



Q1 2024

Oslo, 23 April 2024





Highlights

Key figures

(NOK million)	Q1-24	Q1-23
Rental income	878	872
Net income from property management	325	391
Net value changes	-1 627	-451
Profit/loss before tax	-1 313	-70

Key events

- Rental income growth of 1 %, affected by divestments
- Higher interest costs and negative portfolio value changes affecting results
- Solid letting market, positive net letting of 28 million
- Signed agreement for sale of Trondheim portfolio with closing 31 May

Agenda

Operations and market

Financial update

Closing remarks

Q&A

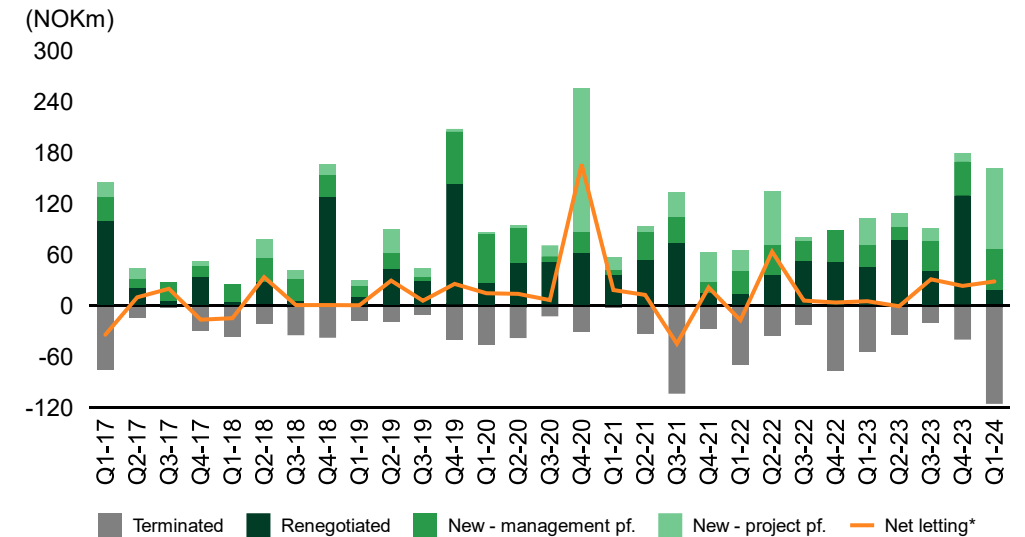
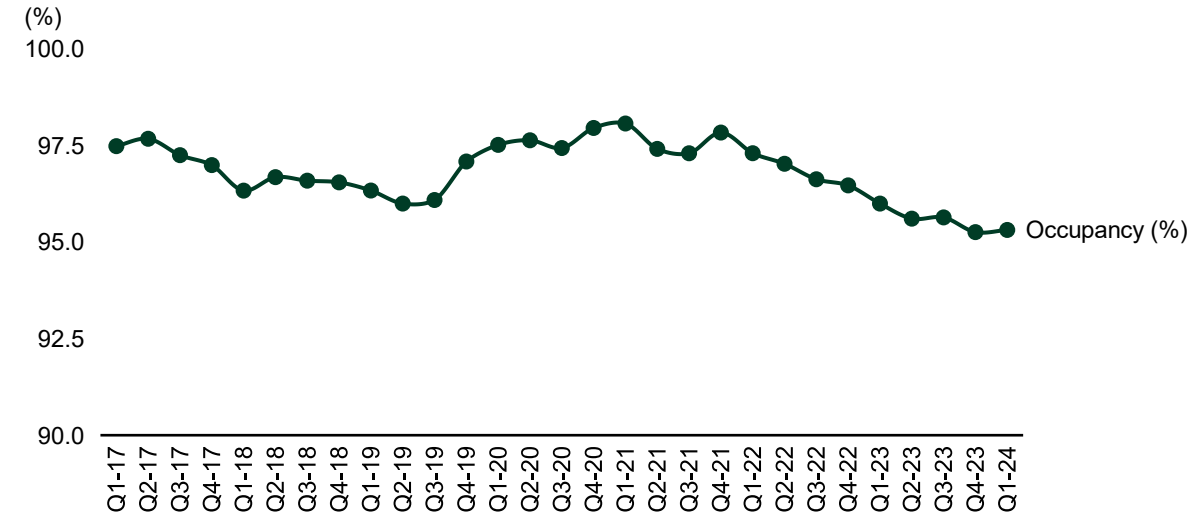
Operations and market

Letting and occupancy

- New and renewed leases of 162 million (52 200 sqm)
- Terminated contracts of 115 million
- Net letting of 28 million
- Occupancy 95.3 %
- WAULT at 6.2 years (6.4 years incl. project portfolio)
- 57 % of rental income from public sector tenants in the management portfolio

Largest new and renegotiated contracts

Property	Tenant	Sqm	Contract
Verkstedveien 1, Oslo	Yara International	16 100	New
Biskop Gunnerus gate 14 A, Oslo	BankID BankAxept	4 000	New
Akersgata 34-36, Oslo	Universal Music	2 200	New
Biskop Gunnerus gate 14 A, Oslo	Vitec Shared Services	2 100	Renegotiated
Møllendalsveien 1A, Bergen	Tide	2 000	Renegotiated
Valkendorfsгатen 6, Bergen	Norwegian National Courts Administration	1 900	New
Langkaia 1, Oslo	Hurtigruten	1 600	Renegotiated



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

Q1-24: Signed agreement for sale of Trondheim portfolio

- 13 office properties in Trondheim, totalling around 187,500 sqm
- Total value of 6.45 billion, 1 % below Q4 book values
- Agreement also includes forward sale of development project in Holtermanns veg 1-13 (phase 3), expected closing in 2026
- Use of proceeds to strengthen balance sheet
- Closing on 31 May 2024



Ongoing development portfolio

	Location	BREEAM-NOR/ BREEAM In-Use	Completion	Project area (sqm)	Occupancy (%)	Total project cost ¹ (NOKm)	Of which accrued ¹ (NOKm)	Yield on cost ² (%)
Redevelopment								
Schweigaards gate 15	Oslo	Very good	Q2-23 / Q2-24	22 900	88	1 422	1 301	4.8
Newbuild								
Malmskriverveien 16	Sandvika	Excellent	Q3-24	2 700	100	175	130	5.0
Holtermanns veg 1-13 phase III	Trondheim	Excellent	Q4-25	15 500	N/A ⁴	684	301	N/A ⁴
Total				41 100	89³	2 281	1 732	

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 initial value)

3 Weighted average occupancy of the project portfolio

4 Entra has agreed to sell Holtermanns veg 1-13 phase 3 after completion. The agreed asset value is based on a 100 per cent pre-let project. Occupancy and yield on cost on this project is not reported from Q1-24.

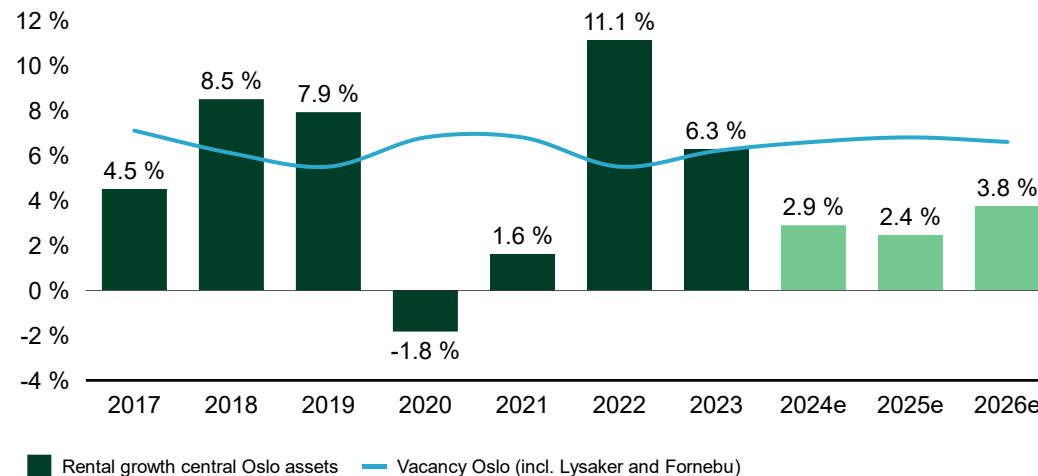
Market development

Rent and Vacancy

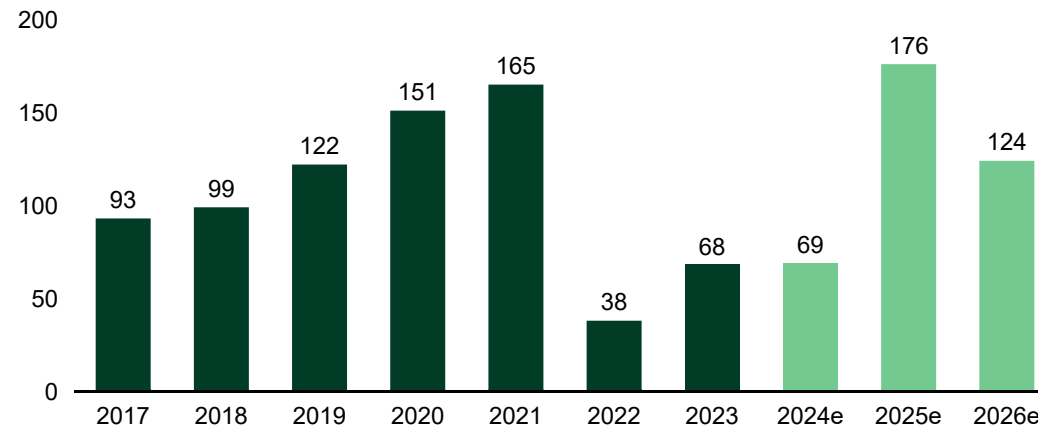
- Soft landing expected for Norwegian economy
 - Expected GDP growth* of 1.1 % in 2024 (0.5 % in 2023)
 - Stable employment, low unemployment
 - Key policy rate expected to have reached a top at current 4.50 %
 - Inflation on a downward trend, March CPI at 3.9 %
- Solid activity in the letting market
 - Limited new supply following several years with low newbuild volumes
 - Breakeven rents for newbuilds significantly above current market rents
 - More moderate rental growth expected in Oslo after strong 2022-2023
 - Favourable conditions for renegotiations and high renegotiation ratios with low vacancies and limited new supply

* Statistics Norway, March 2024

Market rental growth and vacancy in Oslo



Newbuild volumes Oslo (1,000 sqm)



Source: Entra consensus report Q1 2024, average of estimates from leading market specialists in Norwegian market

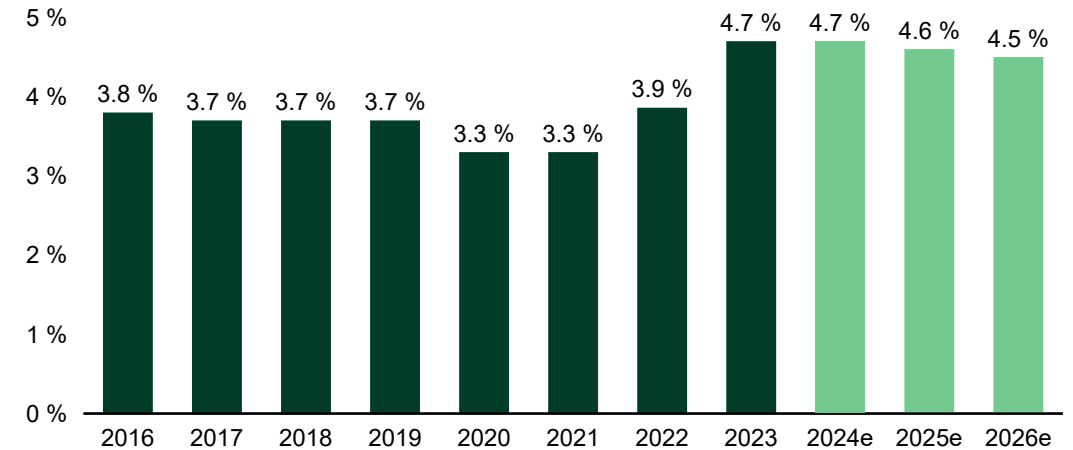
Market development

Transaction and yields

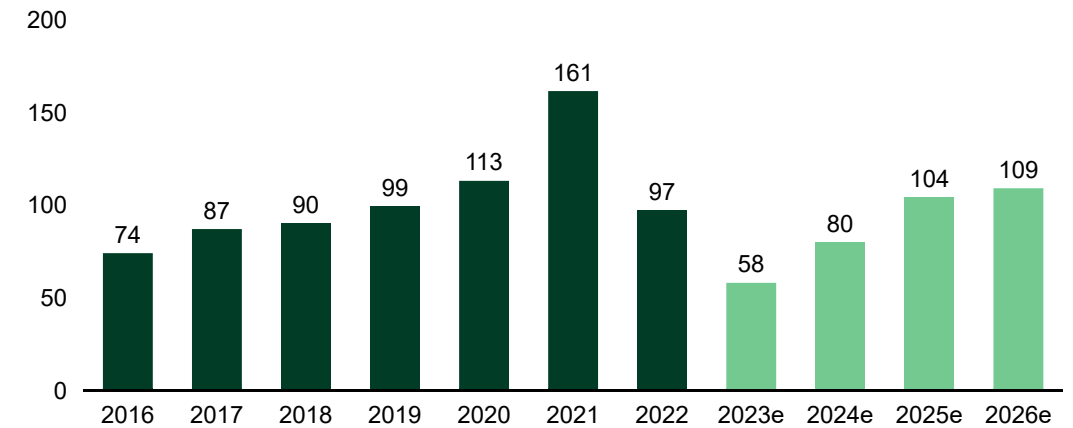
- Interest rates and inflation believed to have topped out
- Prime yields expected to have peaked
- Financing markets opening up, tightening credit margins
- Transaction volumes expected to pick up through 2024

Source: Entra consensus report Q1 2024, average of estimates from leading market specialists in Norwegian market

Prime yield Oslo



Total transaction volume (NOK billion)

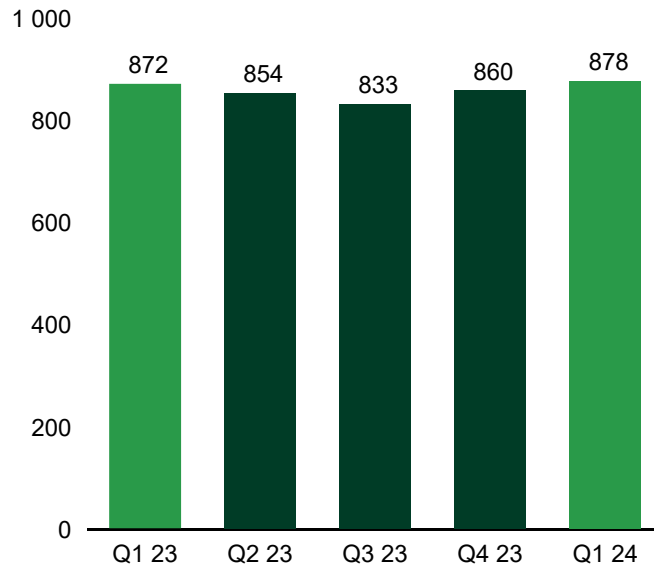


Financial update

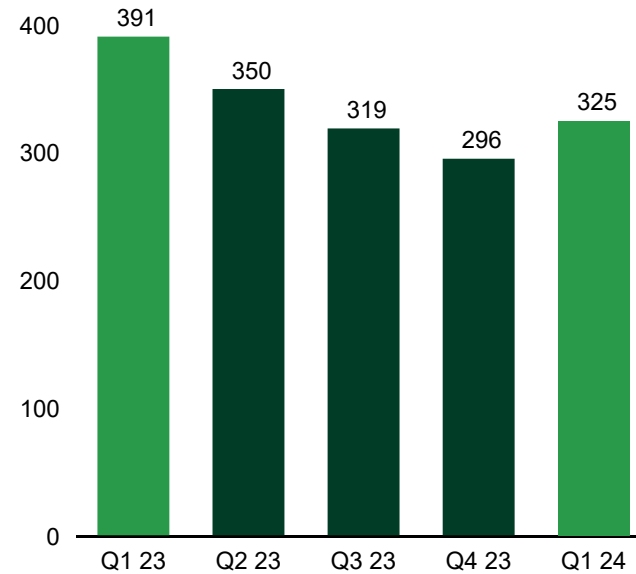
Strong operating results in line with expectations; results impacted by higher financing costs and negative value changes

NOK million

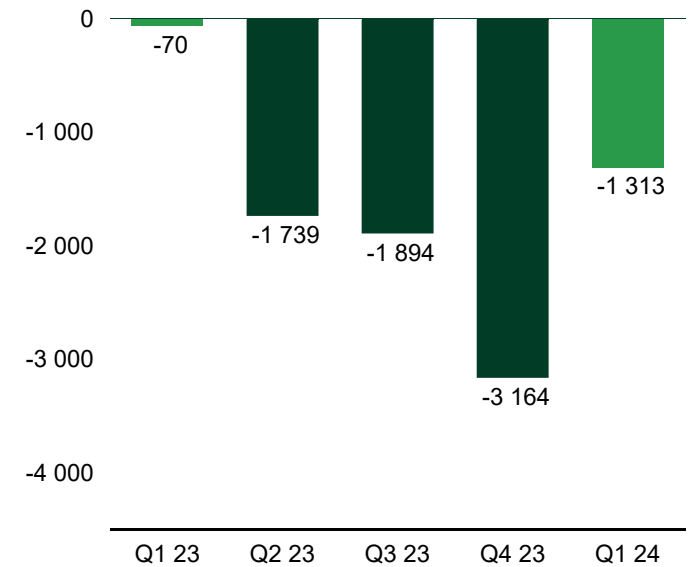
Rental income



Net income from property management



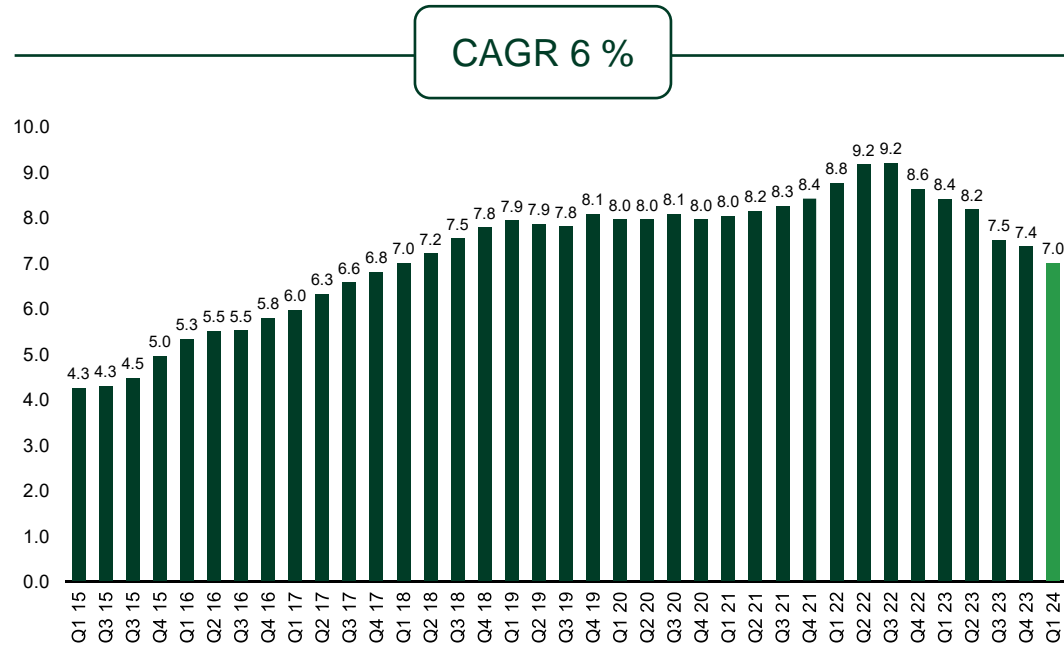
Profit/loss before tax



Key financials per share

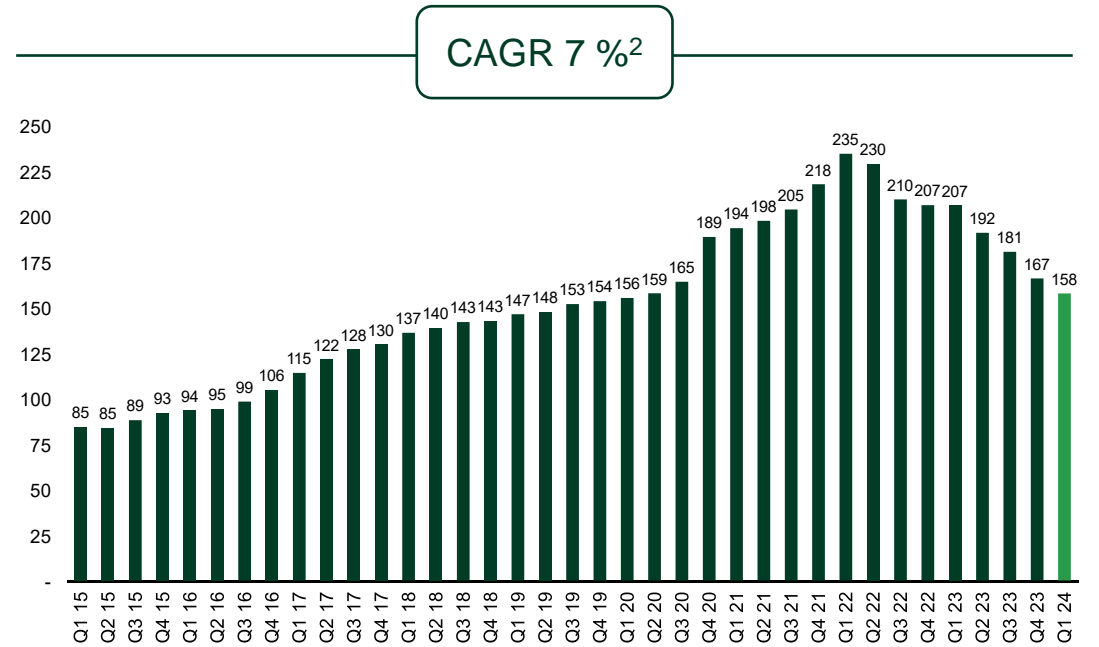
NOK per share

Cash Earnings¹



¹ Annualised, rolling four quarters

EPRA NRV



² CAGR 10 % when including dividends in the period

Profit and loss statement impacted by divestments, negative value changes and higher financing costs

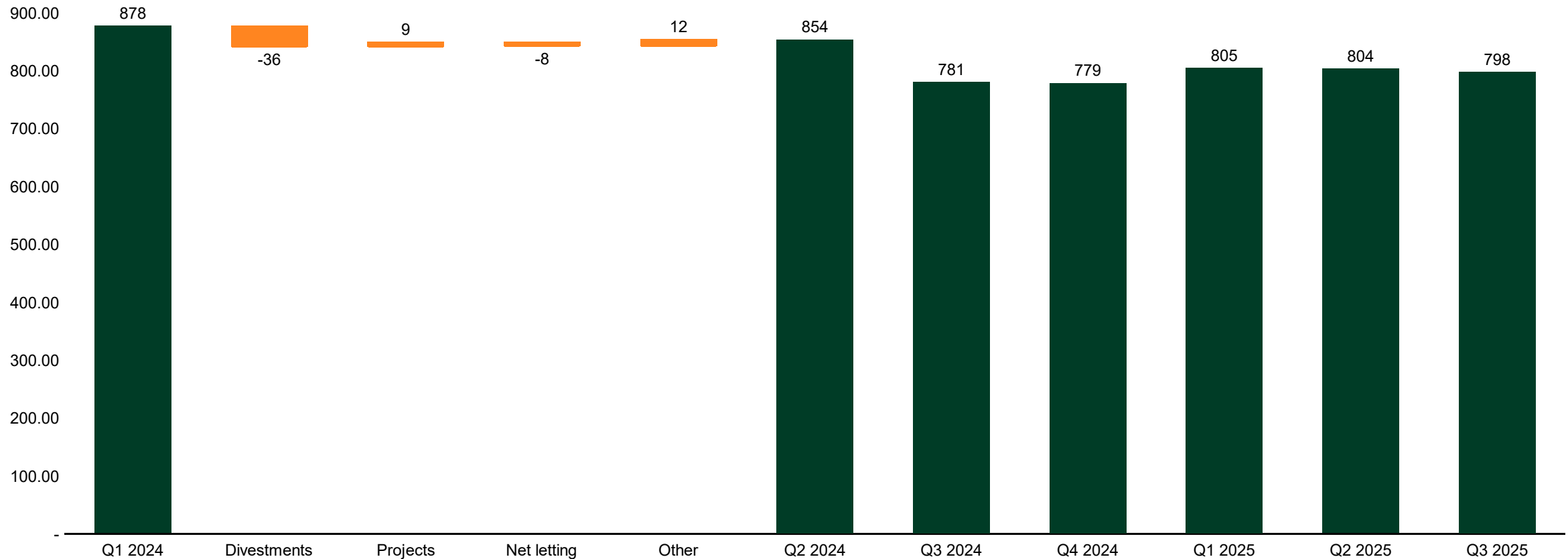
All amounts in NOK million	Continuing operations	Trondheim ¹	Q1-24	Q1-23	2023
Rental income	776	101	878	872	3 418
Operating costs	-71	-8	-78	-74	-282
Net operating income	706	94	799	798	3 136
Other revenues			94	18	92
Other costs			-87	-12	-67
Administrative costs			-50	-48	-185
Share of profit from associates and JVs			-14	-7	-72
Net realised financials			-428	-366	-1 620
Net income			314	382	1 284
- of which net income from property management			325	391	1 356
Changes in value of investment properties			-1 789	-421	-8 148
Changes in value of financial instruments			162	-30	-4
Profit/loss before tax			-1 313	-70	-6 868
Tax payable			-4	-3	-13
Change in deferred tax			337	21	1 299
Profit/loss for period/year			-979	-53	-5 582

- 1 % income growth
 - Underlying growth of 6.5 % excluding transactions and 16 mill one-off effect in Q1-23
 - 4.8 % CPI rolled into lease contracts from January 2024
- Other revenues and other costs impacted by a 72 million effect due to sale of development project in Trondheim
 - Remaining revenues and costs will be recognised until completion in Q4-25
- Financing costs impacted by higher interest rates
- Negative asset value changes from increased discount rates of 10 bps

13 ¹ Trondheim portfolio will be divested 31 May 2024 – treated as discontinued operations in Q1

Rental income development impacted by divestment of the Trondheim portfolio

NOK million

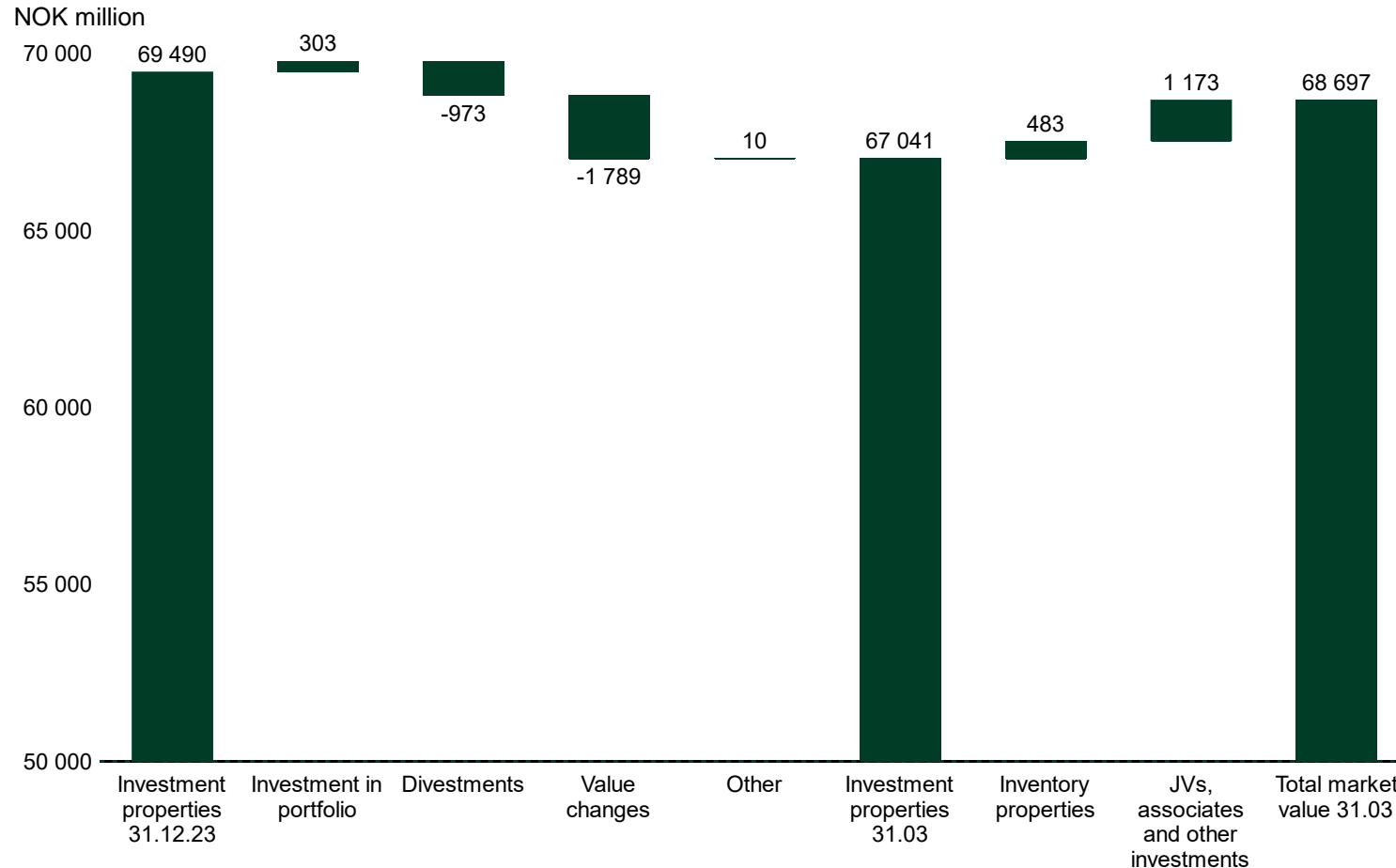


Based on reported events. Does not constitute a forecast; aims to demonstrate the rental income development based on all reported events; does not reflect letting targets on either vacant areas or on contracts that will expire, and where the outcome of the renegotiation process is not known. Assumes 3.5 % CPI from Q1 2025.

The graph includes the divestment of the Trondheim portfolio on 31 May 2024 with gross annual revenues of approximately 400 million.

Property value development

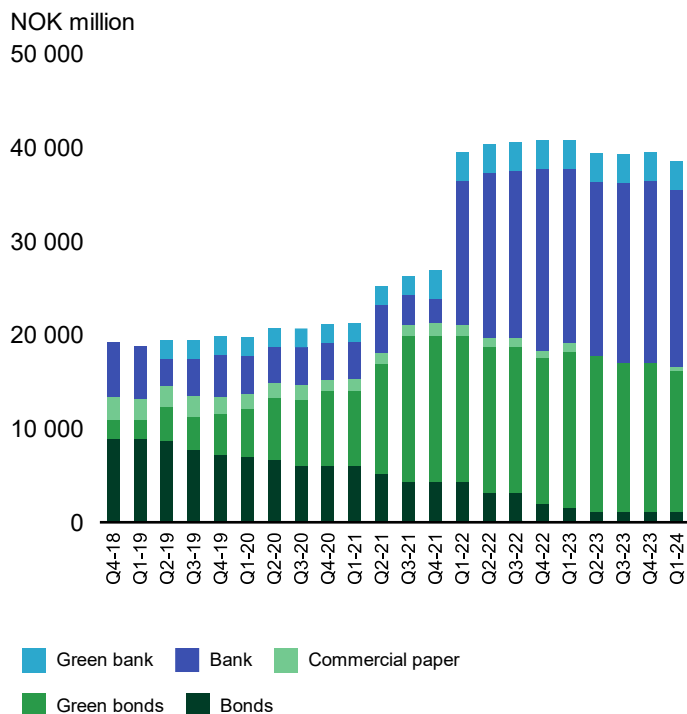
Property value development in Q1-24



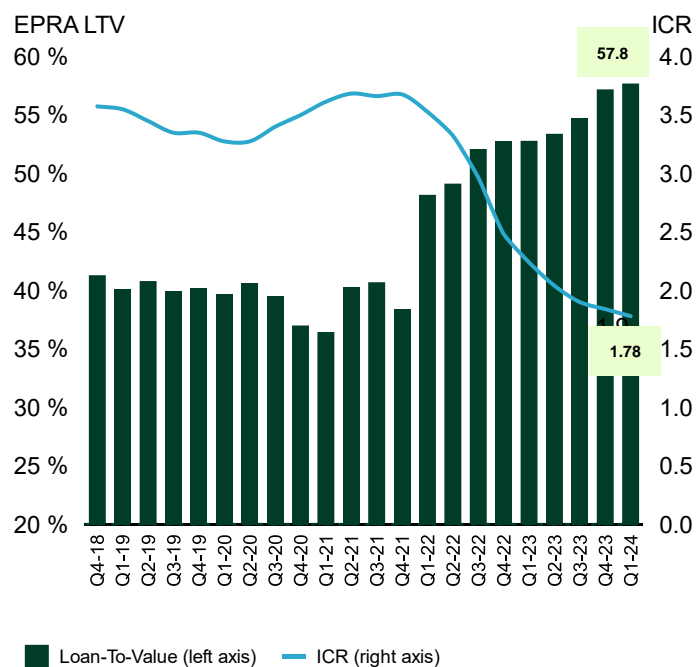
- 2.5 % write-down in property values in Q1
- Portfolio net yield currently at 5.1 %
 - 5.7 % if fully let at market rent
 - Average property yields adjusted up by 124 bps since peak valuation in Q1-22; 150 bps taking into effect the higher-than-expected indexation
- Like-for-like property values written down by 18 % since peak valuations in Q1-22
- 12M rolling rent is up by 13 % in this period, despite property sales of 4.7 billion, driven by CPI, market rental growth and completed projects

Financing position and activities in the quarter

Financing mix



EPRA LTV¹ and ICR²



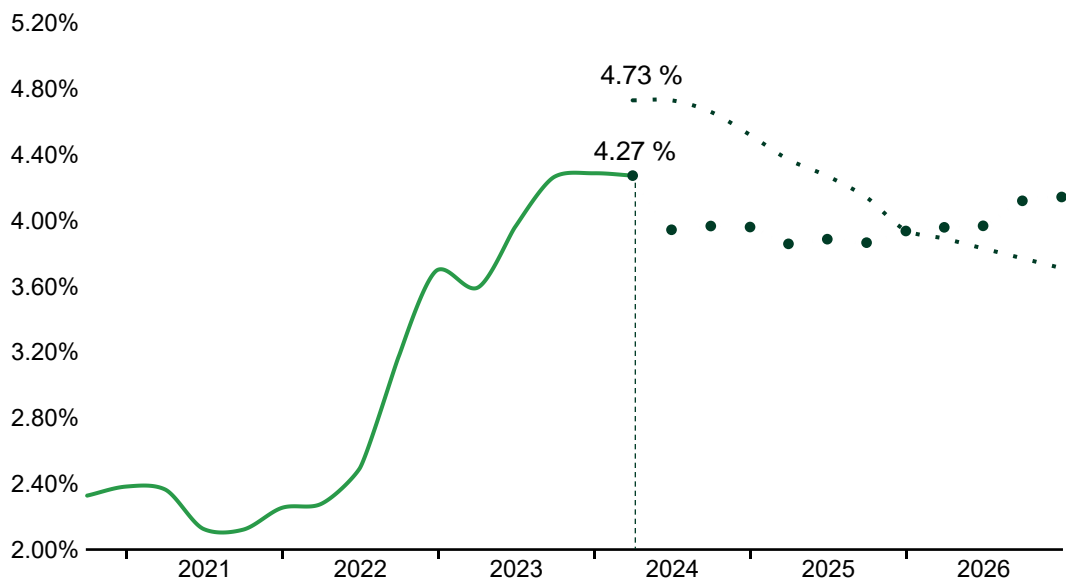
1 LTV according to Moody's definition: 54.4 %
2 ICR calculated on last 4 quarters

Q1 status

- Net repayment of debt of 1 billion
- Issued commercial papers of 0.5 billion
 - Additional commercial papers in April of 0.5 billion
- Total unutilised credit facilities and cash of 6.5 billion as of 31.03
- Net nominal interest-bearing debt of 38.2 billion
- Key debt metrics to improve following the closing of the ~6.45 billion Trondheim transaction in Q2
 - LTV improvement of ~4 percentage points
 - ICR improvement of 20-30 basis points

Projected interest rate development

Entra's nominal all-in interest rate, including credit margins



— Average nominal interest rate end of quarter

• Estimated interest rate using swap forward curve, also including forward starting swaps

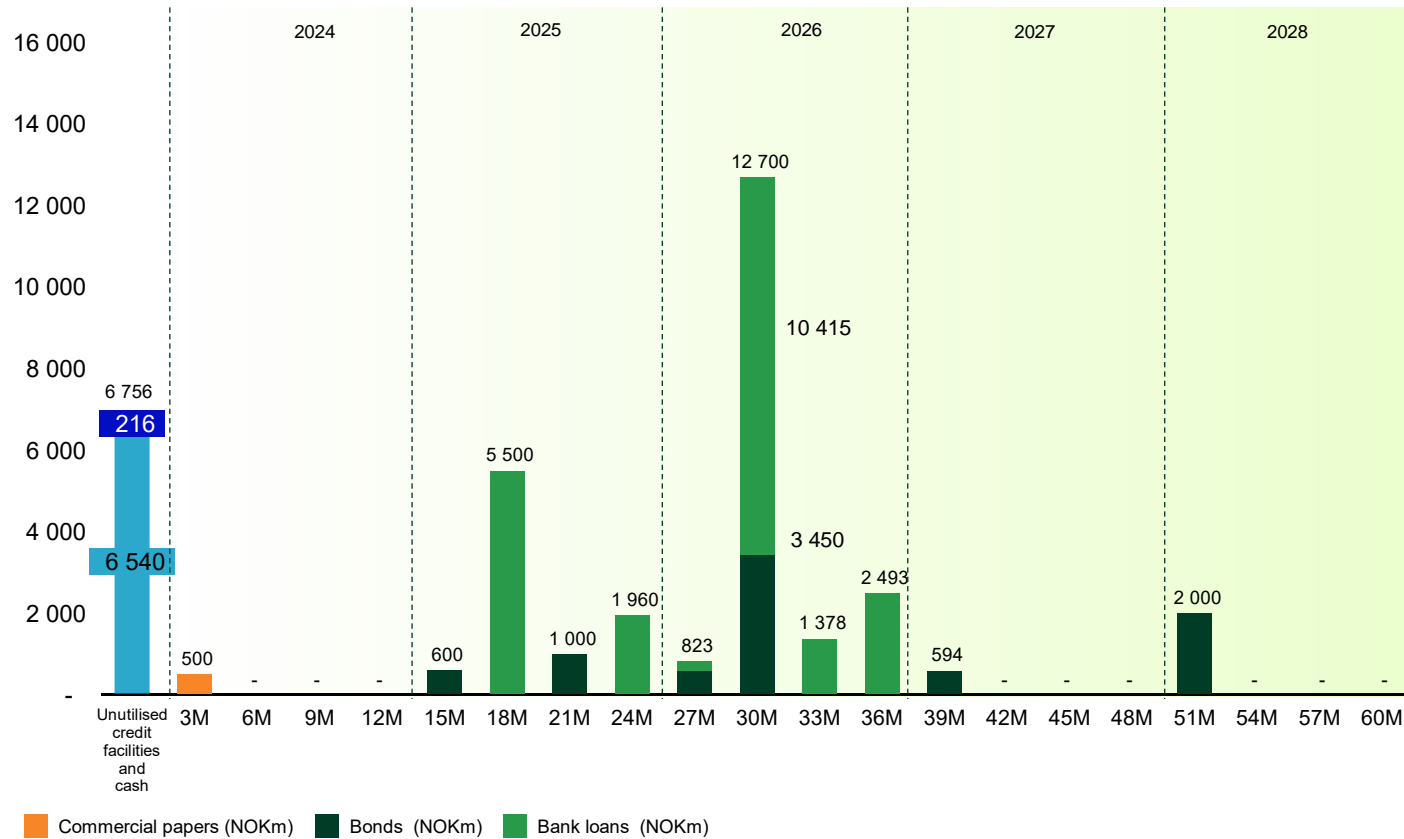
- - 3M/1M NIBOR Forward curve

Updated 19 April 2024

- Assumptions in graph:
 - 3M/1M NIBOR forward curve
 - Existing hedges included
 - Expected debt levels assuming repayment of debt following Trondheim transaction
 - Refinancing upon debt expiry at today's market bank margins
- Effective interest rates 15 bps higher than nominal due to issuance of bonds below par value
- 60 % of debt portfolio currently hedged at fixed rate with time to maturity of hedge portfolio of 4.0 years (incl. fwd. start swaps)
- Time to maturity of 2.4 years of fixed credit margins
- Bond 5Y credit spreads came in 55 bps during the quarter
- Expecting around 8 billion in proceeds from signed transactions in 2024
 - Proceeds will be used to repay (the most expensive) debt; average cost of debt will decrease by 30-40 bps
 - Deleveraging will have a positive effect also on the hedge position

Large liquidity buffer and manageable bond maturities next 5+ years

NOK million



- 6.8 billion in available liquidity as of 31.03
 - 6.5 billion of unutilised credit facilities
 - 0.2 billion in cash
- Expecting ~7 billion in additional proceeds during 2024 from signed transactions
- 3.6 years average time to maturity of debt
- Liquidity to finance 5+ years of bond expiries
- Transparent balance sheet with no exotic debt instruments

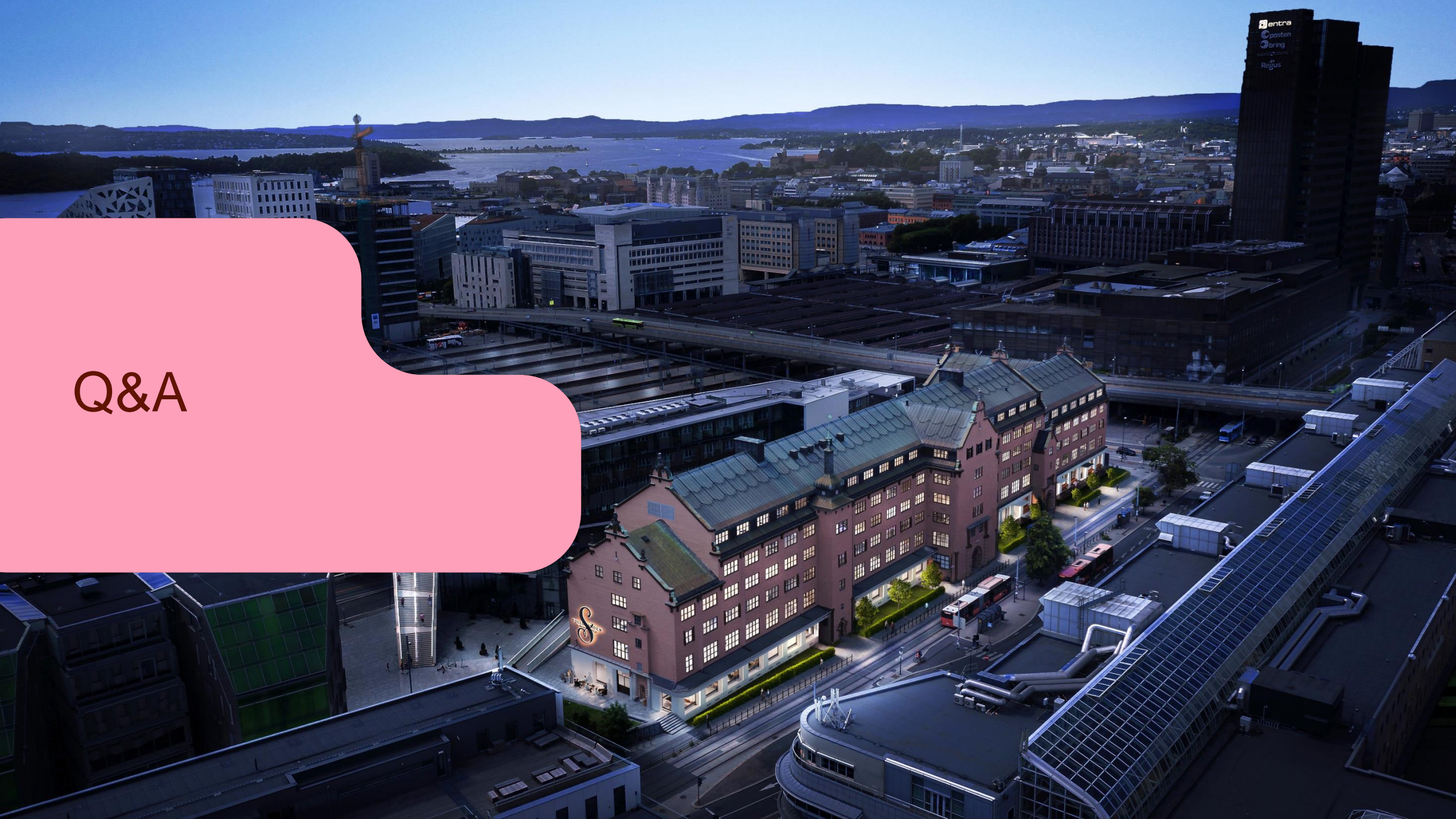
Closing remarks



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Closing remarks and outlook

- Solid letting market
 - Favorable supply side with low vacancies and very limited new supply
 - Breakeven rents for newbuilds significantly above current market rents
 - Record high renegotiation levels
- Interest rates and inflation believed to have topped out
 - Prime yields expected to have peaked
 - Financing markets opening up
 - Positive signs in the transaction market
- Solid balance sheet with ample available liquidity
 - Proceeds from transactions will improve debt metrics

An aerial photograph of a city at dusk, showing a mix of modern and traditional architecture. A prominent pink callout box on the left contains the text 'Q&A'. In the background, a large body of water is visible under a clear blue sky. A tall, dark skyscraper on the right has logos for 'entra', 'posten', 'bring', and 'Regus' at the top. A large, multi-story brick building with a green roof and many lit windows is in the foreground. A modern building with a glass facade is on the right. A road with a tram and a bus is visible in the middle ground.

Q&A



Next event

2nd quarter results
12 July 2024

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