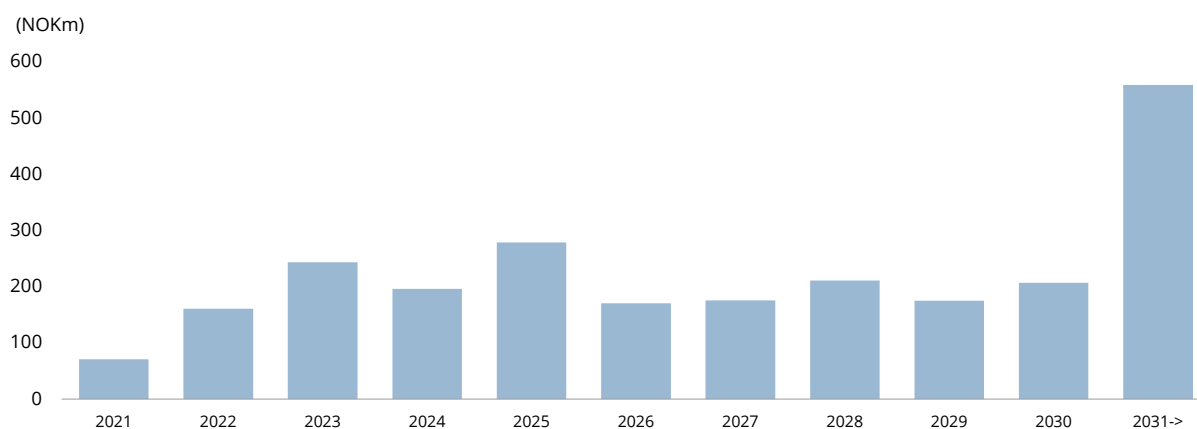
During the third quarter, Entra signed new and renegotiated leases with an annual rent totaling 133 million (51,100 square meters) and received notices of termination on leases with an annual rent of 102 million, of which 72 million is attributable to Brynsengfaret 4-6, where The Norwegian Public Roads

Administration has notified that they will not renew their contract. Net letting was negative 44 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 in the quarter

- Renegotiated 10-year lease contract with Oslo Municipality Planning and Building Services for 13,200 sqm in Vahls gate 1-3 in Oslo
- Renegotiated 5-year lease contract with Statsbygg for 9,300 sqm in Biskop Gunnerus' gate 6 in Oslo
- New 10-year lease contract with Bergen Municipality for 7,400 sqm in Møllendalsveien 6-8 in Bergen
- New 15-year lease contract with Fellesforbundet for 4,400 sqm in Sundtkvartalet in Oslo
- Renegotiated 3.5-year lease contract with Schibsted for 3,500 sqm in Hagegata 22-24 in Oslo

MATURITY PROFILE OF THE MANAGEMENT PORTFOLIO:



Investments and divestments

Entra has invested a total of 788 million (336 million) in the portfolio of investment properties in the third quarter, and 5,132 million (1,374 million) in the first nine months of 2021. The decomposition of the investments is as follows:

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020
Acquisitions	168	-	3 537	156	193
Developments	511	173	1 269	997	1 306
- Newbuild projects	143	-28	282	46	83
- Redevelopment projects ¹⁾	285	223	769	935	1 176
- Refurbishment ¹⁾	83	-23	219	15	46
Investment properties	93	155	287	198	274
- Incremental lettable space	-	-	-	-	-
- No incremental lettable space and tenant incentives	43	92	197	124	186
- Other material non-allocated types of expenditure	50	63	90	74	88
Capitalised interest	15	8	39	23	35
Total Capital Expenditure	788	336	5 132	1 374	1 807
Conversion from accrual to cash basis	-135	164	-166	173	70
Total Capital Expenditure on cash basis	653	500	4 966	1 547	1 877

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

Project development

The portfolio of ongoing projects 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⁾ (%)
Redevelopment								
St. Olavs plass 5	100	Oslo	Q3-22	16 500	68	1 148	863	4.8
Tordenskiolds gate 12	100	Oslo	Q3-22	13 000	92	1 203	807	4.4
Stenersgata 1	100	Oslo	Q2-23	15 800	57	1 166	731	4.5
Schweigaards gate 15	100	Oslo	Q2-23 / Q1-24	22 900	34	1 362	666	4.7
Møllendalsveien 6-8	100	Bergen	Q4-21 / Q4-22	14 200	95	636	459	5.2
Newbuild								
Nygårdsgaten 91/93	100	Bergen	Q4-22	11 900	14	619	339	5.3
Holtermanns veg 1-13 phase 2	100	Trondheim	Q2-23	20 900	29	703	202	5.7
Refurbishment								
Hagegata 22-24	100	Oslo	Q4-21	10 100	100	433	414	5.5
Total				125 300	59³⁾	7 269	4 480	

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)

³⁾ Weighted average occupancy of the project portfolio

Status ongoing projects

At St. Olavs plass 5, Entra is redeveloping a 16,500 sqm office property located near Tullinkvartalet in Oslo. The project, is scheduled for completion in Q3 2022 with occupancy currently at 68 per cent. The project is planned with a BREEAM-NOR Very Good classification.

In the middle of Oslo's central business district, Entra is redeveloping Tordenskiolds gate 12 for completion in Q3 2022. The property is 13,000 sqm and is 92 per cent pre-let.

Entra is also redeveloping 15,800 sqm in Stenersgata 1. This is the first phase of a redevelopment project comprising the office spaces. The project is 57 per cent pre-let. Tenant optionality has conservatively been taken into consideration in the occupancy rate. The project is expected to be completed in Q2 2023 with a BREEAM-NOR Very Good classification.

Schweigaards gate 15 is a 22,900 sqm office building located near Oslo central station. The redevelopment is estimated for completion in Q2 2023. The project is 34 per cent pre-let.

Entra is further redeveloping the 14,200 sqm property in Møllendalsveien 6-8 in Bergen. The project is now 95 per cent pre-let to two public tenants on 10-year contracts. The property is redeveloped in two phases and will be completed in Q4 2021 and Q4 2022 respectively.

Entra is building a new 11,900 sqm office building at Nygårdsgaten 91/93 in central Bergen. The project is planned for completion in Q4 2022, and the project is currently 14 per

cent pre-let. The project aims for a BREEAM-NOR Excellent classification.

In Holtermanns veg 1-13 in Trondheim, Entra is constructing a 20,900 sqm office building, this is the second of three planned buildings totaling 48,000 sqm. This second building is currently 29 per cent pre-let. Expected completion of this building is in Q2 2023. This project aims for a BREEAM-NOR Excellent classification.

In Tøyen in Oslo, Entra is refurbishing 10,100 sqm in Hagegata 22-24. The office space going into refurbishment makes up almost half of the building area, and occupancy in the project space will remain at about 85 per cent during the construction period. The project is 100 per cent pre-let and expected to be completed in Q4 2021.

Projects finalised in the quarter

In Tullinkvartalet in Oslo, Entra has built a new 21,900 sqm office property in Universitetsgata 7-9. Occupancy currently stands at 99 per cent, and Entra has set out high environmental ambitions for the project, aiming for a BREEAM-NOR Excellent classification.

Next to Tullinkvartalet, Entra re-developed Universitetsgata 2 which will be housing Rebel a hub for tech companies managed 50/50 by Entra and an external partner. The 28,100 sqm building will consist of office spaces, co-working areas, a conference centre and restaurants. Occupancy is currently at 96 per cent for the office space.

Transactions

Entra actively seeks to improve the quality of its property portfolio and focuses on acquisitions of selected properties and urban development projects in specific areas within its four core markets: Oslo and the surrounding region, Bergen, Trondheim and Stavanger. Targeted locations include both areas in the city centers and selected clusters on public transportation hubs outside the city centers, allowing Entra to

offer rental opportunities at a price range that fits its customer base. Entra's experience, financial strength and knowledge of its tenants makes the company well positioned to make acquisitions that meets these 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 2020–2021

Acquired properties	Area	Transaction quarter	No of sqm	Transaction value	Closing quarter
Universitetsgata 11 (Hotel Savoy)	Oslo	Q3 2021	5 550	185	Q3 2021
16.7 % of Oslo S Utvikling	Oslo	Q2 2021	-	475	Q3 2021
Lars Hilles gate 19	Bergen	Q2 2021	5 900	298	Q2 2021
Fyrstikkalléen 1	Oslo	Q2 2021	39 640	2 399	Q2 2021
Kanalpiren (through 50 % owned company Hinna Park Eiendom)	Stavanger	Q1 2021	25 900	375	Q2 2021
Møllendalsveien 1A	Bergen	Q1 2021	5 800	208	Q2 2021
Lagårdsveien 6	Stavanger	Q1 2021	13 600	126	Q1 2021
Østensjøveien 29	Oslo	Q4 2020	2 000	44	Q4 2020
Hagegata 27 (parking)	Oslo	Q3 2020	-	36	Q3 2020
Total			98 390	4 146	

Divested properties	Area	Transaction quarter	No of sqm	Transaction value	Closing date
Nytorget 1 (sold to 50 % owned company Hinna Park Eiendom)	Stavanger	Q2 2021	5 150	92	Q2 2021
Tollbodallmenningen 2A	Bergen	Q1 2021	1 800	40	Q1 2021
Total			6 950	132	

Partly owned companies

Papirbredden Eiendom AS (60 %)

Entra and Drammen Kommune Eiendomsutvikling own Papirbredden Eiendom AS. The company owns six properties totalling 61,100 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 five office properties totalling 67,000 sqm and development potential for two new office properties of 48,000 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 office properties totalling 59,800 sqm. The company is consolidated in the Group's financial statements as Entra has a controlling vote on the Board of Directors.

Rebel U2 AS (50 %)

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

Oslo S Utvikling AS "OSU" (50 %)

OSU is a property development company that is undertaking primarily residential development in Bjørvika, Oslo's CBD East. In July 2021, Entra increased its share in OSU from 33.3 % to 50 %.

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

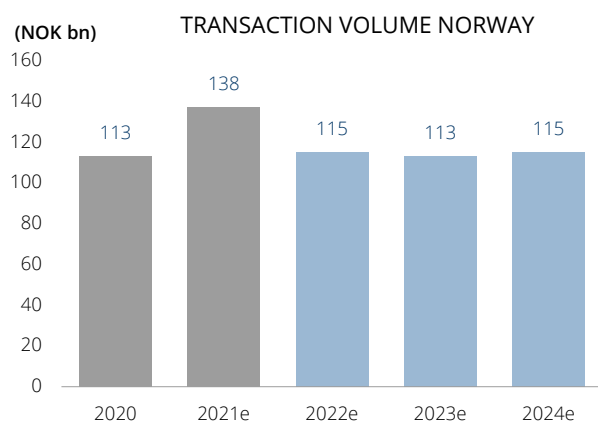
All amounts in NOK million	Papirbredden Eiendom AS	Hinna Park Eiendom AS	Entra OPF Utvikling AS	Total consolidated companies	Oslo S Utvikling AS	Rebel U2 AS	Other	Total associated companies & JVs
Share of ownership (%)	60	50	50		50	50		
Rental income	29	25	36	89	0	6	1	7
Net operating income	28	21	32	81	-1	-1	2	1
Net income	23	8	32	63	-8	-9	-2	-19
Net value changes	9	9	-1	17	0	0	0	0
Profit before tax	32	17	30	79	-8	-9	-2	-19
Tax	-7	-2	-7	-15	2	2	0	4
Profit for the period	25	15	24	64	-6	-7	-1	-15
<i>Non-controlling interests</i>	10	8	12	29				
<i>Entra's share of profit¹⁾</i>					-3	-4	-1	-7
<i>Book value</i>					1 008	5	21	1 034

¹⁾ Recognised as Share of profit from associates and JVs

Market development

The transaction market in Norway is very active and competitive with a total transaction volume of around 87 billion year-to-date 2021. This is expected to continue also in the fourth quarter, and 2021 might thus see record high transaction volumes. Within the office segment, long, secure cash flows, value add opportunities and development projects/sites attract strong investor interest. Both national and international investors are buyers.

The financing market continues to be well functioning, particularly for solid counterparties like Entra. Norway's Central Bank reduced the policy rate by 1.5 per cent to 0 per cent during the spring of 2020 and as a result, yields contracted significantly. Despite that the Central Bank increase the policy rate to 0.5 per cent, and has signalled further increases over the next 12 months, and that long term interest rates also has increased during the quarter, the prime yield remains at 3.30 per cent according to Entra's consensus report. The spread to regional markets has narrowed with prime yield in Bergen reaching all-time low at 3.75 per cent.



Source: Entra Consensus report, Q3 2021

According to Entra's Consensus report, the Oslo office vacancy is expected to level out at around 7 per cent by the end of this year as economic activity and employment growth continue to pick up post Covid-19. The new-build volume for the coming years is relatively limited, particularly in the city centre of Oslo. As a result, vacancy in Oslo is expected to decrease slightly and rental growth is expected to increase again after a flattish period during the Covid-19 pandemic.

Bergen has proven to be robust during the Covid-19 pandemic. The overall office vacancy is currently around eight per cent and six per cent in the city centre. There is limited supply of modern premises in the city centre and fairly strong demand. Rent levels for high quality buildings in the city centre have increased over the last years, whereas the normal segment has remained more stable.

In Trondheim, the overall office vacancy is currently around eight per cent. Vacancy is highest in the fringe areas of the city. As in Bergen, rent levels in the city centre of Trondheim have increased over the last years, while there is a downward pressure on rents in the fringe areas.

The Stavanger area has been more challenging due to the volatility in the oil and gas sector on top of the Covid-19 situation. Overall vacancy is currently around 14 per cent, and there is downward pressure on rent levels in the main oil and gas intensive areas such as Forus. In the city centre the vacancy is around 11 per cent. For the city centre and at Hinna Park, there is demand for modern, flexible and centrally located office premises, and rent levels have held up well.

Market data Oslo

	2019	2020	2021e	2022e	2023e	2024e
Vacancy Oslo, incl. Fornebu and Lysaker (%)	5.5	6.8	7.1	6.7	6.7	6.7
Rent per sqm, high standard Oslo office	3 610	3 544	3 627	3 770	3 877	3 980
Prime yield (%)	3.7	3.3	3.3	3.4	3.5	3.5

Source: Entra Consensus report, Q3 2021

Organisation and HSE

At 30.09.21 the Group had 182 (181) employees.

In Q3 2021, Entra had 0 injuries with long term absence from work in the ongoing projects. Entra has a continuous HSE focus and works continually to avoid injuries both in on-going projects and in the operations. Entra had an LTIF rate (number of accidents with lost time per million hours worked in last 12 months) on ongoing projects of 5.7 at the end of the third quarter 2021 (4.8 at the end of the third quarter 2020).

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 28-39 in the 2020 annual report.

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 15 October 2021, Entra had 4,615 shareholders. Norwegian investors held approximately 10 per cent of the share capital. The 10 largest shareholders (of which most are nominee accounts) as registered in VPS on 15 October 2021 were:

Shareholder	% holding
Fastighets AB Balder	33.7%
Castellum AB	31.7%
State Street Bank and Trust (Nominee)	2.6%
The Bank of New York Mellon (Nominee)	1.4%
Danske Invest Norske	1.0%
State Street Bank and Trust (Nominee)	1.0%
J.P. Morgan Securities (Nominee)	1.0%
JPMorgan Chase Bank (Nominee)	0.9%
State Street Bank and Trust (Nominee)	0.8%
Verdipapirfondet Alfred Berg Gambak	0.8%
SUM 10 LARGEST SHAREHOLDERS	75.0%

Events after the balance sheet date

On 12 October 2021, Entra paid out a semi-annual dividend of NOK 2.50 per share. The share was traded ex right to receive the dividend from 4 October 2021.

On 12 October 2021, Fastighets AB Balder ("Balder") acquired in total 610,059 shares in Entra ASA. Following the acquisition, Balder holds shares equalling 33.67 % of the shares and votes in Entra ASA. The acquisition has triggered an obligation for Balder to make a mandatory offer to acquire all shares not held by Balder within four weeks.

Outlook

The Norwegian society and office market has been less affected by Covid-19 than most other countries, and Entra has proved to be very resilient during the pandemic. The vaccine program in Norway has progressed according to plan, and 86 per cent of the adult population is currently fully vaccinated. In August, all remaining restrictions were lifted. Office rents have held up well through the pandemic, and the activity in the letting market has picked up. The investment market is strong and competitive, and prime yields remain stable.

Entra owns an unparalleled portfolio of modern, efficient and large office assets on central locations in connection with public transportation hubs. The weighted average unexpired lease term (WAULT) is almost seven years, and the occupancy rate is 97.3 per cent. The company offers investors superior cash flow visibility and quality with 58 per cent of rental income from public sector tenants with AAA credit rating.

Entra's operational platform and organisation has placed the company consistently amongst the top three performers in the annual Norwegian Tenant Index ranking of Norwegian landlords. Entra is thus well positioned in a solid Norwegian economy supported by strong public funding and a property market with low office vacancy rates and expectations for continued rental growth.

Going forward, the office market is expected to experience changes in workplace strategies and office layouts to accommodate a more mobile and digital way of working. We expect higher tenants' demand for more flexibility and somewhat changed modus operandi for many office users. This could also provide opportunities benefitting large and professional landlords like Entra.

Sustainability has been an integrated part of Entra's business model for more than 10 years. Entra is working actively to reduce the CO₂ footprint of its property portfolio and has a firm ambition to become a net zero carbon company by 2030. Assets representing almost 60 per cent of the value of the management portfolio are, or in the process of being, BREEAM certified. Entra issued its first green bond in 2016 and currently

has 55 per cent of its debt portfolio in green bonds and green bank loans.

Profitable project development has historically been the company's major lever for growth, and Entra has a strong track record of delivering attractive newbuild and redevelopment projects with significant value creation. The portfolio of large, ongoing development projects currently consists of 8 assets totalling 125,000 sqm. Fully let, projects will add net rental income of more than 350 million, phased in during 2022-2024.

Entra has a strong balance sheet, a well staggered debt maturity profile, and a diversified financing mix with an ample supply of unutilized credit facilities. Entra will actively use its balance sheet and strong funding to optimize and grow its high-quality portfolio and to continue to build and progress the development pipeline. Entra will focus on its role as an urban developer and leverage its competitive advantages, including expertise, network and ESG leadership.

Entra owns and manages modern, flexible and environmentally friendly assets located in selected clusters near public transportation hubs. Combined with a solid tenant base with long lease contracts, a strong financial position, and an extensive project pipeline for future growth, Entra has a proven and resilient business profile that is well positioned for the future.

On October 12, Entra's largest shareholder, Fastighets AB Balder, triggered an obligation to make a mandatory offer to acquire all shares in Entra not held by Balder for a minimum price of NOK 202.50 per share pursuant to section 6-1 of the Norwegian Securities Trading Act. The Board will carefully review the terms of the mandatory offer when announced and will in due time provide the statutory recommendation to Entra's shareholders.

Oslo, 18 October 2021

The Board of Entra ASA

Financial statements

Statement of comprehensive income

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020
Rental income	639	589	1 832	1 763	2 353
Operating costs	-58	-46	-172	-154	-211
Net operating income	581	543	1 660	1 609	2 142
Other revenue	15	31	52	69	113
Other costs	-7	-20	-33	-42	-79
Administrative costs	-43	-42	-139	-131	-186
Share of profit from associates and JVs	-7	53	34	92	120
Net realised financials	-141	-129	-396	-417	-541
Net income	398	435	1 178	1 179	1 569
- of which net income from property management	402	383	1 142	1 089	1 451
Changes in value of investment properties	780	892	2 286	1 511	5 980
Changes in value of financial instruments	14	26	145	-339	-275
Profit before tax	1 192	1 354	3 609	2 351	7 274
Tax payable	-4	-3	-11	-13	-26
Change in deferred tax	-259	-283	-768	-489	-1 552
Profit for period/year	930	1 068	2 830	1 850	5 696
Actuarial gains and losses	0	0	0	0	-25
Change in deferred tax on comprehensive income	0	0	0	0	5
Total comprehensive income for the period/year	930	1 068	2 830	1 850	5 677
Profit attributable to:					
Equity holders of the Company	901	990	2 702	1 731	5 460
Non-controlling interest	29	78	127	118	236
Total comprehensive income attributable to:					
Equity holders of the Company	901	990	2 702	1 731	5 440
Non-controlling interest	29	78	127	118	236

Balance sheet

All amounts in NOK million	30.09.2021	30.09.2020	31.12.2020
Intangible assets	109	117	109
Investment properties	64 163	51 965	56 834
Other operating assets	16	18	17
Investments in associates and JVs	1 034	500	527
Financial derivatives	248	443	347
Long-term receivables and other assets	278	314	252
Total non-current assets	65 847	53 355	58 086
Inventory properties	467	418	461
Trade receivables	38	66	64
Other receivables and other current assets	225	300	279
Cash and bank deposits	256	302	217
Total current assets	985	1 086	1 021
Investment properties held for sale	87	0	33
Total assets	66 920	54 441	59 141
Shareholders' equity	28 924	23 427	27 136
Non-controlling interests	2 151	2 016	2 069
Total equity	31 074	25 442	29 205
Interest bearing debt	23 615	18 244	19 095
Deferred tax liability	7 683	5 856	6 914
Financial derivatives	409	849	690
Other non-current liabilities	599	495	554
Total non-current liabilities	32 306	25 444	27 253
Interest bearing debt	2 378	2 444	2 051
Trade payables	348	252	281
Other current liabilities	813	859	350
Total current liabilities	3 539	3 555	2 683
Total liabilities	35 845	28 999	29 936
Total equity and liabilities	66 920	54 441	59 141

Changes in equity

All amounts in NOK million	Share capital	Treasury shares	Other paid-in capital	Retained earnings	Non-controlling interests	Total equity
Equity 31.12.2019	182	0	3 523	18 865	1 947	24 517
Profit for period				5 460	236	5 696
Other comprehensive income				-19		-19
Dividend				-874	-114	-989
Net equity effect of LTI & employee share saving schemes		0	0	-1		0
Equity 31.12.2020	182	0	3 524	23 430	2 069	29 205
Profit for period				2 702	127	2 830
Other comprehensive income				0		0
Dividend				-911	-46	-956
Net equity effect of LTI & employee share saving schemes		0	0	-4		-4
Equity 30.09.2021	182	0	3 524	25 218	2 151	31 074

Statement of cash flows

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020
Profit before tax	1 192	1 354	3 609	2 351	7 274
Income tax paid	0	0	-11	-10	-11
Net expensed interest and fees on loans and leases	141	129	396	417	541
Net interest and fees paid on loans and leases	-114	-106	-472	-444	-553
Share of profit from associates and jointly controlled entities	7	-53	-34	-92	-120
Depreciation and amortisation	1	1	3	4	13
Changes in value of investment properties	-780	-892	-2 286	-1 511	-5 980
Changes in value of financial instruments	-14	-26	-145	339	275
Change in working capital	48	155	35	181	83
Net cash flow from operating activities	481	561	1 095	1 236	1 521
Proceeds from property transactions	0	0	41	15	15
Acquisition of investment properties	-167	-134	-3 542	-156	-194
Investment in and upgrades of investment properties	-486	-367	-1 425	-1 391	-1 683
Investment in properties for sale and inventory properties	-2	-3	-6	-6	-48
Acquisition of intangible and other non-current assets	-4	-2	-10	-19	-21
Net payment financial assets	0	1	3	1	73
Net payment of loans to associates and JVs	0	-1	-16	-1	-1
Investments in associates and JVs	-476	0	-476	-13	-13
Dividends from associates and JVs	0	0	2	2	3
Net cash flow from investment activities	-1 134	-505	-5 428	-1 567	-1 868
Proceeds interest bearing debt	9 216	3 000	20 598	10 635	14 635
Repayment interest bearing debt	-8 408	-3 010	-15 726	-9 854	-13 390
Repayment of lease liabilities	-2	-2	-7	-7	-9
Dividends paid	0	0	-455	-437	-874
Dividends paid to non-controlling interests	0	0	-38	-20	-114
Net cash flow from financing activities	805	-12	4 371	316	246
Change in cash and cash equivalents	152	44	39	-15	-100
Cash and cash equivalents at beginning of period	104	259	217	317	317
Cash and cash equivalents at end of period	256	302	256	302	217

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 2020.

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 and a Project Development division. In addition, Entra has group and support functions within accounting, finance, legal, investment, digitalisation, procurement, communication and HR.

The geographic areas do not have their own profit responsibility. The geographical areas are instead followed up on economical and non-economical key figures ("key performance indicators"). These key figures are analysed and reported by geographic area to the chief operating decision maker, that is the board and CEO, for the purpose of resource allocation and assessment of segment performance. Hence, the Group report the segment information based upon these six geographic areas.

Operating segments Q3–21

	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	39	650 883	97.9	7.2	38 551	59 229	1 629	2 502	3.93	1 761	2 705
Trondheim	11	158 737	96.3	6.5	5 558	35 012	290	1 828	4.90	285	1 795
Bergen	8	115 640	96.5	5.2	5 330	46 089	238	2 058	4.10	289	2 499
Sandvika	9	98 990	97.6	7.0	3 176	32 087	171	1 729	5.12	155	1 567
Stavanger	7	119 297	93.3	6.1	3 005	25 192	175	1 470	5.29	189	1 587
Drammen	8	69 470	98.9	8.7	2 595	37 347	136	1 956	4.95	132	1 895
Management portfolio	82	1 213 015	97.3	6.9	58 215	47 992	2 639	2 176	4.22	2 811	2 317
Project portfolio	9	132 784		9.8	5 026	37 854					
Development sites	5	109 847		0.2	898	8 175					
Property portfolio	96	1 455 646		7.1	64 139	44 062					

¹⁾ See the section "Definitions". The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 30.09.21 is 7.0 per cent of market rent.

Operating segments Q3-20

	Properties (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value (NOKm) (NOK/sqm)		12 months rolling rent (NOKm) (NOK/sqm)		Net yield (%)	Market rent (NOKm) (NOK/sqm)	
Oslo	34	549 679	97.9	6.7	27 774	50 529	1 375	2 501	4.6	1 439	2 618
Trondheim	11	158 940	96.9	7.2	4 927	31 002	286	1 798	5.5	280	1 763
Bergen	8	119 538	93.8	5.5	4 884	40 861	220	1 837	4.1	288	2 412
Sandvika	9	98 988	99.4	7.8	3 071	31 029	175	1 771	5.4	154	1 559
Stavanger	5	78 607	99.0	6.5	2 230	28 369	138	1 755	5.7	129	1 636
Drammen	8	69 461	98.0	9.1	2 370	34 120	126	1 816	5.0	128	1 837
Management portfolio	75	1 075 214	97.4	6.9	45 258	42 092	2 319	2 157	4.76	2 418	2 249
Project portfolio	9	137 632		9.3	5 800	42 141					
Development sites	6	114 859		0.3	784	6 826					
Property portfolio	90	1 327 705		6.9	51 842	39 046					

NOTE 3 – INVESTMENT PROPERTIES

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020
Closing balance previous period	62 682	50 736	56 867	49 095	49 095
Acquisition of investment properties	168	0	3 537	156	193
Investment in the property portfolio	604	328	1 556	1 195	1 580
Capitalised borrowing costs	15	9	39	23	35
Divestment of investment properties	0	0	-35	-15	-15
Changes in value of investment properties	780	892	2 286	1 511	5 980
Closing balance	64 250	51 965	64 250	51 965	56 867
Investment properties held for sale	87	0	87	0	33
Investment properties	64 163	51 965	64 163	51 965	56 834

Acquisition of investment properties in 2021 is related to the acquisition of Lagårdsveien 6 and Laberget 24-28 (Kanalpiren) in Stavanger, Møllendalsveien 1A and Lars Hilles gate 19 in Bergen, and Fyrstikkalléen 1 and Universitetsgata 11 (Hotel Savoy) in Oslo. Divestment of investment properties in 2021 is related to the divestment of the property Tollbodallmenningen 2A in Bergen.

The property Borkenveien 1-3 in Sandvika is classified as held for sale at 30 September 2021 as the tenant has exercised the option to acquire the property. The transaction is expected to close in the first quarter of 2022.

In addition to the transactions mentioned above, the property Nytorget 1 in Stavanger was in 2021 sold by Entra to Hinna Park Eiendom, a partly owned company controlled by Entra. As Hinna Park Eiendom is consolidated in Entra's financial statements, the transaction is not reflected in the Group's financial statements.

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

All amounts in NOK million	Fair value level	30.09.2021	30.09.2020	31.12.2020
Assets measured at fair value:				
Assets measured at fair value through profit or loss				
- Investment properties	Level 3	64 163	51 965	56 834
- Investment properties held for sale	Level 3	87	0	33
- Derivatives	Level 2	248	443	347
- Equity instruments	Level 3	34	34	37
Total		64 532	52 442	57 251
Liabilities measured at fair value:				
Financial liabilities measured at fair value through profit or loss				
- Derivatives	Level 2	409	849	690
Total		409	849	690

NOTE 5 – SUBSEQUENT EVENTS

Refer to the Events after the balance sheet date section on page 16 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
- Net value changes
- 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
- EPRA Net Asset Value metrics – EPRA NRV, EPRA NTA and EPRA NDV
- EPRA Net Initial Yield
- EPRA Cost Ratio

NET INCOME FROM PROPERTY MANAGEMENT & CASH EARNINGS

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020
Net income	398	435	1 178	1 179	1 569
Less:					
Other income and costs in associates and JVs	-4	52	36	90	118
Net income from property management	402	383	1 142	1 089	1 451
Tax payable	-4	-3	-11	-13	-26
Cash Earnings	398	380	1 130	1 076	1 425

NET VALUE CHANGES

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020
Changes in value of investment properties	780	892	2 286	1 511	5 980
Changes in value of financial instruments	14	26	145	-339	-275
Net value changes	794	918	2 431	1 172	5 705

MARKET VALUE OF THE PROPERTY PORTFOLIO

All amounts in NOK million	30.09.2021	30.09.2020	31.12.2020
Investment properties	64 163	51 965	56 834
Investment properties held for sale	87	0	33
Other	-111	-122	-121
Market value of the property portfolio	64 139	51 842	56 746

NET NOMINAL INTEREST BEARING DEBT

All amounts in NOK million	30.09.2021	30.09.2020	31.12.2020
Nominal value of interest bearing debt	26 315	20 682	21 146
Cash and bank deposits	-256	-302	-217
Net nominal interest bearing debt	26 059	20 380	20 930

DEBT RATIO (LTV)

All amounts in NOK million except ratio	30.09.2021	30.09.2020	31.12.2020
Total net nominal interest bearing debt	26 316	20 642	21 192
- Net nominal interest bearing debt	26 059	20 380	20 930
- Other interest bearing liabilities	257	262	263
Total market value of the property portfolio	64 606	52 261	57 207
- Market value of the property portfolio	64 139	51 842	56 746
- Inventory properties	467	418	461
Debt ratio (LTV) %	40.7	39.5	37.0

INTEREST COVERAGE RATIO (ICR)

All amounts in NOK million except ratio	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020
Net income	398	435	1 178	1 179	1 569
Depreciation	1	1	3	4	13
Results from associates and joint ventures	7	-53	-34	-92	-120
Net realised financials	141	129	396	417	541
EBITDA adjusted	548	513	1 543	1 508	2 002
Interest cost	141	129	407	424	555
Other finance expense	15	10	31	23	30
Applicable net interest cost	156	139	437	447	585
Interest Coverage Ratio (ICR)	3.5	3.7	3.5	3.4	3.4

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 latest edition of the Best Practices Recommendations Guidelines. Accordingly, Entra presents only the three new NAV metrics; EPRA NRV, EPRA NTA and EPRA NDV; which has replaced the previous NAV metrics EPRA NAV and EPRA NNNAV. The EPRA Best Practices Recommendations Guidelines focus on making the financial statements of public real estate companies clearer and more comparable across Europe. For further information about EPRA, see www.epra.com.

Summary table EPRA performance measures		Unit	Q3-21 / 30.09.2021	Q3-20 / 30.09.2020
A	EPRA earnings per share (EPS)	NOK	1.59	1.52
B	EPRA NRV per share	NOK	205	165
	EPRA NTA per share	NOK	202	163
	EPRA NDV per share	NOK	163	130
C	EPRA Net Initial Yield (NIY)	%	4.18	4.74
	EPRA, "topped-up" NIY	%	4.18	4.74
D	EPRA Vacancy Rate	%	2.5	2.6
E	EPRA Cost Ratio (including direct vacancy costs)	%	15.4	15.4
	EPRA Cost Ratio (excluding direct vacancy costs)	%	13.9	13.7

The details for the calculation of the performance measures are shown on the following pages.

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 residential properties for sale and is not considered relevant for measurement of the underlying operating performance of the property portfolio under management.

EPRA Earnings – Quarterly

All amounts in NOK million	Q3-21		Q3-21		Q3-20		Q3-20	
	IFRS reported	EPRA adjustments	Non-controlling Interests ¹⁾	EPRA Earnings	IFRS reported	EPRA adjustments	Non-controlling Interests ¹⁾	EPRA Earnings
Rental income	639	0	42	597	589	0	39	589
Operating costs	-58	0	-4	-54	-46	0	-4	-46
Net operating income	581	0	38	544	543	0	35	543
Other revenue	15	0	1	14	31	0	1	31
Other costs	-7	0	0	-7	-20	0	0	-20
Administrative costs	-43	0	-2	-41	-42	0	-2	-42
Share of profit from associates and JVs	-7	-3	0	-4	53	53	0	53
Net realised financials	-141	0	-7	-134	-129	0	-6	-129
Net income	398	-3	29	372	435	53	28	435
Net value changes	794	794	0	0	918	918	0	0
Profit before tax/EPRA Earnings before tax	1 192	791	29	372	1 354	972	28	354
Tax payable	-4	0	-1	-2	-3	0	-1	-2
Change in deferred tax	-259	-174	-5	-80	-283	-202	-4	-76
Profit for period/EPRA Earnings	930	617	23	290	1 068	769	22	276
Average outstanding shares (million)				182.1				182.1
EPRA Earnings per share				1.59				1.52

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

EPRA Earnings – Year to date

All amounts in NOK million	YTD Q3-21	YTD Q3-21	YTD Q3-21	YTD Q3-21	YTD Q3-20	YTD Q3-20	YTD Q3-20	YTD Q3-20
	IFRS reported	EPRA adjustments	Non-controlling Interests ¹⁾	EPRA Earnings	IFRS reported	EPRA adjustments	Non-controlling Interests ¹⁾	EPRA Earnings
Rental income	1 832	0	122	1 710	1 763	0	115	1 648
Operating costs	-172	0	-12	-159	-154	0	-9	-145
Net operating income	1 660	0	110	1 550	1 609	0	106	1 503
Other revenue	52	0	1	51	69	0	1	67
Other costs	-33	0	0	-33	-42	0	0	-42
Administrative costs	-139	0	-6	-133	-131	0	-6	-125
Share of profit from associates and JVs	34	39	0	-6	92	0	0	92
Net realised financials	-396	0	-20	-376	-417	0	-18	-399
Net income	1 178	39	85	1 054	1 179	0	84	1 096
Net value changes	2 431	2 431	0	0	1 172	1 172	0	0
Profit before tax/EPRA Earnings before tax	3 609	2 471	85	1 054	2 351	1 172	84	1 096
Tax payable	-11	0	-4	-7	-13	0	-5	-8
Change in deferred tax	-768	-529	-14	-225	-489	-243	-12	-233
Profit for period/EPRA Earnings	2 830	1 942	66	822	1 850	929	66	855
Average outstanding shares (million)				182.1				182.1
EPRA Earnings per share				4.51				4.69

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

B. EPRA NET ASSET VALUE METRICS

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 Entra's valuation certificates. Consequently, no adjustment is done for real estate transfer taxes in Entra's calculation of EPRA NRV.

All amounts in NOK million	30.09.2021	30.09.2021	30.09.2021	30.09.2020	31.12.2020
	Total	Attributable to non-controlling interests	Attributable to shareholders (EPRA NRV)	Attributable to shareholders (EPRA NRV)	Attributable to shareholders (EPRA NRV)
IFRS equity	31 074	-2 151	28 924	23 427	27 136
Approved, not paid dividend ¹⁾	455	0	455	437	0
Revaluation of investments made in JVs ²⁾	418	0	418	281	249
Revaluation of purchase option	0	0	0	0	176
Net Asset Value (NAV) at fair value	31 493	-2 151	29 797	24 145	27 561
Deferred tax properties and financial instruments	7 713	-356	7 358	5 544	6 673
Net fair value on financial derivatives	162	-8	154	390	329
Goodwill as a result of deferred tax	-109	55	-55	-55	-55
EPRA Net Reinstatement Value (NRV)	39 258	-2 460	37 254	30 025	34 508
Outstanding shares at period end (million)			182.1	182.1	182.1
EPRA NRV per share (NOK)			205	165	189

¹⁾ In July 2021, the board of Entra approved dividend of 2.50 per share. The dividend was paid on 12 October 2021. Approved, not paid dividend is classified as a liability under IFRS and is as such deducted from equity. The Entra share was traded including dividend rights until 3 October 2021 and is consequently included in the calculation of Entra's NAV metrics as of 30 September 2021. This enhances comparability between the EPRA NAV metrics and the share price. Approved, not paid dividend was not included in the EPRA NAV metrics reported for Q3-20 in the report for the third quarter of 2020 and is updated in the table above to reflect the amended methodology. No dividend was approved, not paid at 31 December 2020.

²⁾ July 2021, Entra increased its share in OSU to 50 per cent after a competitive bid process. The fair value of the 50 per cent holding as at 30.09.21 reflects the highest of the competing bids.

EPRA NET TANGIBLE ASSETS (NTA)

The EPRA NTA is focused on reflecting a company's tangible assets and assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax liability. Entra has adopted second option in the EPRA BPR guidelines to adjust for deferred tax, estimating the real tax liability based how the company has completed property transactions in recent years.

All amounts in NOK million	30.09.2021	30.09.2021	30.09.2021	30.09.2020	31.12.2020
	Total	Attributable to non-controlling interests	Attributable to shareholders (EPRA NTA)	Attributable to shareholders (EPRA NTA)	Attributable to shareholders (EPRA NTA)
IFRS equity	31 074	-2 151	28 924	23 427	27 136
Approved, not paid dividend ¹⁾	455	0	455	437	0
Revaluation of investments made in JVs	418	0	418	281	249
Revaluation of purchase option	0	0	0	0	176
Net Asset Value (NAV) at fair value	31 493	-2 151	29 797	24 145	27 561
Reversal deferred tax liability as per balance sheet	7 683	-279	7 405	5 580	6 607
Adjustment estimated real tax liability ²⁾	-384	-58	-442	-335	-294
Net fair value on financial derivatives	162	-8	154	390	329
Goodwill as a result of deferred tax	-109	55	-55	-55	-55
Intangible assets	0	0	0	-4	0
EPRA Net Tangible Assets (NTA)	38 844	-2 441	36 859	29 722	34 148
Outstanding shares at period end (million)			182.1	182.1	182.1
EPRA NTA per share (NOK)			202	163	187

¹⁾ The treatment of approved, not paid dividend is amended in the calculation of EPRA NTA from Q3-21. See footnote 1 to the EPRA NRV calculation for further information. EPRA NTA for Q3-20 is updated accordingly in the table above.

²⁾ Estimated real deferred tax liability related to temporary differences of properties has been calculated to 1.2 per cent of the based on a discount rate of 5.0 per cent and the assumption that 50 per cent of the property portfolio are realized over 50 years in transactions structured as sale of companies in which the tax discount is 6.5 per cent. Further, the real tax liability related to the gains/losses account is estimated by assuming an amortisation of 20 per cent annually and a discount rate of 5.0 per cent.

EPRA NET DISPOSAL VALUE (NDV)

The EPRA NDV measure provides readers of financial reports with a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability. This enables readers of financial reports to understand the full extent of liabilities and resulting shareholder value under an orderly sale of business and/or if liabilities are not held until maturity. The measure should not be viewed as a "liquidation NAV" for Entra, as fair values may not represent liquidation values, and as an immediate realization of Entra's assets may be structured as sale of property-owning companies, resulting in the deferred tax liabilities only partially crystallising.

All amounts in NOK million	30.09.2021	30.09.2021	30.09.2021	30.09.2020	31.12.2020
	Total	Attributable to non-controlling interests	Attributable to shareholders (EPRA NDV)	Attributable to shareholders (EPRA NDV)	Attributable to shareholders (EPRA NDV)
IFRS equity	31 074	-2 151	28 924	23 427	27 136
Approved, not paid dividend ¹⁾	455	0	455	437	0
Revaluation of investments made in JVs	418	0	418	281	249
Revaluation of purchase option	0	0	0	0	176
Net Asset Value (NAV) at fair value	31 956	-2 159	29 797	24 145	27 561
Fair value adjustment fixed interest rate debt, net of tax	-98	0	-98	-347	-378
Goodwill as a result of deferred tax	-109	55	-55	-55	-55
EPRA Net Disposal Value (NDV)	31 749	-2 104	29 645	23 744	27 128
Outstanding shares at period end (million)			182.1	182.1	182.1
EPRA NDV per share (NOK)			163	130	149

¹⁾ The treatment of approved, not paid dividend is amended in the calculation of EPRA NDV from Q3-21. See footnote 1 to the EPRA NRV calculation for further information. EPRA NDV for Q3-20 is updated accordingly in the table above.

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	42 650	6 023	3 267	1 583	371	3 182	57 076
Investment property - share of JVs	0	0	0	830	1 334	1 590	3 754
Total property portfolio	42 650	6 023	3 267	2 413	1 705	4 772	60 830
Less projects and land and developments	-4 099	-465	-90	-119	0	-1 033	-5 806
Completed management portfolio	38 551	5 558	3 176	2 294	1 705	3 740	55 024
Allowance for estimated purchasers' cost	59	16	10	6	5	11	106
Gross up completed management portfolio valuation	38 610	5 574	3 186	2 300	1 710	3 750	55 131
12 months rolling rent	1 629	290	171	131	91	167	2 478
Estimated ownership cost	113	18	8	12	5	15	171
Annualised net rents	1 516	272	163	119	86	152	2 307
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	1 516	272	163	119	86	152	2 307
EPRA NIY (net initial yield)	3.93%	4.88%	5.11%	5.17%	5.01%	4.05%	4.18%
EPRA "topped-up" NIY (net initial yield)	3.93%	4.88%	5.11%	5.17%	5.01%	4.05%	4.18%

D. EPRA VACANCY RATE

Estimated Market Rental Value (ERV) of vacant space divided by the ERV of the whole portfolio. All figures are adjusted for actual share of ownership of each property.

All amounts in NOK million	Oslo	Trondheim	Sandvika	Stavanger	Drammen	Bergen	Total
Market rent vacant areas	38	11	4	6	1	7	66
Total market rent	1 761	285	155	137	87	212	2 638
EPRA vacancy rate	2.1%	3.7%	2.4%	4.6%	1.2%	3.4%	2.5%

E. EPRA COST RATIO

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

All amounts in NOK million	Q3-21	Q3-20	YTD Q3-21	YTD Q3-20	2020
Operating costs	-58	-46	-172	-154	-211
Administrative costs	-43	-42	-139	-131	-186
Share of joint venture expenses	0	0	0	-	0
Less: Ground rent cost	2	2	6	7	9
EPRA cost (including direct vacancy cost)	-98	-86	-304	-278	-388
Direct vacancy cost	-9	-10	-32	-36	-44
EPRA cost (excluding direct vacancy cost)	-89	-76	-272	-237	-343
Gross rental income less ground rent	639	589	1 832	1 763	2 353
Share of joint ventures	0	0	0	-	0
Total gross rental income less ground rent	639	589	1 832	1 763	2 353
EPRA cost ratio (including direct vacancy cost)	15.4%	15.4%	16.6%	15.7%	16.5%
EPRA cost ratio (excluding direct vacancy cost)	13.9%	13.7%	14.9%	13.4%	14.6%

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
EPRA NDV – Net Disposal Value	- EPRA NDV is a NAV metric reflecting the IFRS equity including the full extent of the deferred tax liability as per the balance sheet, including fair value of fixed interest rate debt and excluding goodwill as a result of deferred tax.
EPRA NRV – Net Reinstatement Value	- EPRA NRV is a NAV metric reflecting the IFRS equity excluding (i) deferred tax liability as per the balance sheet in respect of properties and financial instruments, (ii) fair value of financial instruments and (iii) goodwill as a result of deferred tax.
EPRA NTA – Net Tangible Assets	- EPRA NTA is a NAV metric reflecting the IFRS equity including only the estimated real tax liability, and excluding (i) fair value of financial instruments, and (ii) goodwill and intangible assets as per the balance sheet.
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 acquisition 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 the property portfolio	- The market value of all properties owned by the parent company and subsidiaries. The figure does not include Inventory properties.
Net Asset Value ("NAV")	- Net Asset Value the total equity that the company manages for its owners. Entra presents NAV calculations in line with EPRA recommendation, where the difference mainly is explained by the expected turnover of the property portfolio.
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 costs from residential development in 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
Newbuild	- A new building on bare land
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 less 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
Redevelopment	- Extensive projects such as full knock-down and rebuild, and projects where external walls are being materially impacted (e.g. taking a building back to its core or changing brick facades to glass).
Refurbishment	- Projects extensively impacting an existing building, but not knocking it down or materially affecting external walls
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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