



NORWEGIAN PROPERTY

# Investor Presentation

## Rights issue

NOK 2,500,000,000

5 June 2008

Managed by

 Pareto Securities AS

 SEB ENSKILDA

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The Company’s planned rights issue are subject to an extraordinary general meeting in June 2008 approving such rights issue and a prospectus approved by Oslo Børs. In connection with the planned rights issue and listing of the new shares, the Company will prepare a prospectus in accordance with the Norwegian Securities Trading Act, containing required information about the Company and the rights offering, including risk factors. The rights issue and the distribution of the prospectus may in certain jurisdiction be subject to restrictions.

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# Background for the proposed rights issue

- The Board of directors has in a board meeting held on 30 May 2008 proposed to call for an extraordinary general meeting to be held on 17 June 2008 to resolve a Rights Issue of shares in Norwegian Property to existing shareholders. The Rights Issue has been fully guaranteed by a consortium of underwriters
- The proceeds from the rights issue will a) finance the settlement of the Norgani Hotels acquisition to the other shareholders in Oslo Properties AS (“OPAS”) and b) strengthen the company’s balance sheet (LTV down to approx 70% from current level of 80%) in order to enable the company to capitalize on the strong underlying development in the office market in Norway and the hotel markets in the Nordic region
- In order to limit unnecessary dilution for the existing shareholders the rights will be tradable and listed on Oslo Børs
- Norwegian Property has over a period negotiated with a potential buyer group of Norgani Hotels but has now terminated this process
- Norwegian Property plans to maintain ownership of Norgani, but the company has been contacted by several attractive potential partners and /or buyers of Norgani and will continue to investigate these opportunities in order to maximize shareholder values

# Term sheet summary for the proposed rights issue

## Transaction and key conditions

- Underwritten rights issue of NOK 2,500 million
  - The number of new ordinary shares is 96.15 million
  - Current number of shares: 105,481,570
  - Total number of shares after Rights issue is 201.63 million
- Issue price: NOK 26 per share
  - 26 % discount to last traded share price on 29 May 2008
- Use of proceeds:
  - Finance the settlement of the Norgani acquisition to the other shareholders in OPAS and strengthening the Company's balance sheet
- Rights issue to be conducted subject to:
  - Approval by the Company's extraordinary general meeting to be held on 17 June 2008
  - Prospectus approved by Oslo Børs ASA
- Joint Lead Managers: Pareto Securities and SEB Enskilda

## Timetable

### **NB! All dates below are indicative:**

- 3 June: Call for the extraordinary general meeting
- 17 June: Extraordinary general meeting
- 18 June: Shares trading last day inclusive
- 19 June: Shares trading ex subscription rights
- 25 June: Distribution of subscription rights
- 26 June – 10 July: Subscription period rights issue (dependent upon a prospectus to be approved by Oslo Børs ASA)
- 16 July: Allocation rights issue
- 18 July: Payment date rights issue

# Rights issue – Use of proceeds

- Norwegian Property's cash position including unutilised credit facilities as of 31 March 2008 adjusted for dividend payment and sale of assets was NOK 864 million\*
- Norwegian Property estimates minimum working capital need (available cash) to be approx. NOK 250 million
- A full take out of all external shareholders in OPAS during second quarter will require approx. NOK 1,805 million (including take out of minorities which have no put/call option)
- Additional proceeds from the rights issue will strengthen the balance sheet going forward
- Debt up for renewal or maturing during the rest of 2008:
  - Certificate Norgani, July 2008 NOK 95m
  - Property financing, Norgani, Sept. 2008 SEK 562m (LTV = 52%)
  - Acquisition financing, OPAS NOK 450m

## **Cash position, 31 March 2008**

Cash and cash equivalents	512
Unutilised committed credit facilities	365
<b>Cash and available cash, 31.03</b>	<b>877</b>

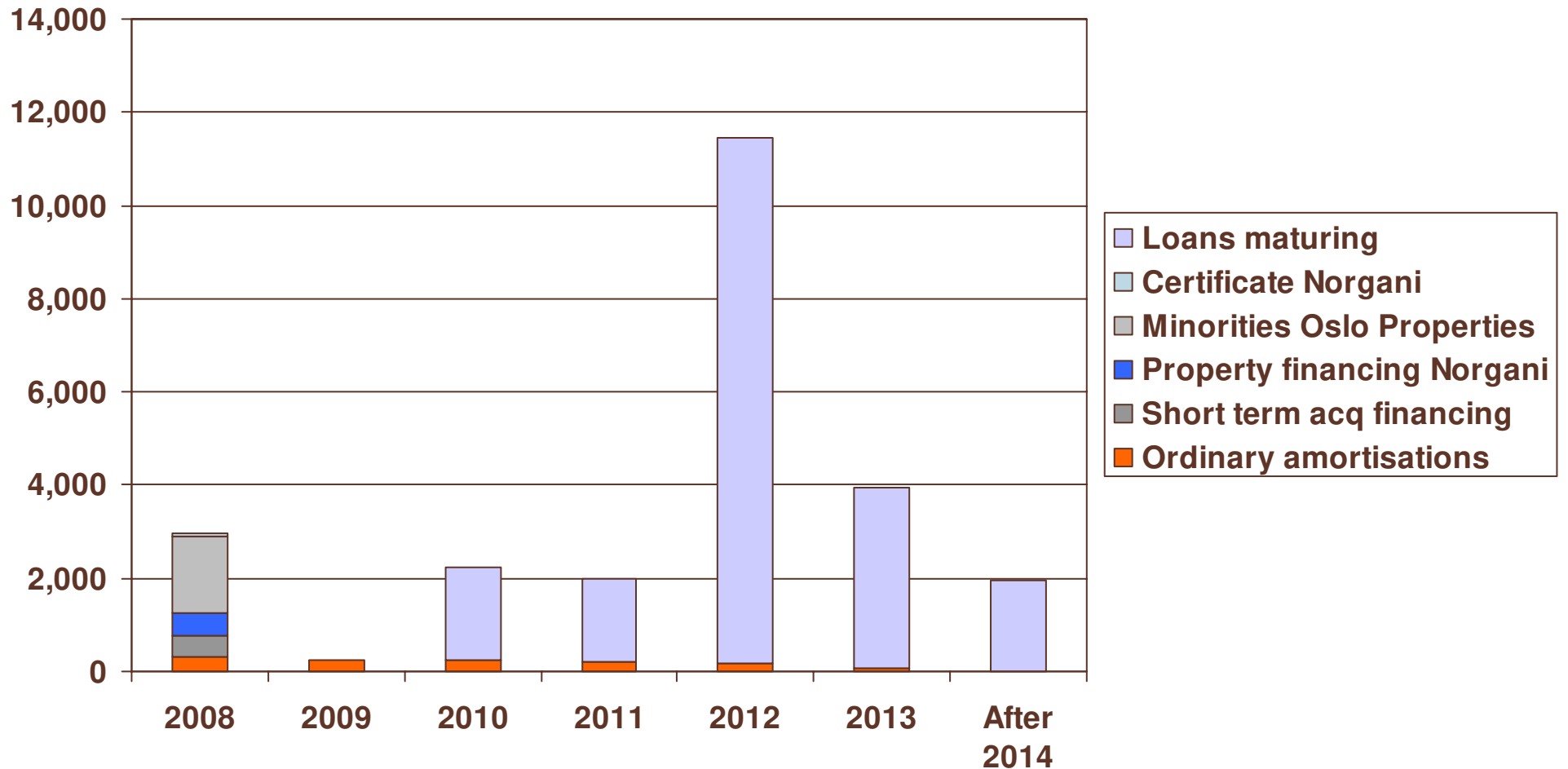
Dividend payment, June 2008	-263
Cash release, sale of office assets	250
<b>Adjusted cash and available cash, 31.03</b>	<b>864</b>

## **Take out of minorities, OPAS**

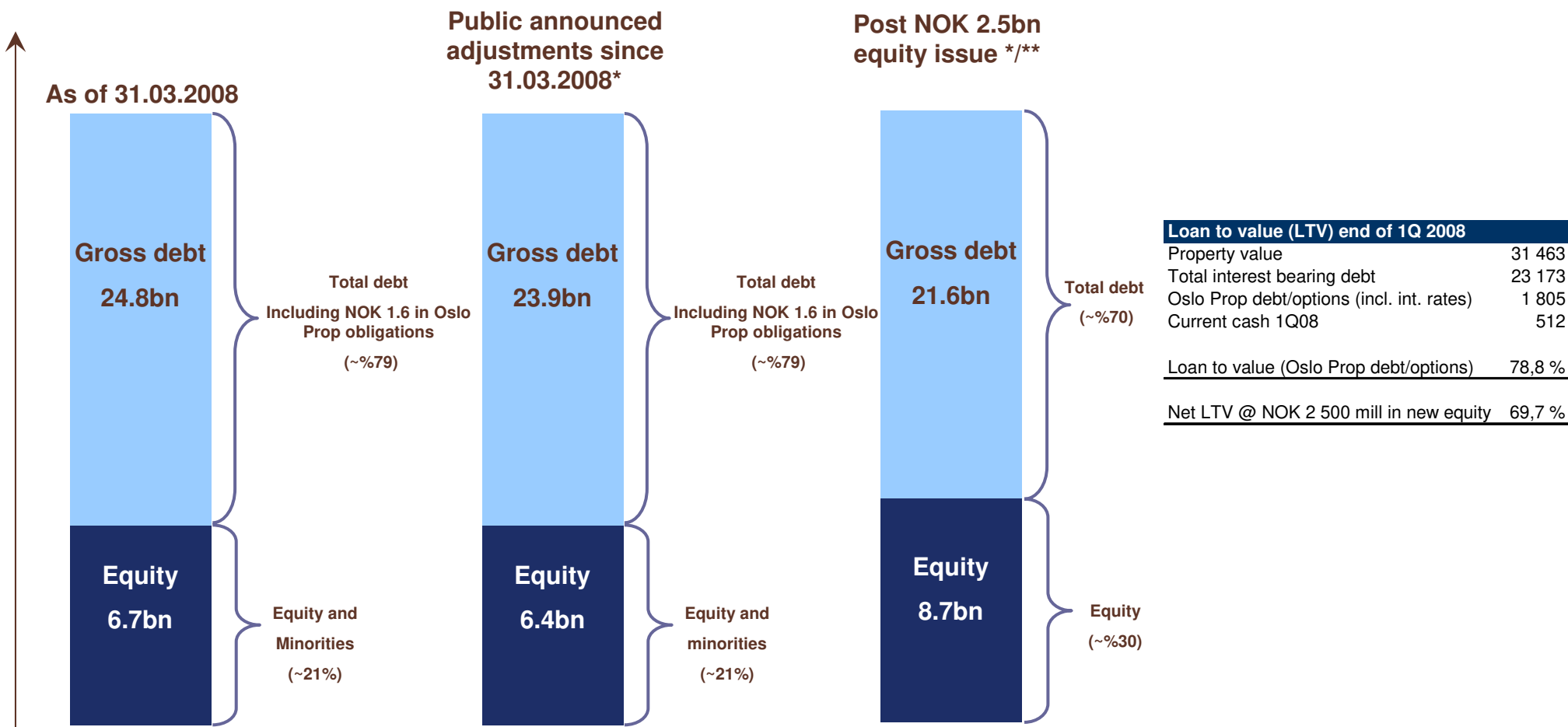
EQT and Scandic, excl. interest	1,120
Minorities OPAS, excl. interests	130
Other minorities OPAS	405
Assumed interest	150
<b>Full take out of minorities, during Q2</b>	<b>1,805</b>

\*Net cash proceeds from sales closed in 2Q, NOK 250 mill, dividend payment NOK 263 mill. Net cash and cash equivalents NOK 512 mill and unused credit facilities NOK 365 mill as of 31 March 2008.

## Debt maturity profile, book value as of 31 March 2008 - including external shareholders in Oslo Properties



# Equity issue – Current capital structure vs. capital structure post equity issue



\*Adjusted for dividend and announced disposals since 31.03.2008

\*\* Assuming equity issue of NOK 2.5bn and take out of all external shareholders in Oslo Properties (including minorities without put/call)

# Background on Norgani and Norwegian Property

- Norwegian Property entered the hotel market through Norgani in September 2007. The main reasons for the acquisition were:
  - High growth in the hotel market
  - Low risk due to stable market conditions and a very attractive contract structure
    - Long contracts with solid tenants
    - Guaranteed minimum rent levels at 65% of run rate 2008
  - More attractive yield levels than other property segments
- Since Norwegian Property made the investment in Norgani in September 2007, the operational performance in Norgani have been stronger than expected:
  - With a RevPAR\* growth of +12-16% for Norgani hotels per April 2008, the company's hotels significantly beat the average market growth
  - Rental growth in Norgani in the 1st quarter 2008 was up 20.6% compared to 2007
  - Norgani is valued at an attractive net yield of 6.8% and is highly cash positive for Norwegian Property going forward

\*RevPAR = Revenue Per Available Room



# Hotels – RevPAR

## Growth for Norgani hotels outpaces market growth



2008	RevPAR (*) Jan - Apr	RevPAR Norgani (**) Jan - Apr	RevPAR (*) Jan - Feb	RevPAR Norgani (**) Jan - Feb	Share of revenue (***)
Norway	8.3%	12.8%	11.8%	14.3%	23%
Sweden	6.7%	12.3%	6.4%	9.6%	45%
Finland	n/a	16.1%	9.7%	17.9%	28%
Denmark	n/a	-9.7%	Occupancy +2.4%	-18.9%	4%

(\*) Market RevPAR as reported by official statistical data

(\*\*) RevPAR reported by operators for hotels owned Norgani Hotels

(\*\*\*) Based on allocation of run rate (mnok 819)

- Market growth continue to be strong (market data for Denmark and Finland per April not published as of completion of this presentation)
- The Norgani hotels have had a significantly stronger growth than market growth

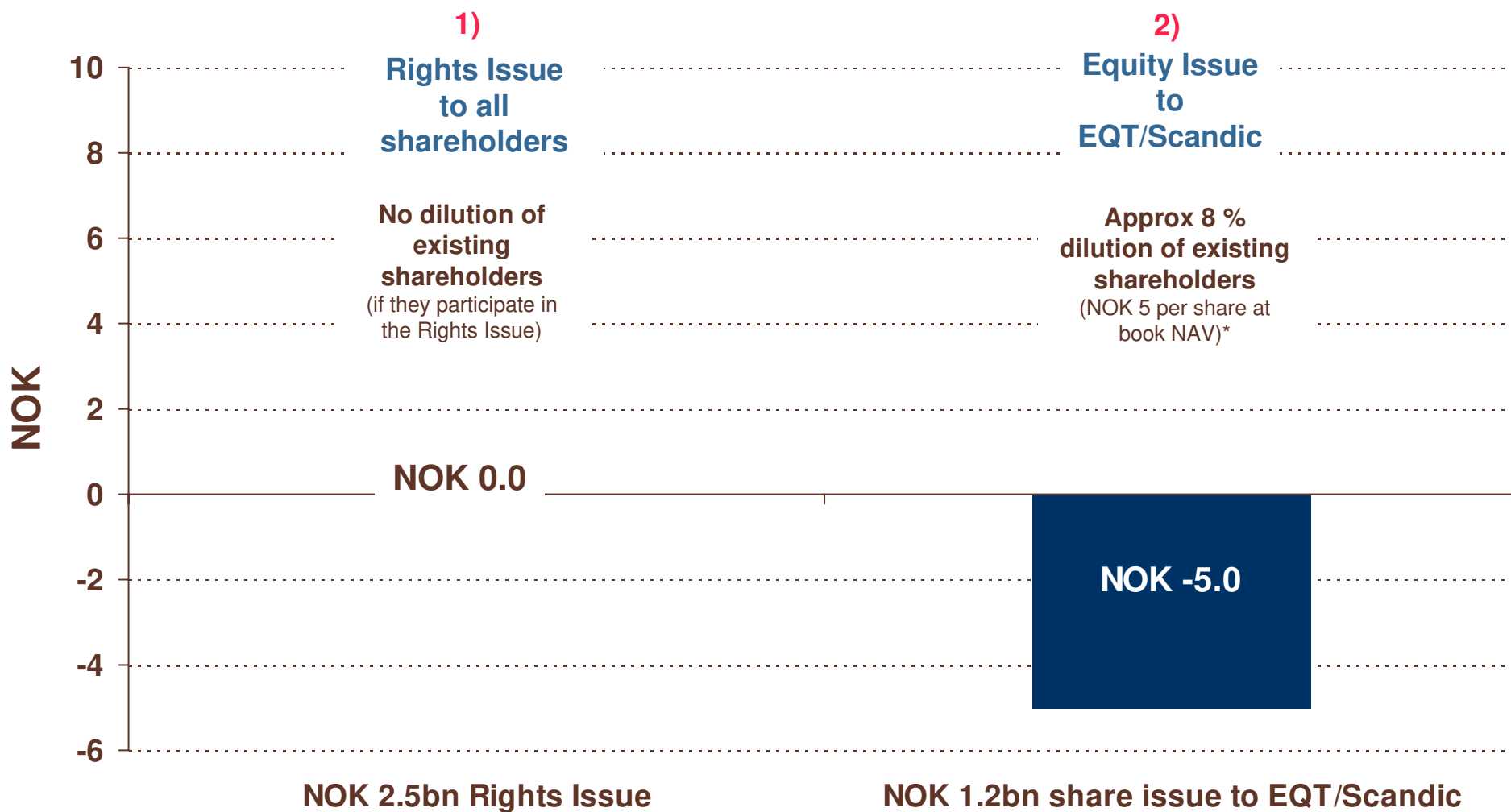
# Background on Norgani and Norwegian Property

- Norwegian Property's main strategy is to be exposed to the hotel sector through Norgani. However, due to the short term financing needs, Norwegian Property has explored the possibilities of other strategic solutions:
  - 2 May 2008: Norwegian Property ASA/Oslo Properties AS has received an offer for Norgani Hotels AS. The offer represented an enterprise value of NOK 11.2bn, substantially above the NOK 10.6bn acquisition price in September 2007
  - 21 May 2008: Norwegian Property confirms that it is still in process for reaching a final share purchase agreement, but has experienced some delays caused by more detailed due diligence work than expected in phase one and buyers' formal financing. The exclusivity period granted in favour of the potential group of buyers has expired. Norwegian Property has received interest for Norgani also from other parties. These initiatives will be further considered in parallel with the original alternative
- 30 May 2008: Norwegian Property has ceased the current negotiations with potential buyers of Norgani
- Norwegian Property plans to maintain ownership of Norgani, but the company has been contacted by several attractive potential partners and /or buyers of Norgani and will continue to investigate these opportunities in order to maximize shareholder value

# Settlement of debt/options in Oslo Properties

- A rights issue with pre-emptive rights to current share holders is considered to be the most shareholder friendly way to settle the debt in Oslo Properties due in July 2008:
  - Secure the payment obligation to EQT/Scandic and other share holders in time
  - Fair allocation to current shareholders in the rights issue
  - Limited dilution to current shareholders
  - Strengthen the equity ratio of the company going forward
  
- A share issue to EQT/Scandic would be:
  - Highly dilutive to existing shareholders. The dilution effect is expected at 8% (NOK 5 per share)
  - Share price risk as the averaging period coming up in late June could decrease the issue price further and dilute current shareholders even further
  - EQT/Scandic is not a real estate investor and may cause a selling pressure in the share for a considerable time if settlement in shares

# Dilution of existing shareholders



\* NOK 31 per share used as issue price regarding EQT issue (NOK 32 per share less 3% discount)

# The combined company as of Q1 2008

## - key figures (before equity issue)



Hotel division <sup>5)</sup>



Office division <sup>4)</sup>



NORWEGIAN PROPERTY

<b>Number of properties</b>	74	+	52	=	30 316
<b>Book value (IFRS), properties</b>	10 900		19 416		30 316
<b>Gross rent 2008E <sup>1)</sup></b>	819		1 072		1 892
<b>Net rent 2008E <sup>2)</sup></b>	737		1 008		1 745
<b>Rent distribution (current):</b>					
Norway:	23%		100%		67%
Sweden:	45%				19%
Denmark:	4%				2%
Finland:	28%				12%
<b>Key figures</b>					
No of m2 (approx.)	671 080		681 300		1 352 380
EV/m2	16 242		28 498		22 417
Average duration, lease contracts	10.7		6.1		8.1
Gross yield'08E	7.5%		5.5%		6.2%
Net yield'08E	6.8%		5.2%		5.8%
Net yield'08E based on market rent <sup>3)</sup>	6.8%		6.1%		6.3%
Average interest rate	5.13%		5.33%		5.27% <sup>6)</sup>

1) Gross rent 2008E, for Norwegian Property based on run-rate per 1 January 2008, for Norgani based on 2007 adjusted for 5% RevPAR excluding sold properties or agreed sold properties

2) Net rent = Gross rent 2008E, adjusted for property costs (6% in Norwegian Property and 10% in Norgani)

3) The market rent for Norwegian Property has been estimated by DTZ Realkapital to be 16.6% above current payable rent

4) In May 2008 NPRO announced the sale of Nedre Holmegate 30-34 in Stavanger with a book value of NOK 71 million (sold for NOK 75 million)

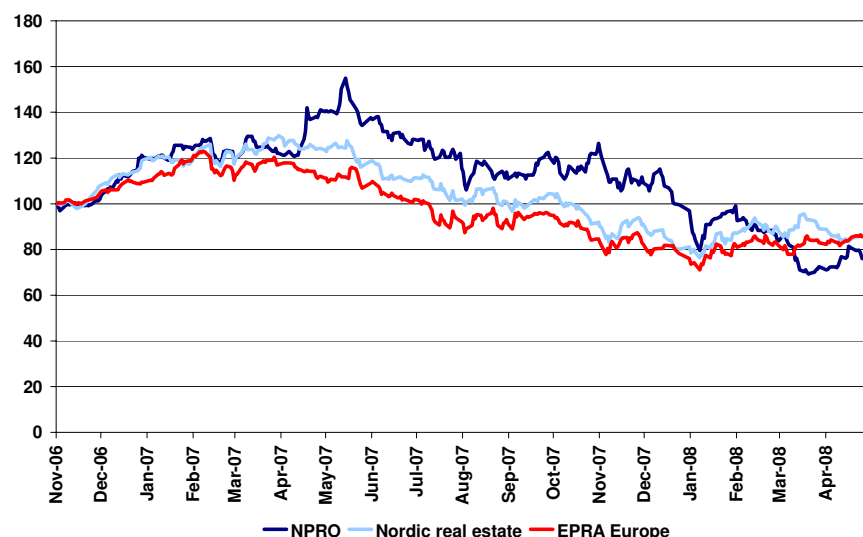
5) Based on exchange rates as of 31 March 2008

6) Not including OPAS acquisition financing (for details see NPRO Q1 2008 presentation in the Appendix)

# Share Price development

- Capital Structure focus: Since February 2008, focus has been on the challenges regarding the acquisition financing in connection with the Norgani acquisition with maturity starting from July 2008
- The share price has underperformed the Nordic Real Estate universe by 40% and the European universe by 30% since February 2008
- In order to price Norwegian Property at the same net yield as the start of the year with NOK 2bn in new equity, the share price would be approximately NOK 46 per share

Since year end 2007	NPRO	Nordic	EPRA
Market cap	-39 %	4 %	5 %
EV	-10 %	2 %	3 %
Share price year end	65,25		
Share price at same yield with NOK 2bn in new equity	46,40		
Implicit yield year end 2007	5,8 %	5,8 %	5,2 %



# Norwegian Property – Market rent Nordic and Europe

- Norwegian Property is currently priced (@ share price 32) at a net yield (implicit) of 6.6%
- European real estate companies are priced at an average implicit yield of 5.2% (2008E NOI/EV)
  - NOK 10 yr SWAP: 5.67%
  - EURO 10 yr SWAP: 4.83%
  - This requires higher yield for an investor
- Interest rates are higher in Norway compared to the rest of Nordic and Europe
  - NOK 10 yr SWAP: 5.67%
  - EURO 10 yr SWAP: 4.83%
  - This requires higher yield for an investor
- However, the upside potential in rent levels at expiry is substantially higher in Norway than in the Nordic region and Europe
  - NPRO's portfolio is currently estimated to be 16.6% under-rented according to the external appraisers
  - Market to market yield 7.0%

European and Nordic real estate companies	Implicit yield
Realia Business	6,8 %
<b>Norwegian Property</b>	<b>6,6 %</b>
Eurocastle	6,4 %
Castellum	6,2 %
Wereldhave Belgium	6,2 %
VastNed Retail	6,0 %
Foncière des Régions	5,8 %
Klepierre	5,8 %
Land Securities	5,7 %
Wereldhave	5,7 %
British Land	5,7 %
Hufvudstaden	5,7 %
Segro Plc	5,6 %
GAGFAH	5,5 %
Conwert Immobilien Invest AG	5,4 %
Liberty International	5,3 %
Fabege	5,3 %
Cofinimmo	5,2 %
Corio	5,2 %
Silic	5,2 %
Tour Eiffel	5,1 %
Beni Stabili	5,0 %
Citycon	4,8 %
Unibail-Rodamco	4,8 %
Brixton Plc	4,7 %
Hammerson	4,6 %
Gecina	4,6 %
Eurocommercial	4,3 %
Metrovacesa	2,8 %
IVG Immobilien	2,5 %

Expected rental growth offices 2008	
Nordic	4,0 %
Germany	2,0 %
France	1,0 %
Italy	0,0 %
Benelux	-1,0 %
UK	-4,0 %

# Norwegian Property – 30 largest shareholders

## 30 largest shareholders (May 2008)

Name	Country	% stake
1 CREDIT SUISSE SECURITIES	UK	11.9%
2 A WILHELMSSEN CAPITAL AS	NO	11.5%
3 STATE STREET BANK AND TRUST CO.	US	7.2%
4 SKANDINAVISKA ENSKILDA BANKEN AB	NO	4.7%
5 FRAM HOLDING AS	NO	3.8%
6 BANK OF NEW YORK, BRUSSELS BRANCH	US	3.4%
7 VITAL FORSIKRING ASA	NO	3.4%
8 HSBC BANK PLC.	UK	2.9%
9 FRAM REALINVEST AS	NO	2.8%
10 AWECO INVEST AS	NO	2.7%
11 BANK OF NEW YORK, BRUSSELS BRANCH	US	2.0%
12 SPENCER TRADING INC.	LBR	1.9%
13 FORTIS GLOBAL CUSTODY SERVICES NV	NLD	1.8%
14 OPPLYSNINGSVESENETS FOND	NO	1.6%
15 BANK OF NEW YORK, BRUSSELS BRANCH	IRL	1.6%
16 MELLON BANK AS AGENT FOR ABN AMRO	US	1.5%
17 LANI DEVELOPMENT AS	NO	1.4%
18 GOLDMAN SACHS INT.	UK	1.2%
19 GOLDMAN SACHS INT.	UK	1.2%
20 JPMORGAN CHASE BANK	UK	1.1%
21 MIAMI AS	NO	1.0%
22 KAS DEPOSITARY TRUST COMPANY	NLD	1.0%
23 CARNEGIE INVESTMENT BANK AB	SE	1.0%
24 FRAM REALINVEST AS	NO	1.0%
25 OBOS FORRETNINGSBYGG AS	NO	1.0%
26 CREDIT AGRICOLE CHEUVREUX S.A	FRA	0.9%
27 MELLON BANK AS AGENT FOR CLIENTS	US	0.8%
28 BANK OF NEW YORK, BRUSSELS BRANCH	UK	0.7%
29 BNP PARIBAS SECS SERVICES PARIS	FRA	0.7%
30 JPMORGAN CHASE BANK	AUS	0.7%
<b>Others</b>		<b>21.5 %</b>
<b>TOTAL</b>		<b>100.0 %</b>

*As of 26 May 2008*

Source: Manamind



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## Appendix

# Norwegian Property - 1st quarter 2008 presentation



## Results 1st quarter 2008



28 April 2008

[www.npro.no](http://www.npro.no)  
[www.norwegianproperty.no](http://www.norwegianproperty.no)



# Q1 2008

- **Steady operational performance**
  - Rental income totalled MNOK 472.1 in Q1 2008 (MNOK 248.6 in Q1 2007)
  - Earnings before tax, value adjustments and interest on acquisition financing came to MNOK 125.1 (operating result)
  - Loss before tax was MNOK 166.9 after value adjustments, change in market value of derivatives and interest on acquisition financing
  - Net asset value per share (EPRA) was NOK 70.15 (NOK 60.26).
  
- **Strong hotel markets in the Nordic region, featuring RevPAR (Revenue Per Available Room) growth of 6 to 12% thus far in 2008 (as of February)**
  - Norgani's RevPAR growth significantly outpaced market growth (+9.6 to +17.9 %)
  - Norgani's rental growth (y/y) came to 20.6%
  
- **Overall office vacancy in Oslo is now less than 4%. Rents are still on the rise but at a slower pace. Yields are trending upwards on less attractive properties.**
  
- **Agreement signed with NEAS for facility management of the office portfolio. The agreement will secure stable and low property expenses going forward.**
  
- **Divestment process of non-core assets proceeding right on schedule**
  - Agreements signed for the sale of non-core office properties with a property value of NOK 1.4 bn.
  - The process is ongoing as regards the sale of the hotel portfolio

# Results – Q1 2008

MNOK	Q1 2008	Q1 2007	Full year 2007
<b>Gross rental income</b>	<b>472.1</b>	<b>248.6</b>	<b>1,195.7</b>
Maintenance and property-related costs	-37.6	-14.1	-81.4
Administrative and Group expenses	-28.8	-16.0	-77.9
<b>Operating result before value adjustment</b>	<b>405.6</b>	<b>218.5</b>	<b>1,036.3</b>
Net financial items, excluding derivatives	-280.5	-158.6	-825.2
Net financial items , acquisition financing	-57.7	0.0	-65.7
<b>Profit before value adjustments, gains and tax</b>	<b>67.4</b>	<b>59.9</b>	<b>145.4</b>
Net gain on disposals	29.6	0.0	9.3
Net gain/loss on value adjustments, investment properties	-121.4	227.4	1,219.1
Change in market value of financial derivatives	-142.5	58.0	276.7
<b>Profit before income tax</b>	<b>-166.9</b>	<b>345.4</b>	<b>1,650.6</b>
Income tax	46.7	-96.7	-460.7
<b>Profit for the period</b>	<b>-120.2</b>	<b>248.7</b>	<b>1,189.9</b>
Earnings per share (NOK)	-1.14	2.52	11.46

# Result by business entity

NOK million	NPRO Q1 2008	NPRO Q1 2007	Norgani Q1 2008	Norgani Q1 2007	OPAS Q1 2008	TOTAL Q1 2008
<b>Gross rental income</b>	<b>283.2</b>	<b>248.6</b>	<b>188.8</b>	<b>156.6</b>	<b>0.0</b>	<b>472.1</b>
Maintenance and property-related costs	-17.4	-14.1	-20.2	-13.6	0.0	-37.6
Administrative and Group expenses	-14.0	-16.0	-14.7	-20.5	-0.1	-28.8
<b>Operating result before value adjustment</b>	<b>251.8</b>	<b>218.5</b>	<b>153.9</b>	<b>122.5</b>	<b>-0.1</b>	<b>405.6</b>
Net financial items, excluding derivatives	-187.2	-158.6	-93.3	-84.1	0.0	-280.5
Net financial items , acquisition financing	0.0	0.0	0.0	0.0	-57.7	-57.7
<b>Profit before value adjustments, gains and tax</b>	<b>64.6</b>	<b>59.9</b>	<b>60.6</b>	<b>38.4</b>	<b>-57.8</b>	<b>67.4</b>
Net gain on disposals	0.2	0.0	29.3	1.0	0.0	29.6
Net gain/loss value adjustments, investment properties	-197.0	227.4	75.6	1.5	0.0	-121.4
Change in market value of financial derivatives	-67.3	58.0	-75.2	95.1	0.0	-142.5
<b>Profit before income tax</b>	<b>-199.5</b>	<b>345.4</b>	<b>90.4</b>	<b>136.0</b>	<b>-57.8</b>	<b>-166.9</b>
Income tax	55.8	-96.7	-25.3	-27.5	16.2	46.7
<b>Profit for the period</b>	<b>-143.7</b>	<b>248.7</b>	<b>65.1</b>	<b>108.5</b>	<b>-41.6</b>	<b>-120.2</b>

NPRO = administration

Norgani = Norgani Hotels

OPAS = Oslo Properties, acquisition financing + discounted interest on equity in OPAS

# Balance sheet – Q1 2008

MNOK	31 Mar. 2008	31 Mar. 2007	31 Dec. 2007
Investment properties <sup>1)</sup>	31,096.0	16,359.9	31,113.9
Goodwill	1,065.0	0.0	1,065.0
Development properties (Aker Hus)	0.0	1,242.9	0.0
Market value financial derivatives (net)	502.6	339.8	662.1
Cash and cash equivalents (including equity issue)	512.5	865.1	635.5
<b>Equity</b>	<b>6,731.5</b>	<b>6,115.2</b>	<b>6,830.9</b>
Interest bearing debt, properties	21,271.5	12,751.4	21,332.1
Interest bearing debt, acquisition financing	1,900.0	0.0	1,900.0
Debt to owner's of Oslo Properties AS <sup>2)</sup>	1,621.4	0.0	1,595.8
Deferred tax liability	1,475.9	214.3	1,521.8
Net other debt	175.8	-273.3	295.9
<b>Equity ratio</b>	<b>20.0 %</b>	<b>31.3 %</b>	<b>20.2 %</b>
Net asset value per share (NOK)	61.85	57.74	63.20
Net asset value per share (NOK), EPRA	70.15	60.26	70.84

1) Net of MNOK 364 in value of deferred tax at acquisition.

2) Majority of minorities in Oslo Properties AS classified as debt due to put / call arrangements

# Financing

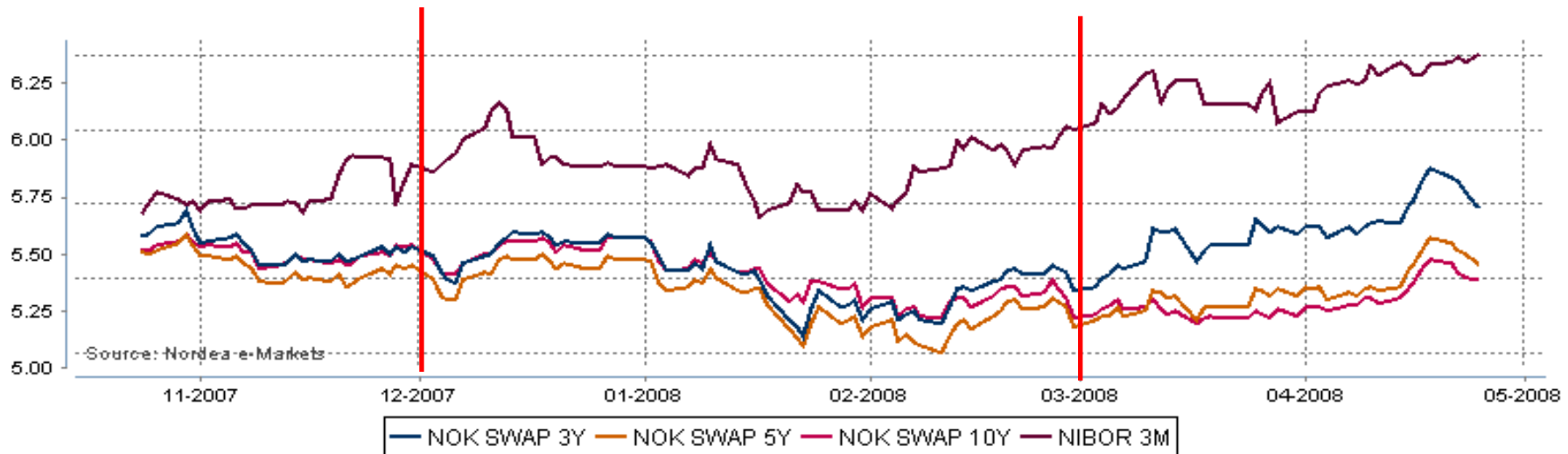
	NPRO ASA		Property	OPAS	NPRO
Interest-bearing debt and hedging	Office	Norgani	financing	acq. financ.	Group
Total interest-bearing debt (MNOK)	14,369	6,937	21,306	1,900	23,206
- of which hedged (MNOK)	11,617	4,699	16,316	0	16,316
Hedging ratio (%)	81%	68%	77%	0%	70%
Cash and cash equivalents	451	47	498	14	512
effective hedging ratio, including cash (%)	84%	68%	79%	1%	73%
Unused committed credit facilities (short and long term)	290	75	365		365
Average remaining duration, hedging (years)	5.1	4.9	5.0	0.0	5.0
Average interest (including margin)	5.33%	5.13%	5.27%	7.38%	5.44%
Average margin	0.56%	0.99%	0.70%	1.50%	0.77%
Average remaining duration, borrowing	5.0	4.9	4.7	2.5	4.4
Property value (gross of deferred tax at acquisition)	20,563	10,900	31,463		31,463
Loan To Value	69.9%	63.6%	67.7%		73.8%

1) In addition, Norwegian Property ASA has a potential liability to acquire shares in Oslo Properties based on put/call options with a discounted value of NOK 1 621.4.

# Interest hedging

## - conservative hedging strategy

- **Net value of swaps MNOK 497.5 at end of Q1**
  - Total hedging volume: NOK 16,040 billion
  - Average duration: 5.0 years
  - Significantly below current levels - Current average interest on hedging 4.25% (4.53% in NOK) with average remaining duration of 5.0 years (5.1 years)
- **Current situation**
  - Extremely volatile NIBOR and swaps
  - NIBOR significantly higher than swaps





# Sale of non-core assets

- **Hotel**
  - Negotiations with potential buyers ongoing
  
- **Office**

	<b>Closing</b>	<b>Property value</b>	<b>Cash release</b>	<b>Gain / loss</b>
Kokstadveien	December 2007	230	46	9
Mauritz Kartevoldsplass 1	February 2008	51	7	0
Østre Akervei 20 and 22	April 2008	155	30	4
Forskningsveien (**)	April 2008	668	140	0
Magnus Poulssonsvei	April 2008	125	22	0
Økernveien 9 (*)	May 2008	215	37	0
<b>TOTAL - amounts in NOK</b>		<b>1,443</b>	<b>282</b>	<b>13</b>

(\*) Subject to financing

(\*\*) Property value based on 100%

# Financing

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- **Office portfolio – the timing of the establishment of existing facilities was very good (July 2007)**
- **Hotel portfolio – some fine-tuning remains to be done in Q2 2008**
- **Restructuring of acquisition financing**
  - Sale of non-core assets
  - Re-leveraging on property level
  - Available cash and credit lines
  - Operational cash flow

# Nordic macro outlook

## - Growth slowing, but still positive outlook

<b>GDP growth, real growth %</b>	<b>2006</b>	<b>2007</b>	<b>2008e</b>	<b>2009e</b>
Norway	4.8	6.0	3.4	1.8
Sweden	4.1	2.6	2.1	1.5
Denmark	3.9	1.8	1.5	0.9
Finland	4.9	4.4	2.3	1.8

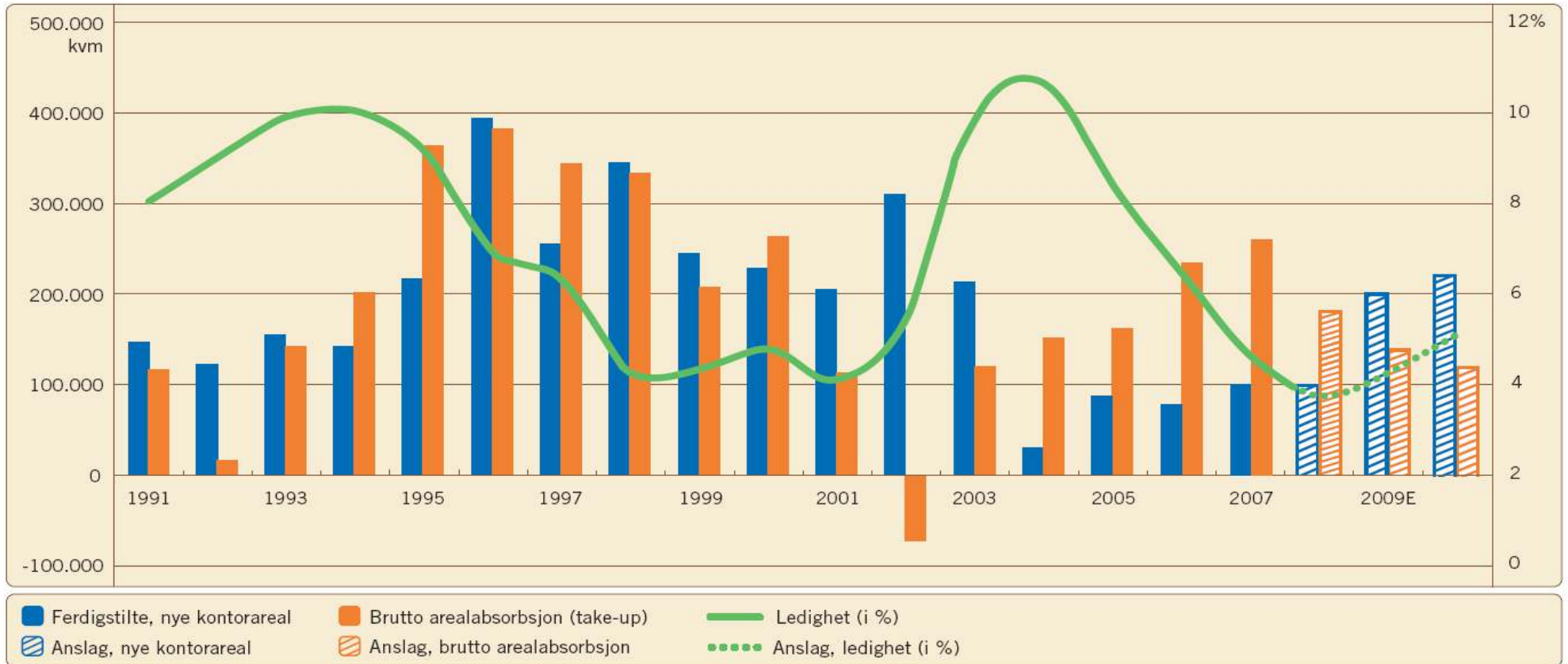
Nordea - Økonomisk Oversikt - April 2008

<b>Inflation</b>	<b>2006</b>	<b>2007</b>	<b>2008e</b>	<b>2009e</b>
Norway	2.3	0.8	2.9	2.7
Sweden	1.4	2.2	3.1	1.9
Denmark	1.9	1.7	3.0	2.6
Finland	1.6	2.5	3.4	2.2

Nordea - Økonomisk Oversikt - April 2008

# Oslo office

## - Continued strong markets, vacancies stabilising at low levels



Kilde: Eiendomsspar 1991-2003 og DnB NOR Næringsmegling 2004-2008

Green line = vacancy (%)  
 Blue square = construction (sqm)  
 Orange square = take up (sqm)

# Continued strong office markets

- **Oslo**
  - Vacancy at around 4% and stabilising
  - The forecast is stable through 2009
  - New construction may start pushing vacancy slightly higher in 2009
    - Bjørvika continues to encounter obstacles
  - Expected rental increases in 2008 and 2009, but lower growth rates
- **Stavanger**
  - Vacancy around 1.5 – 2.0 %
  - Continued booming markets
  - Development projects on drawing table
- **Property transactions**
  - Significant number of projects in market
  - Yields trending upwards on properties other than 'prime prime', especially less attractive properties and properties with long term leases
  - Rental increases to some extent neutralising effects

## Industrialising facility management on office portfolio

- 6-year agreement (+2+2 years) for the management and operation of the office portfolio. NEAS assumed responsibility from 1 April 2008.
- The agreement secures future ownership costs for the term of the contract at 10 – 12 per cent below the current levels, while quality of service is maintained.
- Norwegian Property maintains the customer contact and will be the negotiating and contractual partner for the tenant on rental agreements. The tenants will get access to a new range of services.
- Norwegian Property targets similar agreement for hotel portfolio



NEAS is the leading Norwegian Facility Management company.

NEAS has an ambition to further expand in Norway and the other Nordic countries.

In 2007, NEAS generated revenues of about MNOK 325.

NEAS has more than 300 employees and operates around 1 500 properties comprising approx. 4 million m<sup>2</sup>.

# Rent examples

**Aker Brygge**



- Aker Brygge, no 'sea view', approx. 250 m2
- NOK 4 500 per m2
- 'Uplift' of 158 % from previous rent
- Rented 'as is'
- 5-year lease

- Aker Brygge, no 'sea view', 200 m2
- NOK 4 500 per m2
- 'Uplift' of 173 % from previous rent
- Rented 'as is'
- 5-year lease

**Drammensveien 149  
Skøyen**



- Previous vacant area, 550 m2
- NOK 2 600 per m2
- Upgrade between NOK 3 000 and 4 000 per m2
- 5-year lease

# Office portfolio valuation – 31 March 2008

- **Total property value of portfolio was MNOK 20,196 after adjustment for tax**
- **Net yield based on market rent is 6.1%, compared with 5.2% based on actual payable rent**
- **Sensitivity to change in parameters:**

	Change	Impact portfolio value (MNOK)
Inflation 2009	+1%-point to 4.30%	142
Market rent	+10%	1 577
Market yield	+0.25%-point	-375
Interest rate	+0.25%-point	-450

- **Full external valuation by DTZ Realkapital**
  - Average market rent per m2 in DTZ-valuation NOK 1 835 per m2 (versus actual NOK 1 574); **implying a 16.6% uplift potential.**
- **Value decrease on Investment properties MNOK 197**
  - MNOK -338 from increased discount rates and exit yields
  - MNOK +105 from increase in expected inflation
  - Net other changes MNOK 36

## Property portfolio, DTZ valuation

31 Mar. 2008

31 Dec. 2007

Total value of all properties <sup>1)</sup>

20 560

20 758

Adjustment for deferred tax (and other)

-364

-365

**Investment properties, book value**

**20 196**

**20 393**

1) Excluding Mauritz Kartevolds class 1 which was sold in Q1



# Valuation of office portfolio - by area

Valuation by area	Total m3	Valuation		Gross rent		Rent estimates
		NOK mill.	per m2	NOK mill.	per m2	Rent per m2 *)
Oslo - CBD	172 304	7 594	44 070	382.7	2 221	2 300 - 4 500
Oslo - Skøyen	119 166	3 664	30 744	202.8	1 702	2 300 - 3 100
Oslo - West / Lysaker / Fornebu	126 496	3 257	25 745	179.3	1 417	1 700 - 2 500
Oslo - Nydalen	110 723	2 210	19 962	130.9	1 182	1 700 - 2 200
Oslo - North / East	26 455	372	14 046	33.0	1 247	1 200 - 1 800
Stavanger **)	126 156	2 321	18 395	143.5	1 137	1 200 - 2 200
<b>Gross total ***)</b>	<b>681 300</b>	<b>19 416</b>	<b>28 499</b>	<b>1 072.2</b>	<b>1 574</b>	

\*) Akershus Eiendom, assumed market rents December 2007, Office, normal high standard and top standard

\*\*) Vaagen Eiendom, Stavanger, based on market report from November 2007

\*\*\*) Excluding properties sold or agreed to be sold; Kokstadveien 25, Mauritz Kartevoldsplass 1, Østre Akervei 20 and 22, Forskningsveien 2, Magnus Poulssonsvei 7 and Økernveien 9

# Overview of portfolio

## - commercial properties, excluding hotels



Run Rate, 1 January 2008	2008
<b>Portfolio **)</b>	
Number of properties	52
Number of sqm	681,300
Average size per property (sqm)	13,102
Average value per sqm (NOK)	28,498
Average value per property (mnok)	373
Average rent per gross sqm	1,574
<b>Valuation (NOK million)</b>	
Market value	19,416
Gross rent *)	1,072.2
Opex	64.332
Net rent	1,007.9
Gross yield, contractual rent *)	5.5 %
Net yield, contractual rent *)	5.2 %
Gross yield, market rent ***)	6.4 %
Net yield, market rent ***)	6.1 %
Duration (years)	6.1
CPI adjustment (2007)	95%
Vacancy (rent)	0.3 %

\*) Assuing 6% operating expenses on property level

\*\*\*) Excluding properties sold or agreed to be sold; Kokstadveien 25, Mauritz Kartevoldsplass 1, Østre Akervei 20 and 22, Forskningsveien 2, Magnus Poulssonsvei 7 and Økernveien 9

\*\*\*\*) Market rent is assessed by DTZ Realkapital to be 16.7% above current contractual rents

# Overview of portfolio - hotels



## Run Rate, 1 January 2008

### Portfolio

	2008
Number of properties	74
Number of, m2	671,080
Average size per property (m2)	9,069
Average value per sqm (NOK)	16,242
Average value per property (mnok)	147
Average rent per gross m2	1,221

### Valuation (NOK million)

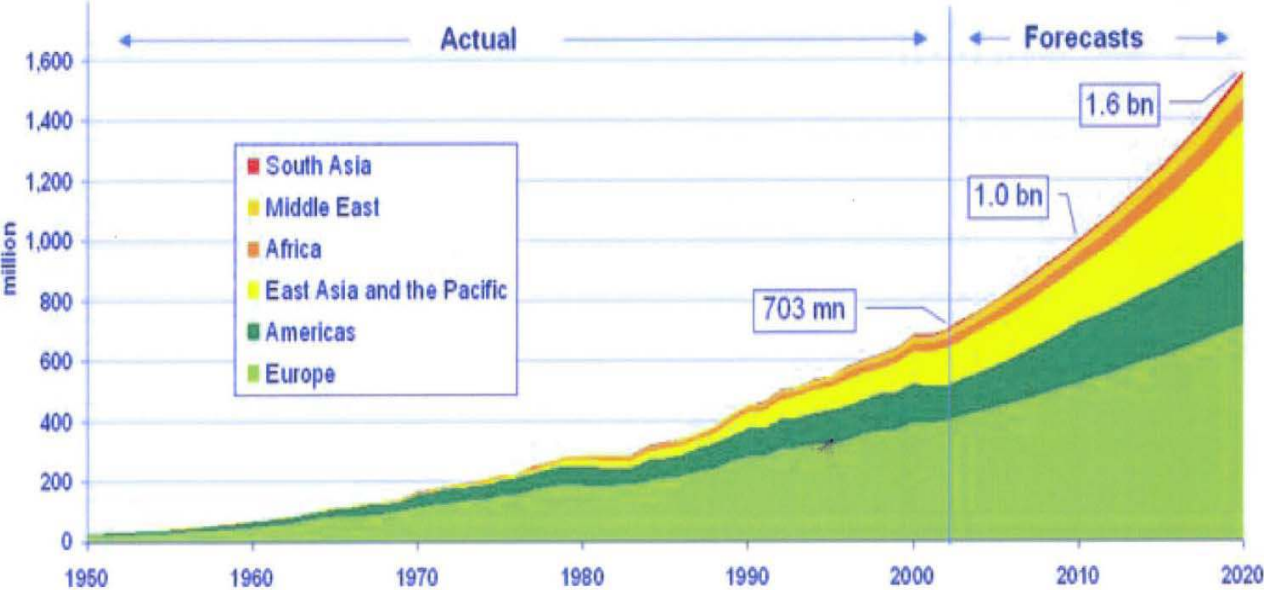
Market value	10,900
Gross rent *)	819.3
Opex **)	81.9
Net rent *)	737.4
Gross yield *)	7.5 %
Net yield *)	6.8 %

Duration (years)	10.7
Minimum rent and seller guarantees	595.6
Minimum rent (inflation adjusted)	519.4

\*) Estimated rent 2008, based on 5.0% RevPAR growth

\*\*) Assuming 10% operating cost

# Travel growth towards 2020



Source: World Tourism Organization / Innovasjon Norge

## Hotels – RevPAR

### Growth for Norgani hotels outpaces market growth



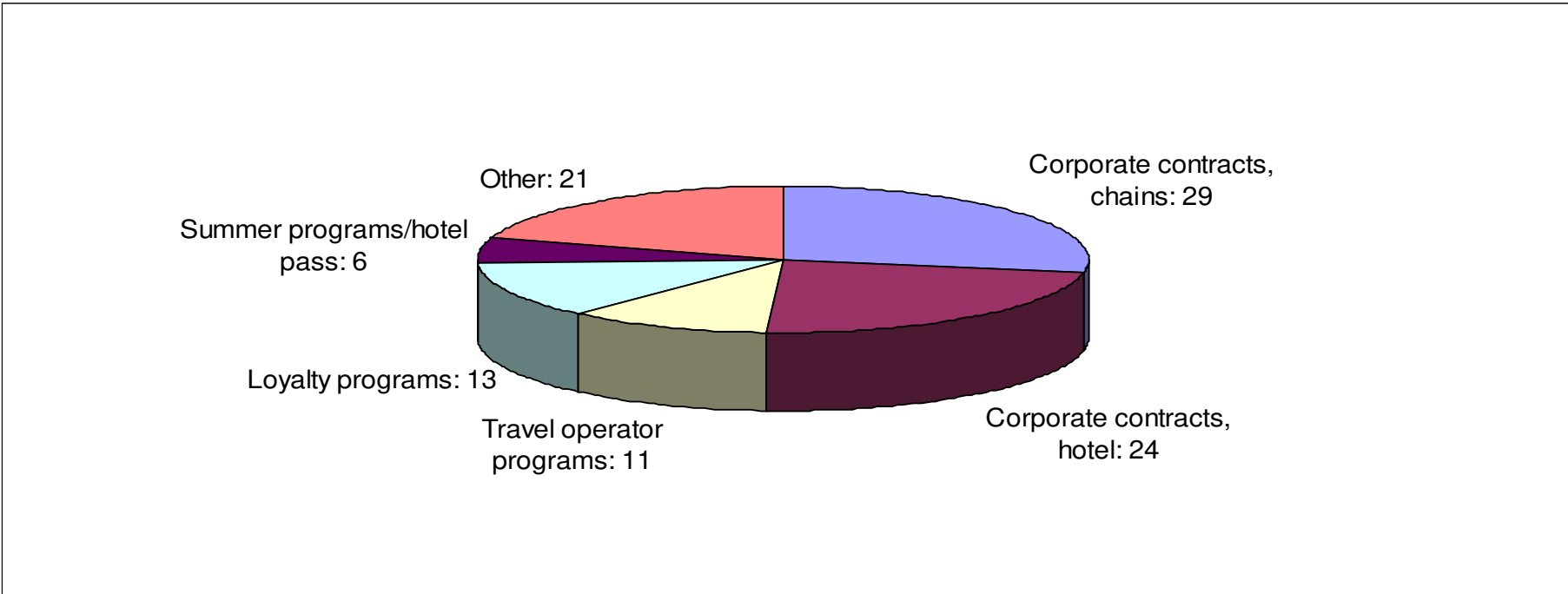
	RevPAR February	RevPAR Norgani hotels (February)	Share of revenue (Norgani)
Norway	11.8%	14.3%	23%
Sweden	6.4%	9.6%	45%
Finland	9.7%	17.9%	28%
Denmark	Occupancy +2.4%	-23.3%	4%

- **Market information as of March to be released end-April and beginning of May**
- **Norgani Hotels had strong performance once again in March considering the Easter effect (Q1 2008 and Q2 2007)**

# Corporate contracts and other agreements are important



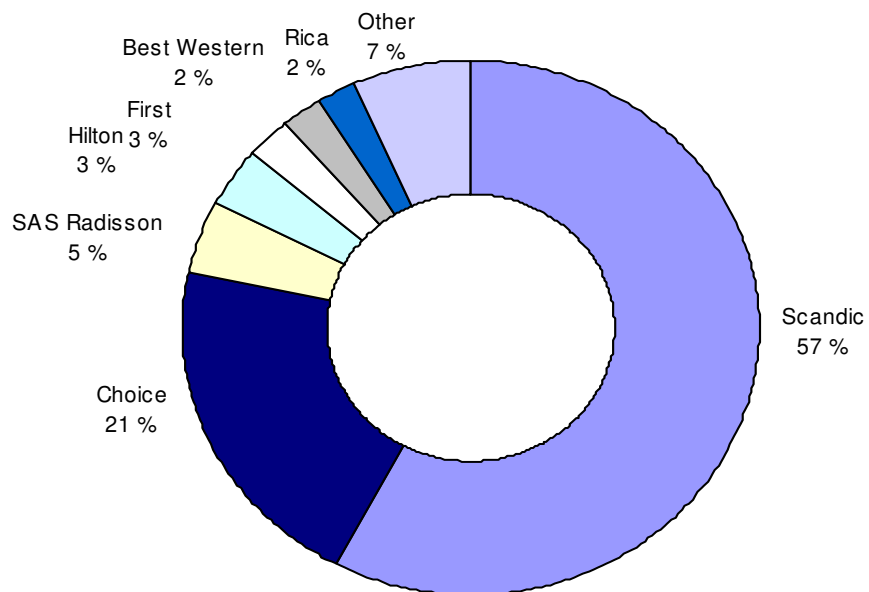
## Occupancy by categories, Norway



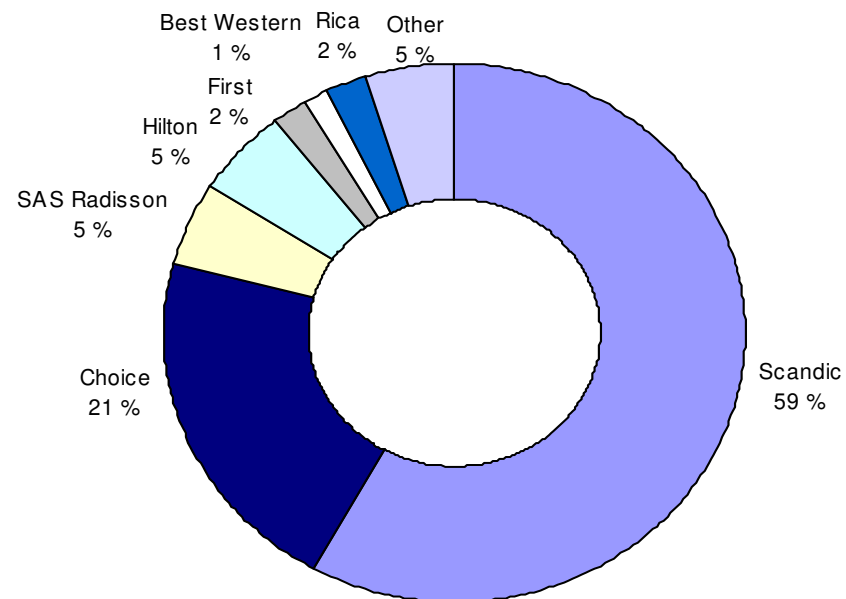
Horwath Consulting/ Norsk Hotellnæring 2007, Chapter. 3.2.1

# Long-term contracts with blue chip tenants

### Operators' share of rooms



### Operators' share of revenues



# Norgani Hotel - Focus

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- **Strategy process**
- **Business plan**
- **Co-operation with operators**
- **Pro-active property development to increase value**



# Valuation of hotel portfolio

- **External valuation**
  - DTZ Realkapital in Norway, Sweden and Denmark
  - Maakanta in Finland
  - Based on discounted cash flow models
  
- **Increase portfolio value – Q1: MNOK 200**
  - Currency effects MNOK 102
  - Capital expenditures MNOK 22
  - Gain on fair value adjustment MNOK 76

	Properties	Rooms	m2	Value MNOK		Average net yield *)
				Total	Per room	
Norway	14	2 403	140 320	2 735	1 138	6.4
Sweden	41	6 889	321 763	4 806	698	7.0
Denmark	3	434	15 405	413	951	6.8
Finland	16	3 078	193 592	2 947	957	6.8
<b>Gross total</b>	<b>74</b>	<b>12 804</b>	<b>671 080</b>	<b>10 900</b>	<b>851</b>	<b>6.8</b>

\*) Based on 2008E and assuming 10% property cost (maintenance, etc).

# The combined company

## - key figures



<b>Number of properties</b>	74		52		30 316
<b>Market value, properties</b>	10 900		19 416		30 316
<b>Gross rent 2008E <sup>1)</sup></b>	819		1 072		1 892
<b>Net rent 2008E <sup>2)</sup></b>	737		1 008		1 745
<b>Rent distribution (current):</b>					
Norway:	23%		100%		67%
Sweden:	45%				19%
Denmark:	4%				2%
Finland:	28%				12%
<b>Key figures</b>					
No of m2 (approx.)	671 080		681 300		1 352 380
EV/m2	16 242		28 498		22 417
Average duration, lease contracts	10.7		6.1		8.1
Gross yield'08E	7.5%		5.5%		6.2%
Net yield'08E	6.8%		5.2%		5.8%
Net yield'08E based on market rent <sup>3)</sup>	6.8%		6.1%		6.3%

1) Gross rent 2008E, for Norwegian Property based on run-rate per 1 January 2008, for Norgani based on 2007 adjusted for 5% RevPAR excluding sold properties or agreed sold properties

2) Net rent = Gross rent 2008E, adjusted for property costs (6% in Norwegian Property and 10% in Norgani)

3) The market rent for Norwegian Property has been estimated by DTZ Realkapital to be 16.2% above current payable rent

# Summary

## - Attractively positioned in a prime property market

- **Norwegian Property is a prime real estate investment player in a strong Nordic market**
- **Norwegian Property offers unique exposure to high-quality real estate**
- **Management focus going forward**
  - Consolidation and integration of Norgani
    - Financing structure
  - Sale of non-core assets in both office and hotel
  - Exploit the expected and realised market rental growth
  - Industrialise Facility Management
- **Norwegian Property targets attractive returns to investors**

# Norwegian Property - Office portfolio

(1/2)

Property	PROPERTY FACTS								RENT FACTS			
	Space split (sqm)								Vac- ancy %	CPI	Duration pr 31.03.08	Runrate pr 31/03/08
	Offices	Retail / Rest- aurant	Retail	Rest- aurant	Ware- house	Indoor parking	Other	Total sqm				
<b>OSLO/AKERSHUS</b>												
<b>CBD</b>												
Aker Brygge - total	29,158	21,547	12,666	8,880	4,676	2,061	491	57,933	0.8 %	95%		150.1
Aker Brygge (Kaibygning I)	23,015	3,810	2,334	1,476	4,591	0	0	31,416	0.0 %	100%		83.9
Drammensveien 60	8,593	797	797	0	1,483	0	0	10,873	0.0 %	100%		19.9
Grev Wedels plass 9	17,909	0	0	0	852	5,363	4,128	28,252	0.0 %	100%		44.0
Ibsenkvartalet	31,780	1,287	739	548	3,970	0	554	37,591	1.4 %	100%		64.3
Stortingsgaten 6	4,709	726	726	0	244	560	0	6,239	0.0 %	100%		20.5
<b>Total CBD</b>	<b>115,164</b>	<b>28,167</b>	<b>17,262</b>	<b>10,904</b>	<b>15,816</b>	<b>7,984</b>	<b>5,173</b>	<b>172,304</b>	<b>0.6 %</b>	<b>98%</b>	<b>4.7</b>	<b>382.7</b>
<b>Skøyen</b>												
Drammensveien 134 - building 2-5	21,982	0	0	0	915	5,432	163	28,492	0.0 %	75%		40.4
Drammensveien 134 - building 1 and 6	15,301	640	640	0	1,779	4,009	0	21,729	0.0 %	100%		40.7
Drammensveien 144	9,150	0	0	0	148	1,450	107	10,855	0.0 %	100%		18.3
Drammensveien 149	10,561	0	0	0	1,916	4,006	0	16,483	0.0 %	100%		24.1
Hovfaret 11	4,377	0	0	0	569	0	696	5,642	0.0 %	100%		11.0
Nedre Skøyen vei 24	3,630	0	0	0	1,215	0	0	4,845	0.0 %	100%		11.8
Nedre Skøyen vei 26 A-E	11,444	0	0	0	696	398	5,084	17,622	0.0 %	100%		34.0
Nedre Skøyen vei 26 F	8,767	0	0	0	0	4,235	497	13,499	0.0 %	100%		22.4
<b>Total Skøyen</b>	<b>85,212</b>	<b>640</b>	<b>640</b>	<b>0</b>	<b>7,238</b>	<b>19,530</b>	<b>6,546</b>	<b>119,166</b>	<b>0.0 %</b>	<b>95%</b>	<b>8.2</b>	<b>202.8</b>
<b>Oslo West/Lysaker/Fornebu</b>												
Aker Hus	40,254	0	0	0	0	18,089	0	58,343	0.0 %	100%		80.1
Lysaker Torg 35	14,422	0	0	0	412	7,100	0	21,934	0.0 %	100%		38.6
Middelthunsgate 17	26,847	0	0	0	3,472	3,000	0	33,319	0.0 %	100%		43.7
Oksenøyveien 3	10,200	0	0	0	0	2,700	0	12,900	0.0 %	100%		16.8
<b>Total Oslo West/Lysaker/Fornebu</b>	<b>91,723</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,884</b>	<b>30,889</b>	<b>0</b>	<b>126,496</b>	<b>0.0 %</b>	<b>100%</b>	<b>7.7</b>	<b>179.3</b>
<b>Nydalen</b>												
Gjerdrums vei 8	8,158	0	0	0	109	2,389	0	10,656	0.0 %	96%		13.1
Gjerdrums vei 10 D	2,052	0	0	0	0	0	0	2,052	0.0 %	97%		3.1
Gjerdrums vei 14	634	0	0	0	812	0	0	1,446	0.0 %	100%		1.4
Gjerdrums vei 16	4,224	0	0	0	757	3,169	0	8,150	0.0 %	97%		7.0
Gjerdrums vei 17	803	0	0	0	0	0	0	803	0.0 %	100%		1.3
Gullhaug Torg 3	7,868	0	0	0	0	0	0	7,868	0.0 %	40%		9.5
Gullhaugveien 9-13	23,015	0	0	0	7,714	12,628	0	43,357	2.8 %	100%		44.6
Maridalsveien 323	11,646	0	0	0	2,600	5,573	1,096	20,915	0.0 %	100%		26.6
Nydalsveien 15	3,001	750	0	750	85	0	0	3,836	0.0 %	100%		6.0
Nydalsveien 17	0	1,560	0	1,560	0	0	0	1,560	0.0 %	100%		3.5
Sandakerveien 130	6,520	0	0	0	0	3,560	0	10,080	0.0 %	100%		14.9
<b>Total Nydalen</b>	<b>67,921</b>	<b>2,310</b>	<b>0</b>	<b>2,310</b>	<b>12,077</b>	<b>27,319</b>	<b>1,096</b>	<b>110,723</b>	<b>0.9 %</b>	<b>95%</b>	<b>4.4</b>	<b>130.9</b>

# Norwegian Property - office portfolio

(2/2)

Property	PROPERTY FACTS								RENT FACTS				
	Space split (sqm)								Vac- ancy %	CPI	Duration pr 31.03.08	Runrate pr 31/03/08	
	Offices	Retail / Rest- aurant	Retail	Rest- aurant	Ware- house	Indoor parking	Other	Total sqm					
<b>Oslo North/East</b>													
Kolstadgaten 1	5,479	0	0	0	0	0	0	5,479	0.0 %	75%		8.7	
Oslo Airport Gardermoen	0	0	0	0	0	0	20,976	20,976	0.0 %	100%		24.3	
<b>Total Oslo North / East</b>	<b>5,479</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,976</b>	<b>26,455</b>	<b>0.0 %</b>	<b>93%</b>	<b>9.3</b>	<b>33.0</b>	
<b>TOTAL OSLO / AKERSHUS</b>	<b>365,499</b>	<b>31,117</b>	<b>17,902</b>	<b>13,214</b>	<b>39,015</b>	<b>85,722</b>	<b>33,791</b>	<b>555,144</b>	<b>0.4 %</b>	<b>97%</b>	<b>6.2</b>	<b>928.7</b>	
<b>STAVANGER</b>													
<b>CBD</b>													
Badehusgaten 33-39	12,973	0	0	0	2,540	2,315	3,700	21,528	0.0 %	70%		23.0	
Nedre Holmegate 30-34	2,856	1,023	1,023	0	85	1,173	220	5,357	0.0 %	100%		4.6	
<b>Forus/Airport</b>													
Forusbeen 35	17,674	0	0	0	0	3,750	0	21,424	0.0 %	100%		25.8	
Grenseveien 19	5,390	0	0	0	0	0	0	5,390	0.0 %	100%		7.8	
Grenseveien 21	27,721	0	0	0	0	0	0	27,721	0.0 %	50%		29.6	
Maskinveien 32	4,561	0	0	0	0	525	0	5,086	0.0 %	100%		5.1	
Strandsvingen 10	2,059	0	0	0	0	0	0	2,059	0.0 %	80%		2.9	
Svanholmen 2	2,883	6,580	6,580	0	0	0	0	9,463	0.0 %	100%		8.8	
<b>Sandnes</b>													
Elvegaten 25	6,096	0	0	0	0	0	0	6,096	0.0 %	100%		6.3	
<b>Stavanger - other</b>													
Finnestadveien 44	22,032	0	0	0	0	0	0	22,032	0.0 %	100%		29.7	
<b>Total Stavanger</b>	<b>104,245</b>	<b>7,603</b>	<b>7,603</b>	<b>0</b>	<b>2,625</b>	<b>7,763</b>	<b>3,920</b>	<b>126,156</b>	<b>0.0 %</b>	<b>85%</b>	<b>5.8</b>	<b>143.5</b>	
<b>GROSS TOTAL</b>	<b>469,744</b>	<b>38,720</b>	<b>25,505</b>	<b>13,214</b>	<b>41,640</b>	<b>93,485</b>	<b>37,711</b>	<b>681,300</b>	<b>0.3 %</b>	<b>95%</b>	<b>6.1</b>	<b>1,072.2</b>	

\* Excluding properties that are agreed sold.

# Norgani

## - Hotel portfolio

Hotel	Operator	Municipality	No. rooms	m2
<b>Sweden</b>				
Scandic Alvik	Scandic	Stockholm	325	12 075
Scandic Malmen Stockholm	Scandic	Stockholm	327	15 130
Scandic Star Sollentuna	Scandic	Stockholm	269	18 573
Scandic Kungens Kurva	Scandic	Stockholm	257	11 581
Scandic Helsingborg Nord	Scandic	Helsingborg	237	9 399
Scandic Backadal	Scandic	Göteborg	232	9 397
Scandic Elmia	Scandic	Jönköping	220	9 576
Scandic Örebro Väst	Scandic	Örebro	204	7 621
Scandic Gävle Väst	Scandic	Gävle	201	7 382
Scandic Uppsala Nord	Scandic	Uppsala	184	7 518
Scandic Västerås	Scandic	Västerås	174	7 285
Scandic Ferrum	Scandic	Kiruna	170	11 100
Scandic Umeå Syd	Scandic	Umeå	162	5 955
Scandic Segeväng	Scandic	Malmö	161	6 284
Scandic Luleå	Scandic	Luleå	159	5 565
Scandic Sundsvall Nord	Scandic	Sundsvall	159	4 948
Scandic Linköping Väst	Scandic	Linköping	150	6 105
Scandic Norrköping Nord	Scandic	Norrköping	150	6 768
Scandic Kalmar Väst	Scandic	Kalmar	148	5 485
Scandic Bromma	Scandic	Stockholm	144	6 800
Scandic Klarälven	Scandic	Karlstad	143	5 694
Scandia Uplandia	Scandic	Uppsala	133	5 402
Scandic Södertälje	Scandic	Södertälje	131	5 630
Scandic Östersund	Scandic	Östersund	129	4 019
Scandic Växjö	Scandic	Växjö	123	3 982
Scandic Hasselbacken	Scandic	Stockholm	112	10 025
Scandic Bollnäs	Scandic	Bollnäs	111	5 150
Quality Hotel Luleå	Choice	Luleå	209	12 166
Quality Hotel Prince Philip	Choice	Stockholm	201	7 400
Quality Hotel Ekoxen	Choice	Linköping	190	14 671
Quality Hotel Grand Kristianstad	Choice	Kristianstad	149	7 524
Quality Hotel Winn , Göteborg	Choice	Göteborg	121	5 800
Quality Hotel Prisma	Choice	Skövde	107	3 687
First Hotel Linköping	First/Tribe	Linköping	133	6 540
First Hotel Mårtenson	First/Tribe	Halmstad	103	6 657
First Hotel Royal Star	First/Cadhotels	Stockholm	103	4 900
Best Western Royal Corner	Revhaken Hotels	Växjö	158	7 112
Best Western Mora Hotell & Spa	BW	Mora	135	9 161
Ibis Stockholm Syd	Accor Hotels	Stockholm	190	8 339
Radisson SAS Hotell , Linköping	Radisson/SAS	Linköping	91	6 354
Stadshotellet Princess Sandviken	Stadshotellet AB	Sandviken	84	7 003
<b>Total Sweden</b>			<b>6 889</b>	<b>321 763</b>

Hotel	Operator	Municipality	No. rooms	m2
<b>Norway</b>				
Quality Hotel & Resort Kristiansand	Choice	Kristiansand	210	9 940
Quality Hotel & Resort Hafjell	Choice	Öyer	210	9 540
Comfort Hotel Börsparken	Choice	Oslo	198	7 900
Quality Hotel Alexandra	Choice	Molde	163	17 033
Comfort Hotel Holberg	Choice	Bergen	140	5 720
Quality Hotel & Resort Fagernes	Choice	Fagernes	139	10 310
Clarion Collection Hotel Bastionen	Choice	Oslo	99	4 688
Quality Hotel Articus	Choice	Harstad	75	3 540
Radisson SAS Lillehammer Hotel	Franchise	Lillehammer	303	18 000
Radisson SAS Hotel Bodø	Radisson/SAS	Bodø	191	15546
Scandic Bergen Airport	Scandic	Bergen	197	9 654
Scandic KNA	Scandic	Oslo	189	11 218
Rica Hotel Hamar	Rica	Ringsaker	176	9 250
Rica Hotel Bodø	Rica	Bodø	113	7 981
<b>Total Norway</b>			<b>2 403</b>	<b>140 320</b>
<b>Denmark</b>				
Comfort Hotel Europa	Choice	Copenhagen	230	8 000
Clarion Collecion Hotel Myfair	Choice	Copenhagen	105	3 805
Comfort Hotel Excelsior	Choice	Copenhagen	99	3 600
<b>Total Denmark</b>			<b>434</b>	<b>15 405</b>
<b>Finland</b>				
Scandic Continental	Scandic	Helsinki	512	30 000
Scandic Grand Marina	Scandic	Helsinki	462	23 660
Scandic Tampere City	Scandic	Tampere	263	14 457
Scandic Kajunus	Scandic	Kajaani	191	10 468
Scandic Rosendahl	Scandic	Tampere	213	14 662
Scandic Jyväskylä	Scandic	Jyväskylä	150	7 360
Scandic Kuopio	Scandic	Kuopio	137	7 113
Scandic Espoo	Scandic	Espoo	96	5 245
Scandic Luosto	Scandic	Luosto	59	4 230
Scandic Marina Congress Center	Scandic	Helsinki		11 500
Hilton Helsinki Kalastajatorpaa	Hilton	Helsinki	238	23 291
Hilton Helsinki Strand	Hilton	Helsinki	192	10 250
Airport Bonus Inn	Citymac Travels	Vantaa	211	8 414
Serena Korpilampi	Savonlinnan	Espoo	150	9 777
Comfort Hotel Pilotti	Bonfinn	Vantaa	112	3 068
Imatran Valtionhotelli	Rantasipi	Imatra	92	10 097
<b>Total Finland</b>			<b>3 078</b>	<b>193 592</b>
<b>Total Norgani Group</b>			<b>12 804</b>	<b>671 080</b>

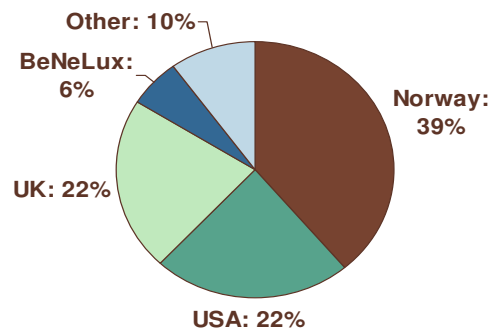
# Broad shareholder base

## - liquid trading on Oslo Stock Exchange

### Key share details

- **No. of shares outstanding: 105.5m**
- **No. of shareholders: 902**
  - Norwegian: 721
  - Non-Norwegian: 181
- **Share performance YTD 2008: -33.8%**

### Shareholder distribution by domicile



Source: VPS

### 20 largest shareholders\*

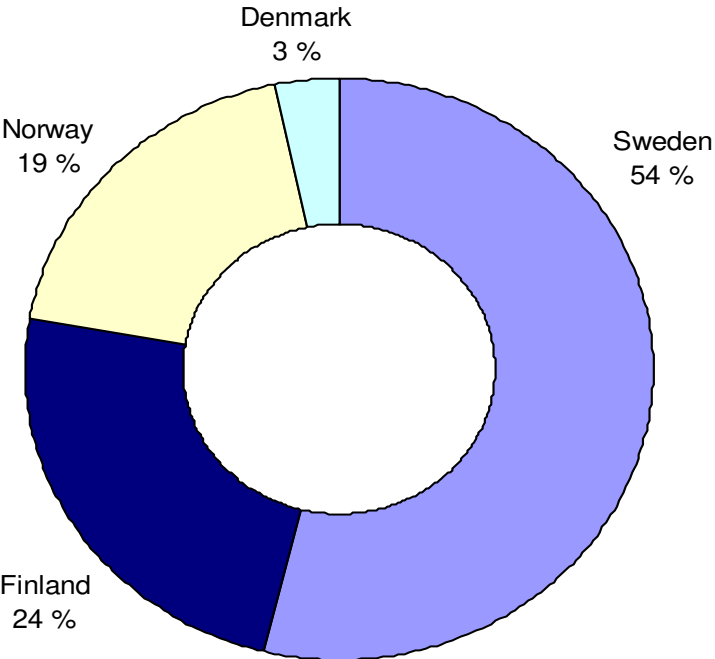
Largest shareholders	Stake %
A. Wilhelmsen Capital AS	11.53%
State Street Bank and Trust Co. (nom)	8.28%
JPMorgan Chase Bank (nom)	6.93%
Fram Holding AS	3.79%
Bank of New York, Brussels Branch, Alpine Int.	3.44%
Vital Forsikring ASA	3.39%
Bank of New York (nom)	3.15%
Fram Realinvest AS	2.84%
Aweco Invest AS	2.72%
Mellon Bank AS Agent for ABN Amro (nom)	2.20%
Bank of New York, Brussels Branch, Alpine Int.	2.02%
Pohjola Bank (nom)	1.90%
Spencer Trading Inc.	1.90%
Deutsche Bank AG (nom)	1.81%
Mellon Bank as agent for clients (nom)	1.80%
Opplysningsvesenets fond	1.58%
Fortis Global Custody Services (nom)	1.95%
Lani Development AS	1.42%
Morgan Stanley & Co (nom)	1.32%
JP Morgan Chase (nom)	1.09%
Other shareholders	34.94%
<b>TOTAL</b>	<b>100.00 %</b>

# Hotel portfolio

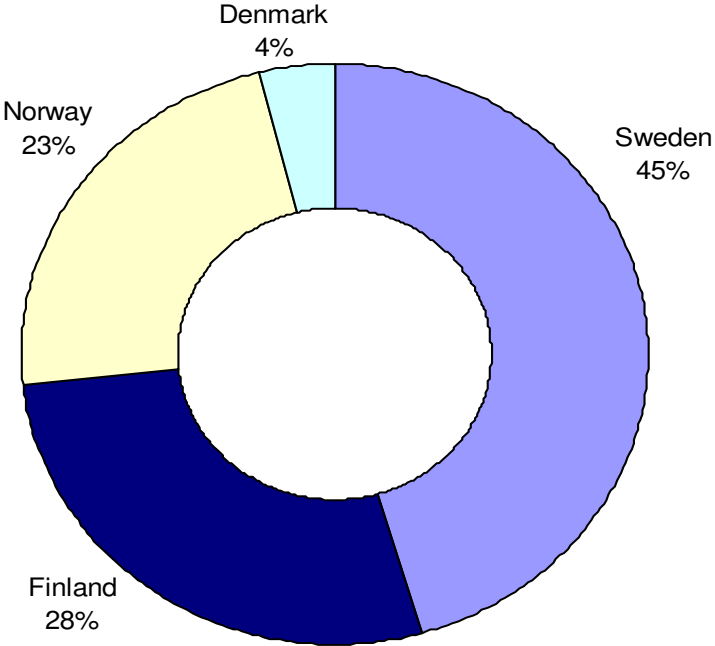
- 12 804 rooms and 671 080 m2



**Geographic distribution of rooms**



**Geographic distribution of revenues**





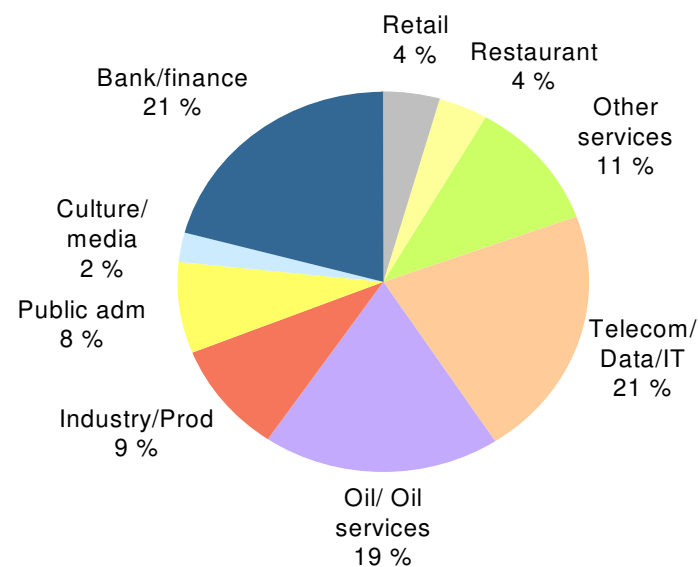
# Tenants - office portfolio

## 25 largest tenants

Tenant	Contract rent Run rate *)	Duration years
1 Aker ASA/Aker Kværner ASA	80.1 7.5 %	
2 EDB Business Partner ASA	79.3 7.4 %	
3 DnB Nor Bank ASA	67.9 6.3 %	
4 Nordea	43.7 4.1 %	
5 Statoil Hydro	42.3 3.9 %	
6 SAS Consortium	41.1 3.8 %	
7 If Skadeforsikring	38.5 3.6 %	
8 Total E&P	29.7 2.8 %	
9 Get AS (UPC)	26.6 2.5 %	
10 Leif Högh & Co AS	26.5 2.5 %	
11 Telenor Eiendom Holding AS	25.9 2.4 %	
12 Netcom AS (Tele 2)	23.3 2.2 %	
13 Aker Kværner Offshore Partner	23.0 2.1 %	
14 Skanska Norge AS	21.5 2.0 %	
15 Fokus Bank	20.0 1.9 %	
16 Hafslund ASA	18.4 1.7 %	
17 Ementor Norge AS	17.7 1.7 %	
18 Astrup Fearnley AS	15.7 1.5 %	
19 TDC Norge AS	15.6 1.5 %	
20 Arbeidsdirektoratet	17.7 1.7 %	
<b>TOTAL 20 LARGEST TENANTS</b>	<b>674.5 69.9 %</b>	<b>7.0</b>
Other tenants	397.7 37.1 %	4.6
<b>TOTAL ALL TENANTS</b>	<b>1 072.2 100.0 %</b>	<b>6.1</b>

\*) Run rate at 31 March 2008

## Tenants by line of business



# Norwegian Property office contracts - and upside rent potential

- **The average length of the lease contracts is currently 6.1 years**
  - MNOK 350 up for renegotiation over next 4 years
- **The lease contracts are automatically adjusted according to the CPI annually**
  - Weighted average of 95% adjustment on total portfolio)
- **Current focus**
  - Renegotiation of contracts due in 2008, 2009 and 2010
  - Tenants with changing needs (expansion, relocation, etc.)
  - Development potential
    - Nydalen, 6 000 m<sup>2</sup>
    - Badehusgaten, Stavanger
    - Drammensveien 134, Skøyen
    - Aker Brygge, Tingvalla pier

## Accumulated renegotiation potential (2008 rents)

