



Supplement number 1 to Registration Document dated 19th September 2016

Entra ASA

Oslo, 16 May 2017

Arrangers:



Financial information

The financial statements for the Group have been prepared in accordance with EU approved International Financial Reporting Standards (IFRS) and Interpretations, together with the additional disclosure requirements of the Norwegian Accounting Act. The Group's accounting policies is shown in Annual Report of 2016, page 67-73, note 2.

According to the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council, information in a prospectus may be incorporated by reference.

Because of the complexity in the historical financial information and financial statements this information is incorporated by reference to [the Annual Report 2016](#)

The historical financial information for 2016 has been audited.

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Outlook

The Norwegian economy has been influenced by a weaker macroeconomic development and general uncertainty but there has been positive development in certain key macro indicators over several quarters.

The downturn in the oil sector and related industries has turned into a moderate recovery. The downturn has primarily had a negative impact in the southern and western part of Norway, and sub markets with a high level of oil exposure have experienced increasing vacancies and pressure on rents.

Entra is in a good position having low presence in the geographical areas hit by the downturn, long lease contracts with solid tenants and a low exposure towards the oil sector.

Oslo constitutes around 70 per cent of Entra's revenues. Here, we expect vacancy levels to see a falling trend going forward as net new office space coming into the market in 2017 and 2018 is marginal due to low new building activity and high conversion from commercial to residential buildings. Decreasing vacancy is thus expected to lead to increasing market rent levels in Oslo going forward.

Modern offices located near public transportation are attractive and obtain solid rents compared to premises located in less central areas.

Market interest rates for longer dated maturities have stabilised following the increasing trend seen in the recent months. There is risk for a further increase from the current historically low levels. However, Entra with its strong balance sheet, predictable cash flow and well-balanced interest rate hedge position is in a good position to secure favourable financing also going forward.

Property investors seek quality properties with good locations and long and secure cash flows. The yield compression in the Norwegian market is expected to level out. However, Entra's portfolio with a healthy mix of attractive properties, value enhancing development project and a positive rental market outlook should provide a continued positive portfolio value development, albeit at a significantly slower pace.

With its flexible properties in attractive locations, strong tenant base with long lease contracts, exciting project pipeline and solid financial position, the Board believe that Entra is well positioned for the future.

Responsibility statement:

Entra ASA confirms that, taken all reasonable care to ensure that such is the case, the information contained in the Supplement to the Registration Document is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

Oslo, 16 May 2017

Entra ASA


Arve Regland
CEO