



NORWEGIAN
PROPERTY

4th quarter 2021

Oslo, February 4th 2022

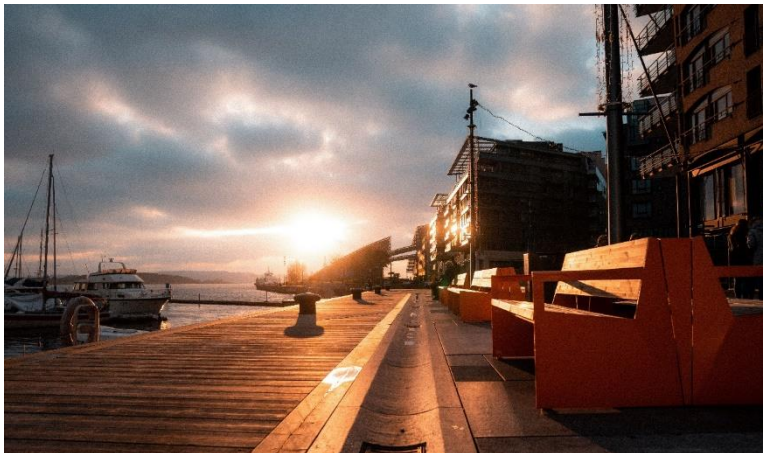


Agenda

- Highlights
- Markets and operations
- Financial update
- Closing remarks
- Q&A session

Q4 in short

- **Rental income of NOK 236 million. Up from NOK 193 million in Q4-20**
- **Profit before value adjustments NOK 136 million and profit after income tax NOK 737 million**
 - Earnings per share (EPS) NOK 1.14
- **Run rate above NOK 1 bn at year end**
- **Fondbygget and Kaibygget achieved a “BREEAM in use - Very good” certification**
- **2021, first full year ownership of Nordr**
 - Sales incl rental units⁽¹⁾ '21: NOK 7.9 bn
 - Sales January '22: above NOK 1 bn
 - Construction starts '21: 1,367 units
 - In production: 3,207 units



:: STRANDEN, AKER BRYGGE:



:: SNARØYVEIEN 30. FORNEBU:

(1) Sv: «hyresrätter»



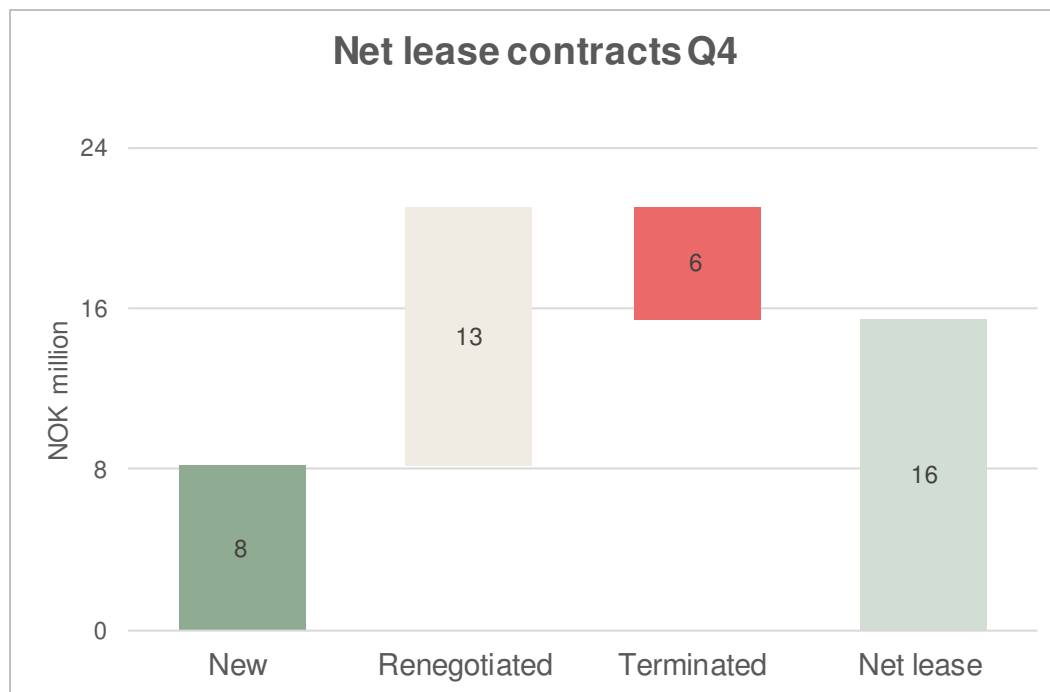
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Rental update

Rental contracts in Q4-2021

- High activity in the quarter regarding renegotiated contracts
- Positive net letting of MNOK 16



New leases:

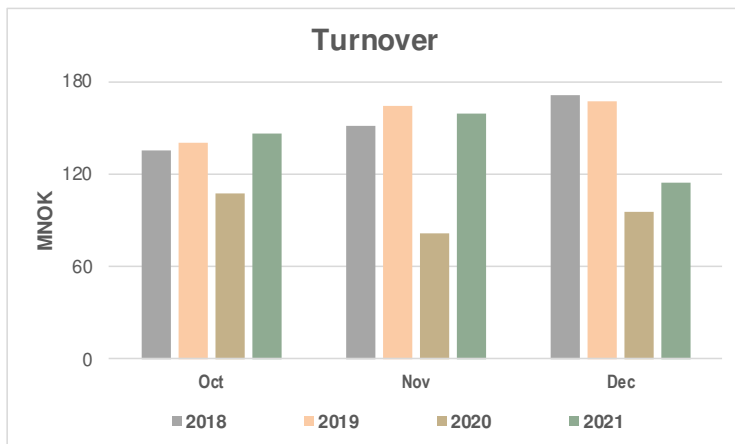


BERGVALLMARINE^{AS}
A Gallagher Company

Turnover Q4 Aker Brygge

Turnover Aker Brygge

- Q4 2021 NOK 420 mill (+ 48 %)



- ⇒ Ground floor at good pace during October and November in spite of home office recommendations
- ⇒ Turnover heavily reflected by covid regulations during December

Some activities during first half of the quarter

- Fjord Oslo light festival
- Out door Christmas cinema in November
- Breakfast Club in shopping street



BREEAM in use

BREEAM®

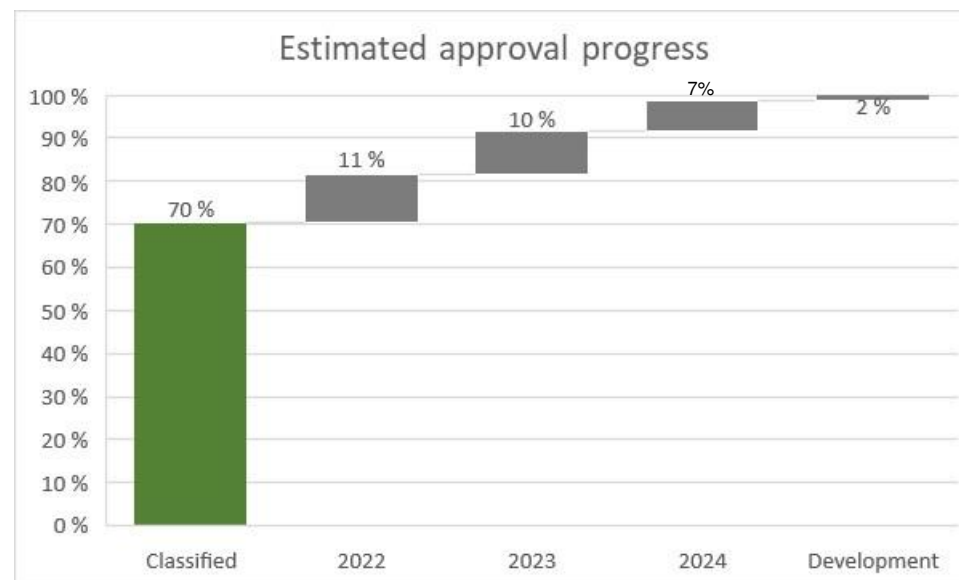


:: FONDBYGGET, AKER BRYGGE:

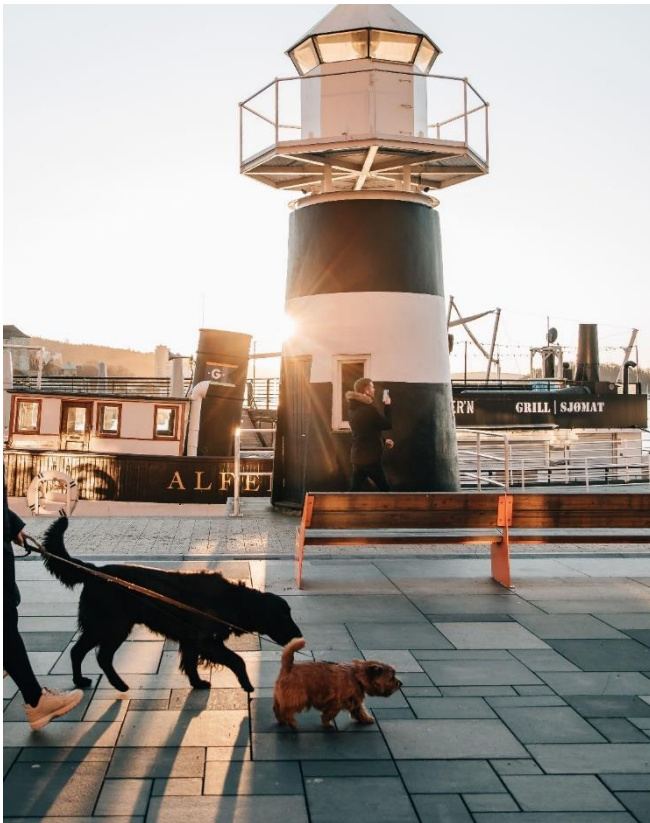


:: KAIBYGG 1, AKER BRYGGE:

- Two properties achieved “BREEAM in use - Very Good” certification during the quarter
- Achieved certification for 70% of our office portfolio
 - All classified Very Good or Excellent



Market trends - office



::SEA FRONT, AKER BRYGGE:

Rental market Oslo

- NPRO experiences increasing rent levels in all our core areas

Transaction market

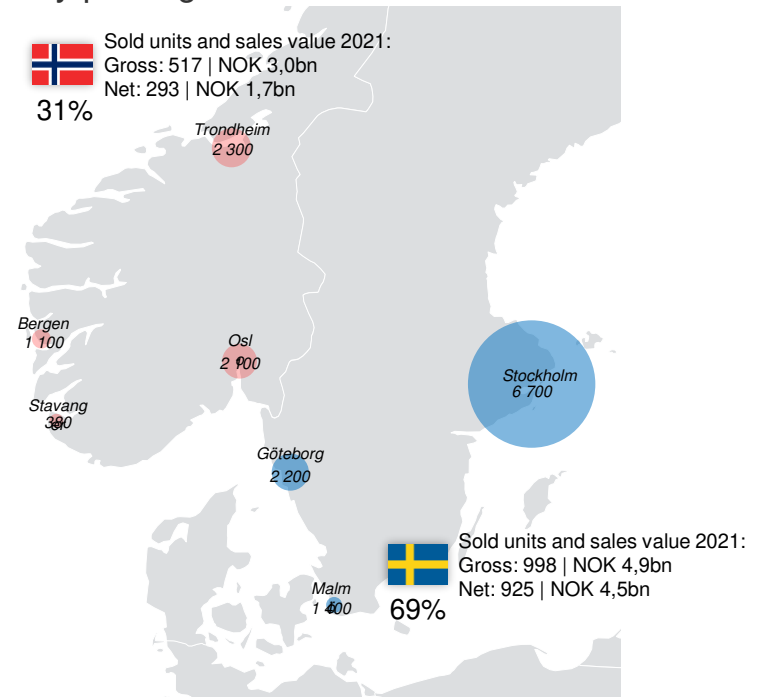
- Euphoric transaction market
 - Prime yield below 3.25%
- Interest from a broad investor base
- Attractive financing conditions and several different sources for real estate companies

Nodr – Summary 2021

<p>Sold units 2021 1 515 (1218)</p> <p>Sales value 2021 NOK 7,9bn. (NOK 6,2bn)</p>	<p>Construction starts 2021 1 367 (1 122)</p> <p>Completions 2021 776 (668)</p>
<p>Units under construction¹ 3 207 (2 660)</p> <p>Sold units under construction 89% (90%)</p>	<p>Landbank comprising of 16 350 gross units and a total sales value of c.NOK 93bn³</p>
<p>Revenue 2021² NOK 3,1bn</p> <p>Portfolio project margin 12,7%</p> <p>Earnings before tax 2021² NOK 0,2bn</p>	<p>Gross Asset Value NOK 13,9bn⁴</p> <p>Net Asset Value NPRO NOK 2,3bn, MoC 2.2</p> <p>Total property exposure NOK 23,7bn⁵</p>

Nodr share shown in ()

Activity per region



Note 1: Total includes 733 (733) rental units in production

9 Note 2: Based on IFRS – preliminary year end numbers

Note 3: Based on 16 350 gross units and an average sales price of NOK 5,7m

Note 4: On balance sheet: owned property, surplus value of options and Nordr's share of JV property

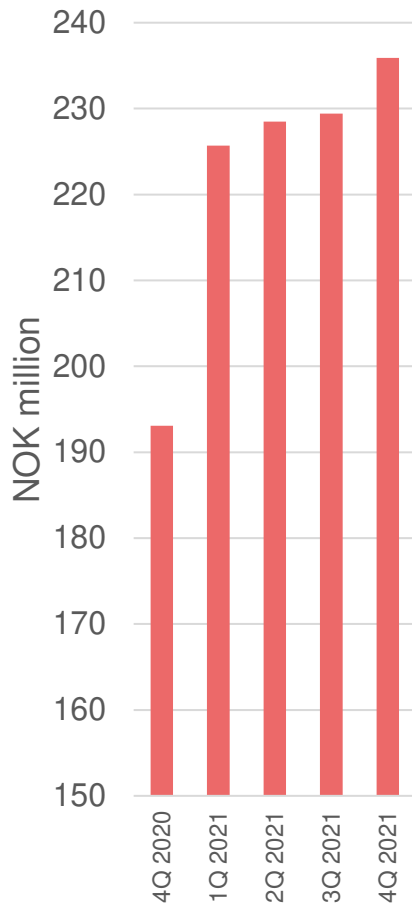
Note 5: Including the value of property controlled through options and projects under construction in Swedish co-ops



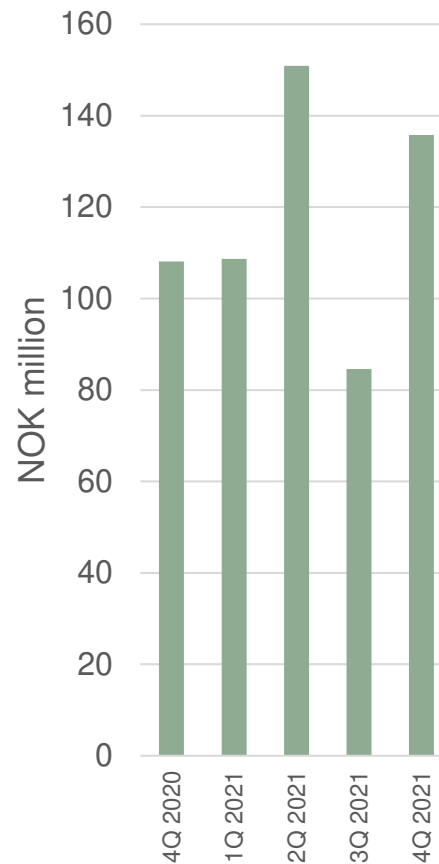
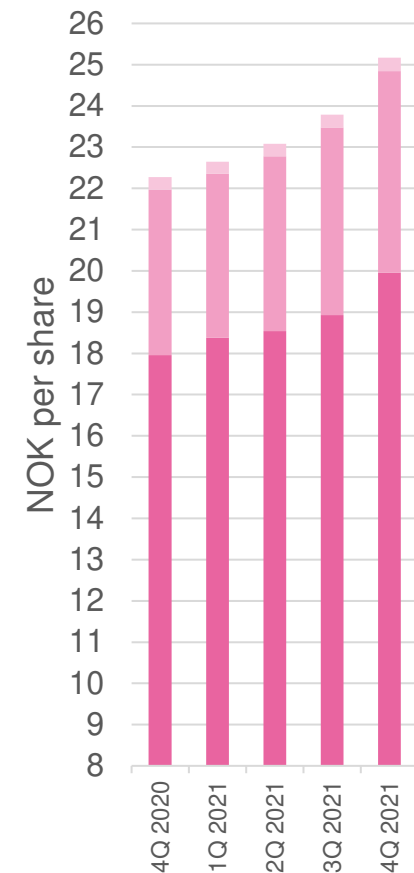
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Financial highlights

RENTAL INCOME


■ Quarterly rental income

PROFIT BEFORE TAX AND VALUE ADJ.

VALUE PER SHARE


■ Net asset value (NAV) ■ NTA ■ NRV

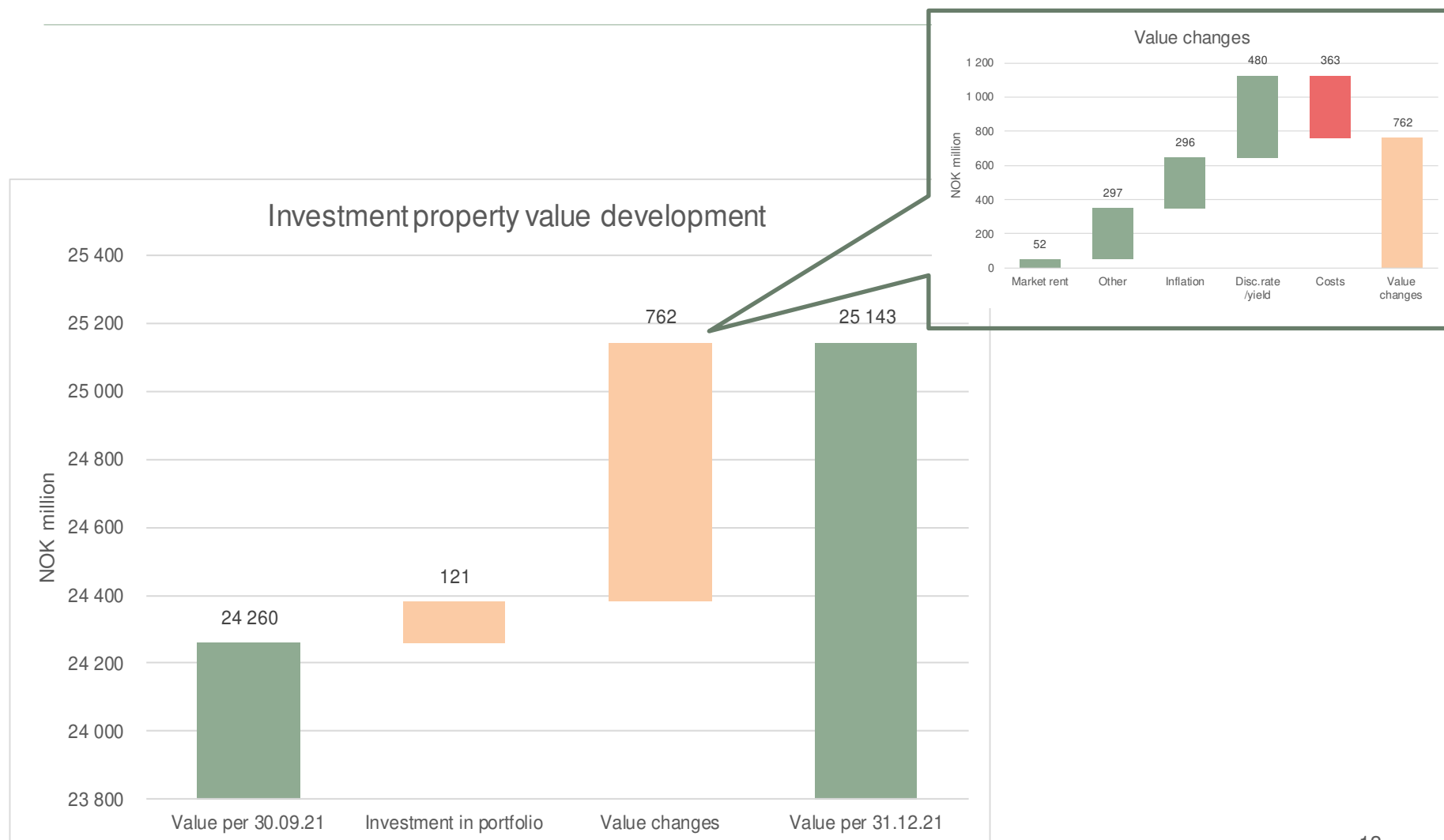
Income statement – Q4 and Year 2021

NOK million	Note	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Rental income		235.9	193.1	919.6	708.6
Income from sale of residential units	1	-	-	-	855.9
Revenues		235.9	193.1	919.6	1,564.5
Property-related operational expenses		(15.2)	(8.9)	(64.3)	(51.6)
Other property-related expenses		(12.0)	(5.4)	(60.1)	(55.1)
Project cost from sale of residential units	1	-	0.0	-	(800.4)
Administrative expenses		(21.3)	(13.7)	(59.2)	(46.8)
Share of profit in joint ventures	2	31.0	12.6	74.9	(0.4)
Operating profit before value adjustments		218.4	177.7	810.8	610.3
Change in market value of investment property		762.2	1,722.5	1,365.0	1,827.5
Operating profit		980.7	1,900.2	2,175.8	2,437.8
Realised financial items		(82.6)	(69.6)	(331.1)	(260.6)
Change in market value of financial instruments		17.0	90.6	150.2	(101.6)
Net financial items		(65.6)	21.0	(180.9)	(362.2)
Profit before income tax		915.0	1,921.2	1,994.9	2,075.6
Income tax (not payable)		(178.5)	(316.4)	(421.8)	(399.7)
Profit for the period		736.5	1,604.8	1,573.1	1,675.9
Earnings per share (NOK)		1.14	2.59	2.44	3.13
Profit before income tax and value adjustments		135.8	108.1	479.7	349.7

¹ Related to the sale of residential units in the project at Hasle in Oslo.

² Related to Nordr and Forusbeen 35 for Q4 2021. Related to Nordr for Q4 2020.

Change in investment property value in Q4



Portfolio valuation by area Q4-2021

- External valuation conducted by Cushman & Wakefield and Akershus Eiendom
- Positive Q4 fair value adjustment of NOK 762 million for properties owned 100%

Area	Total space (m ²)	WAULT (years)	Valuation ¹⁾		Gross rent per year NOK mill.	Net yield ²⁾ (%)	Vacancy based on market rent ³⁾ (%)	Net yield fully let (%)
			NOK mill.	NOK/m ²				
CBD	145,937	3.9	15,380.6	105,392	533.6	3.2	2.2	3.3
Nydalen	68,082	3.5	2,008.4	29,499	103.8	4.8	11.4	5.4
Fornebu	256,638	7.1	6,835.4	26,634	381.0	5.1	8.7	5.6
Hasle	10,684	6.3	329.3	30,816	15.7	4.4	8.7	4.8
Total Portfolio	481,341	5.1	24,553.6	51,011	1,034.2	3.9	5.5	4.1
Sandakerveien 138-140 project	24,131		589	24,425	4.4			
Total incl. Sandakerv. 138-140	505,472		25,143.0	49,742	1,038.6	3.8		

1) Nydalen excluding part of Sandakerveien 138-140 as preparations are being made for a development / refurbishment project.

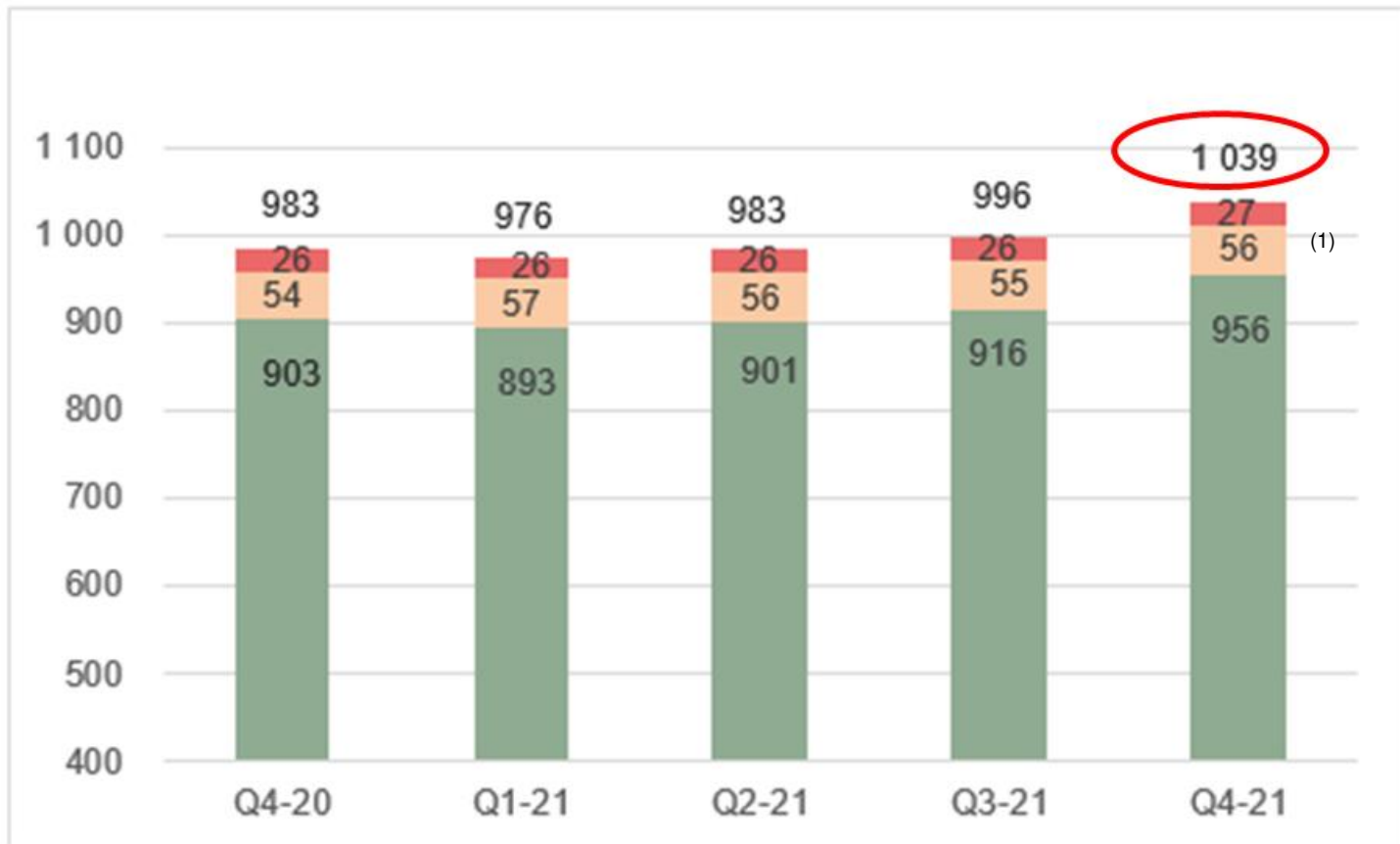
¹ 50% of Forusbeen 35 was sold in Dec-20 and it is therefore not included in this table. Fornebu valuation includes non-current receivables amounting to NOK 234.9 million, related to the rental guarantee provided by the seller of the property at Snarøyveien 30.

² For illustration; based on rents as of December 31, 2021 and estimated long term property expenses of 8 per cent. Net yield for Nydalen has been calculated excluding Sandakerveien 138-140 (former Gullhaugveien 9-13) as the property is refurbished

³ Vacancy calculated as market rent in vacant space, using market rent estimated by Cushman & Wakefield. Vacancy and run rate are calculated excluding part of Sandakerveien 138-140 (former Gullhaugveien 9-13)

Run rate last 5 quarters

RUN RATE, Q4 2020 TO Q4 2021

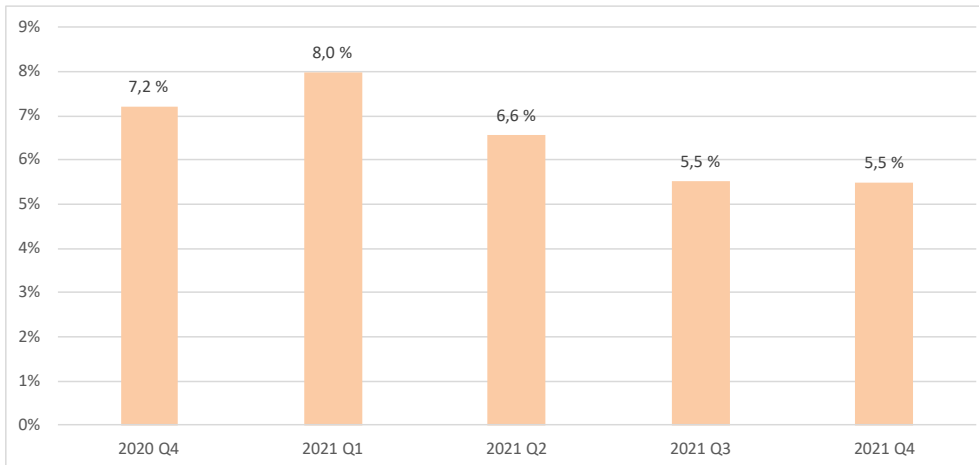


(1) MNOK 56 from Telenor and MNOK 27 for premises rented to ABB, starting March 2022

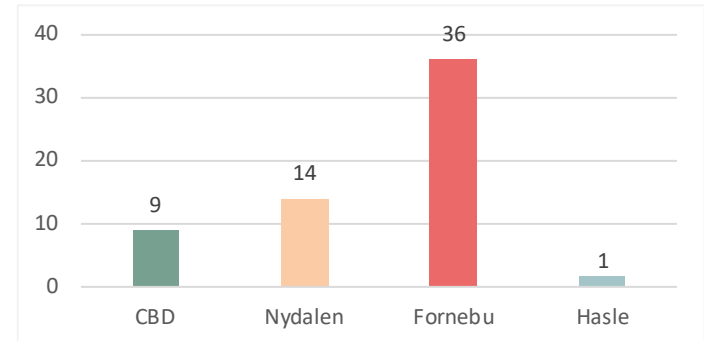


Vacancy based on market rent

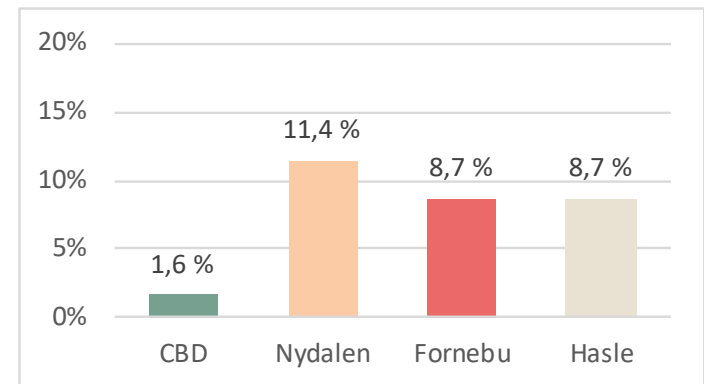
MARKET RENT VACANCY, LAST 5 QUARTERS



MARKET RENT VACANCY FOR EACH AREA (MNOK RUN RATE)



VACANCY SPLIT ON AREA

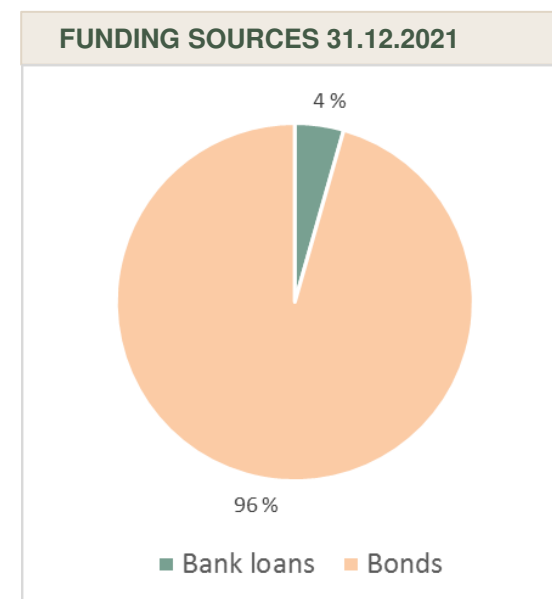


Financial position

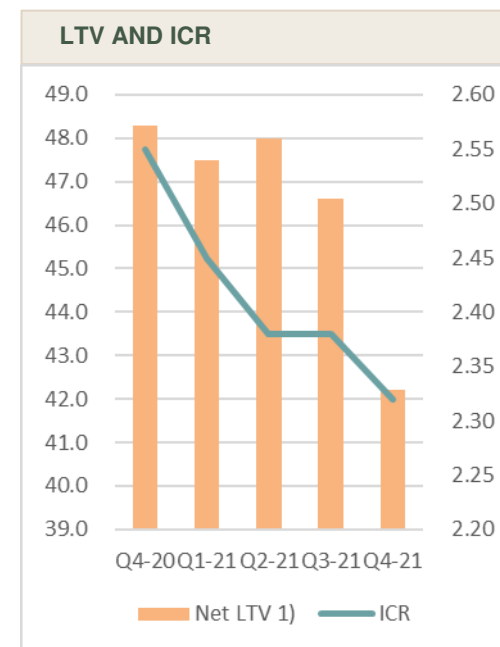
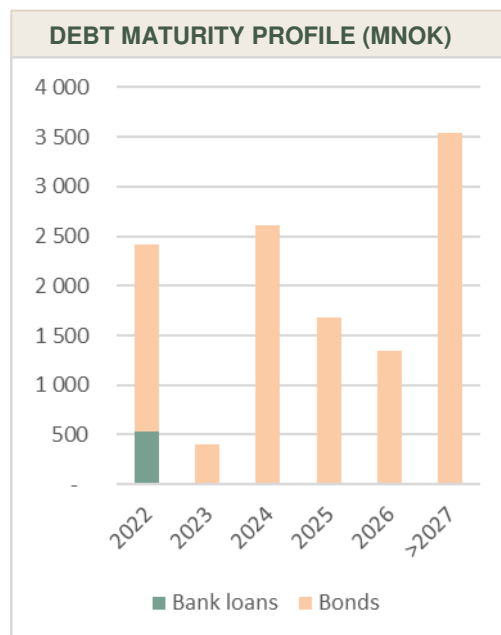
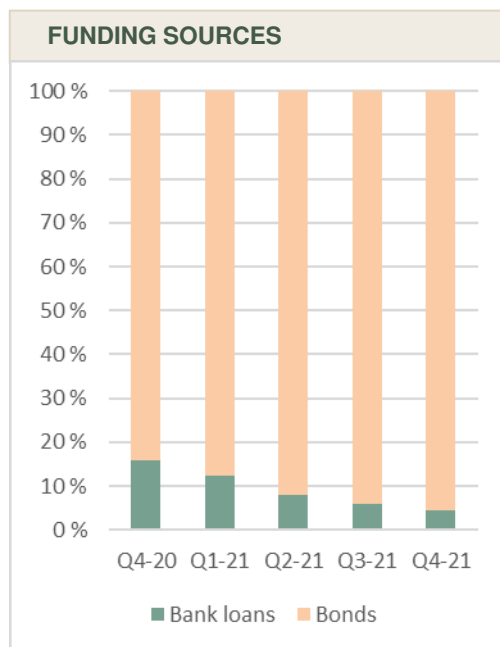
Interest bearing debt and hedging		31.12.2021
Total interest-bearing debt	NOK million	12 005
Property value	NOK million	25 143
Market Value of investment in JV	NOK million	2 343
Net Loan to value ¹	Per cent	42.2
Cash and cash equivalents	NOK million	314
Interest-bearing receivables	NOK million	97
Unused committed credit facilities	NOK million	1 800
Average remaining duration. Hedging	Years	6.3
Average interest rate (including margin)	Per cent	2. 81
Average margin	Per cent	1.33
Average remaining duration. Borrowing	Years	4.4
Hedging ratio ²	Per cent	71.2
WAULT	Years	5.1

¹ Net loan to value = interest bearing debt net of cash and interest-bearing receivables divided by gross property value

² Calculated as the amount of interest hedging / total interest-bearing debt



Financing



- **Diversified sources of funding**
 - 11.5 bn in bonds Q4 2021, including 650 mill green bond

- **Diversified maturity profile**
 - Average remaining time to maturity Q4 2021 is 4.4 years

- **LTV below long time target**
 - Net LTV 42.2 % as of Q4 2021, including the value of the investment in Nordr.

Refurbishments in 2022

Area	Property	Tenant	Area (sqm)	Quarter finalized
Aker Brygge	Kaibygning 1	CMS Kluge Advokatfirma	682	Q1 2022
Aker Brygge	Fondbygget	Shuffle Aker Brygge	819	Q1 2022
CBD	Lille Grensen 7	Norway Designs	784	Q1 2022
Fornebu	Snarøyveien 30	ABB	14,245	Q1 2022
Nydalen	Gullhaugveien 9-13	Intunor	1,860	Q1 2022
Nydalen	Gullhaugveien 9-13	NGI	6,475	Q1 2022



SNARØYVEIEN 36. FORNEBU



VERKSTEDHALLENE. AKER BRYGGE



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Summary

- **Euphoric transaction market**
- **Dividend of NOK 0.425 / share**
 - Ordinary: NOK 0.125
 - Based on value creation in Nordr additional NOK 0.30
- **Operational focus going forward**
 - Pursue opportunities
 - Rental activities
 - Official rating and financing



Experiences and activities



Coffee shops



Sauna



Florist



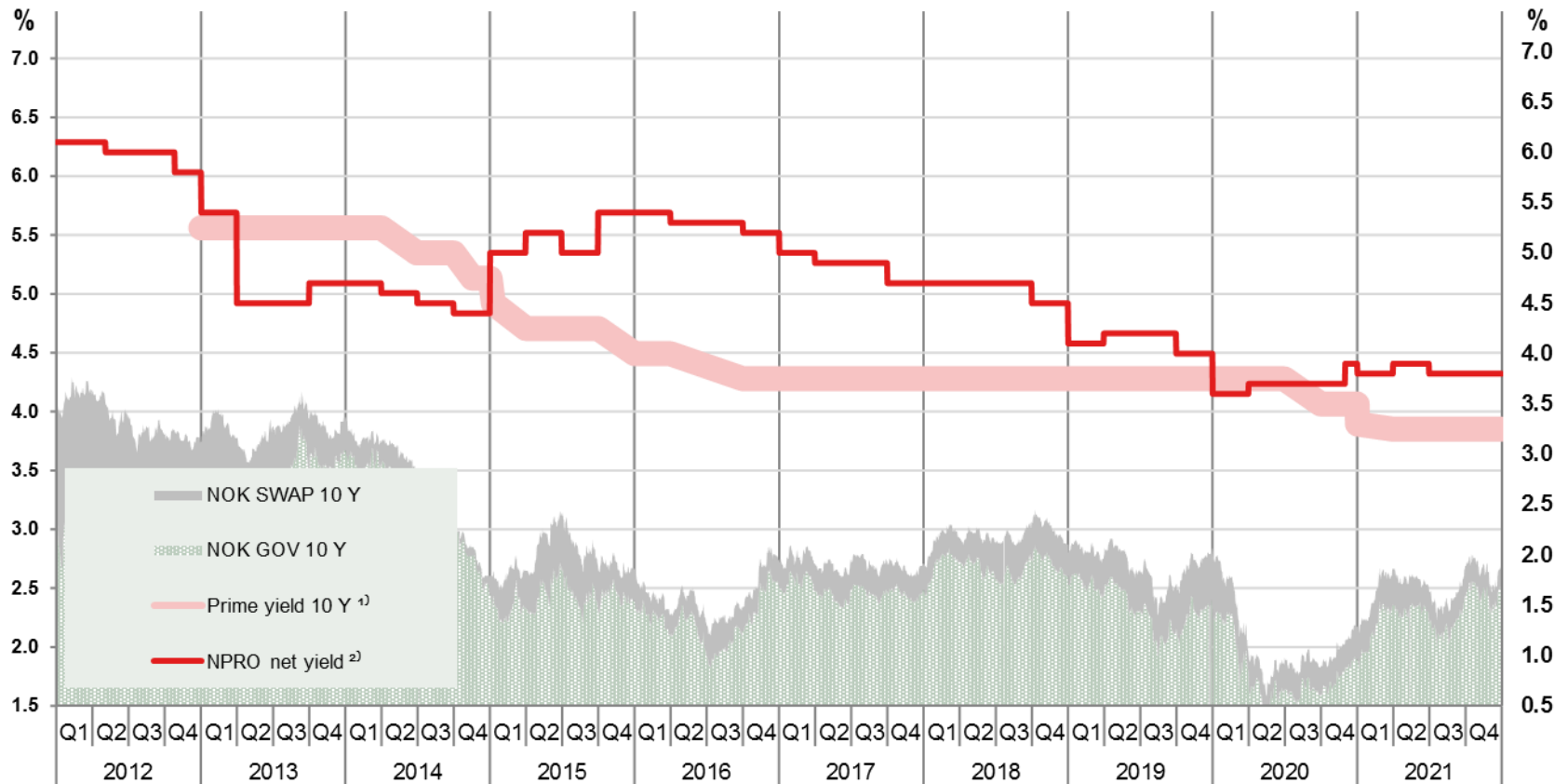
Wellness



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- **Appendix**

Yield spread



¹ Source: Akershus Eiendom

² NPRO net yield as summarised in slide; Portfolio valuation Q3-2021

Balance sheet – Q4 2021

NOK million	Note	31.12.2021	31.12.2020
Investment property		24,801.3	23,087.6
Owner-occupied property		106.7	97.6
Property, plant and equipment		35.4	37.8
Investment in joint ventures	1	1,084.8	1,013.6
Receivables		421.7	460.6
Cash and cash equivalents		313.5	665.8
Equity		12,836.6	11,560.9
Deferred tax		1,685.8	1,268.0
Long term interest bearing debt		9,583.0	10,700.6
Short term interest bearing debt		2,421.7	1,396.4
Market value financial derivatives (net)		26.9	177.0
Net other debt		209.3	260.1
Equity ratio (%)		47.9	45.5
NAV per share, book value of equity (NOK)		19.95	17.96
Net Reinstatement Value (NRV), per share (NOK)		25.17	22.27
Net Tangible Assets (NTA), per share (NOK)		24.84	21.97
Net Disposal Value (NDV), per share (NOK)		21.87	19.37

¹ Related to the investment in Nordr.

Cash flow – Q4 and Year 2021

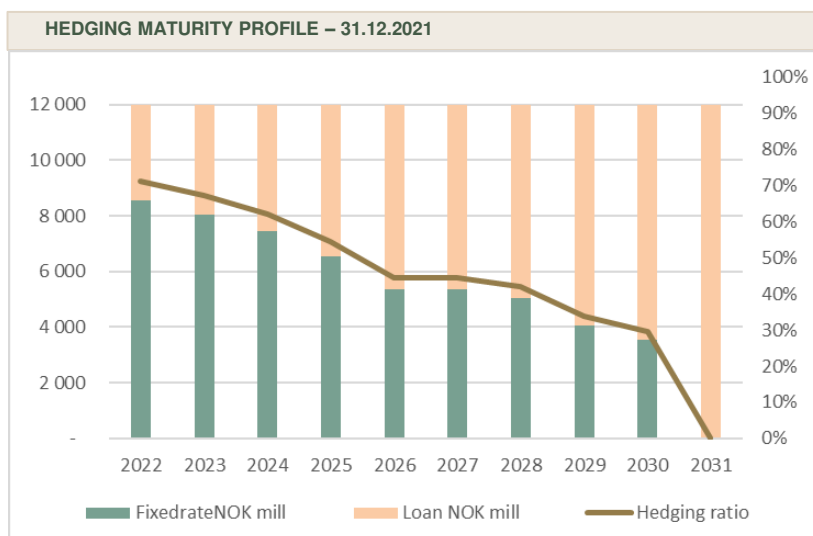
NOK million	Note	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Cash flow from profit and loss before fair-value adj.		99.8	98.3	403.9	356.9
Change in property-related inventory and other short-term items	1	-	(0.4)	-	600.0
Change in rental guarantee receivables	2	(11.7)	-	85.9	-
Change in short-term items		(187.0)	(15.8)	(42.7)	50.9
Cash flow from operating activities		(98.9)	82.1	447.1	1,007.8
Purchase of tangible assets		(83.0)	(5,005.3)	(385.9)	(5,197.4)
Other investment activities	3	-	-	(23.8)	(1,020.1)
Cash flow from investment activities		(83.0)	(5,005.3)	(409.7)	(6,217.5)
Net change in interest bearing debt		(200.4)	4,720.6	(115.5)	3,950.6
Paid dividend		(80.4)	-	(273.5)	(34.6)
Capital increase		-	582.7	(0.7)	1,677.7
Net cash flow from financing activities		(280.8)	5,303.3	(389.7)	5,593.7
Net change in cash		(462.7)	380.1	(352.3)	384.0
Net cash at end of period		313.5	665.8	313.5	665.8

¹ Related to residential units under construction in 2020 at Hasle in Oslo.

² Related to Snarøyveien 30.

³ Related to the investment in Nordr.

Interest rate hedging



Interest rate risk:

- 50-100% of the group's debt shall be hedged.
- Average remaining time to maturity shall be 3-6 years.
- Hedging ratio 31.12.2021 was 71.2% and remaining average time to maturity was 6.3 years.
- Diversified maturity profile to avoid exposure to interest levels.

	Fixed rate instruments ²		Forward starting swaps ³			Average credit margin	
	Amount (NOKm)	Interest rate (%)	Amount	Interest rate (%)	Tenor (years)	Amount (NOKm)	Credit margin (%)
<1 year	3 456.2	1.27 %				2 419.0	1.10 %
1-2 years	500.0	2.19 %				400.0	1.06 %
2-3 years	1 105.0	1.60 %				2 615.0	1.18 %
3-4 years	400.0	2.51 %				1 675.0	1.23 %
4-5 years	1 200.0	1.52 %				1 350.0	0.92 %
5-6 years	- 0.0	0.00 %					
6-7 years	300.0	2.23 %					
7-8 years	1 000.0	1.79 %					
8-9 years	4 042.0	1.16 %					
9-10 years	-	0.01 %				3 542.0	1.85 %
>10 years	- 0.0	0.00 %					

Overview and key figures



Key figures as of 31st December 2021

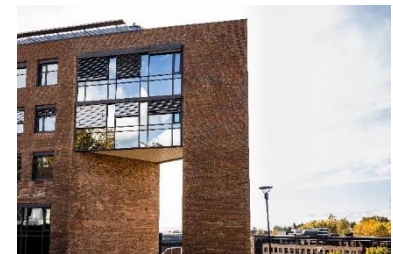
Properties ¹⁾	no	29
Portfolio size (ex. new space in redev. Projects) ²⁾	m ²	505,472
Average size per property	m ²	17,430
Gross rent per year (run rate)	NOK mill.	1,039
Operational expenses per year ³⁾	NOK mill.	83
Net rent per year (run rate)	NOK mill.	956
Average gross rent per m ² per year	NOK	2,055
Gross market value ²⁾	NOK mill.	25,143
Average value per property	NOK mill.	867
Average value per m ²	NOK	49,742
Gross yield, actual	%	4.2
Net yield, actual	%	3.9
WAULT ²⁾	Years	5.1
CPI adjustment ⁴⁾	%	99.9
Vacancy, calculation based on market rate ⁴⁾	%	5.5

1) Including Forusbeen 35 which is owned 50%

2) Not including Forusbeen 35

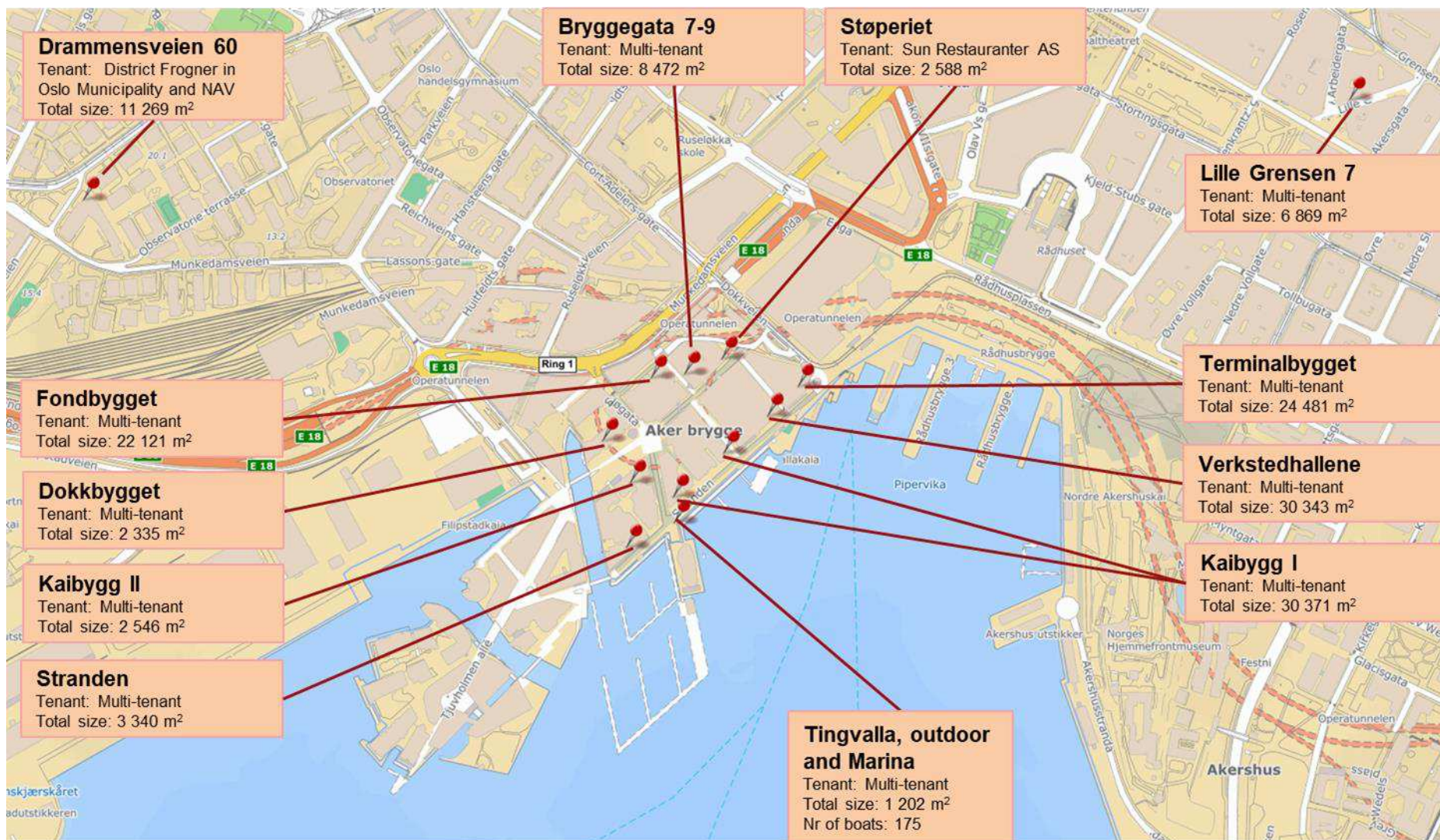
3) For illustration; based on estimated long term property expenses of 8 per cent of gross rent. Net yield is 3.9 if the value of part of Gullhaugveien 9-13 is excluded from the calculation.

4) Calculation of vacancy is based on Market rate as estimated by Cushman & Wakefield. Not including Forusbeen 35 and part of Gullhaugveien 9-13 as zoning process is ongoing.

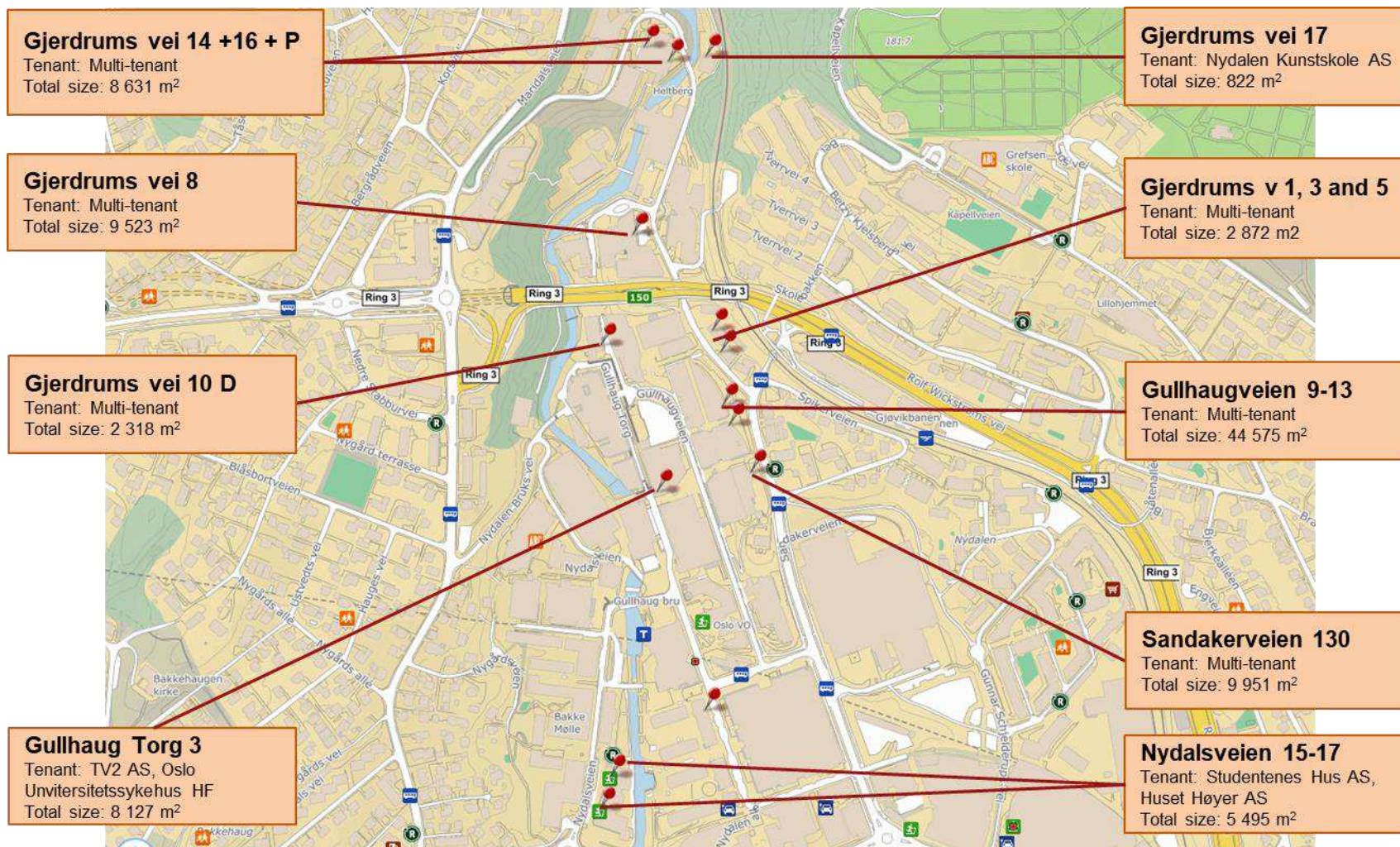




CBD

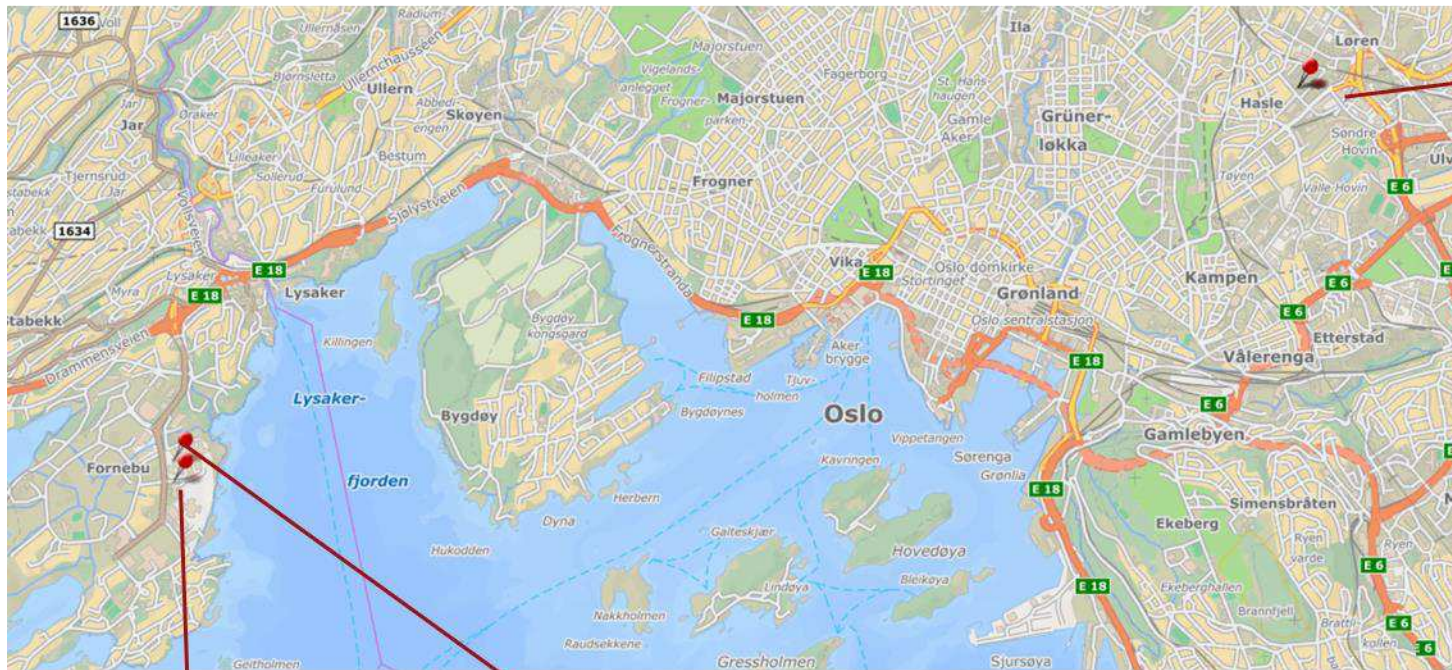


Nydalen





Other



Vinslottet

- 8 922 sqm retail
- 284 sqm warehouse
- 1 497 sqm parking

Snarøyveien 36

- 40 659 sqm office
- 17 213 sqm parking

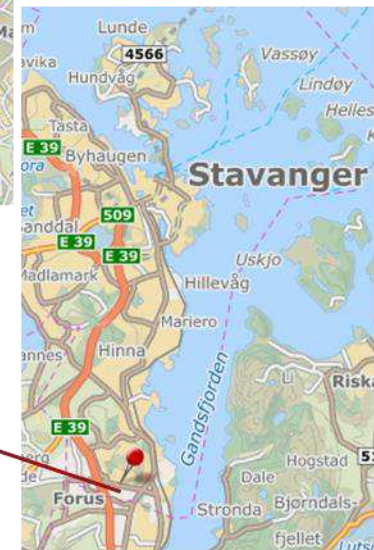
Snarøyveien 30

- 144 563 sqm office
- 7 200 sqm warehouse
- 45 578 sqm parking
- 1 098 sqm other

Project: Forusbeen 35

Approx. 40 000 sqm

- 20% office
 - 80% residential
- Agreement with Base Property to sell 50% of Forusbeen 35 when zoning process is finalized





Property details Q4-2021

1/3

	Property facts						Rent facts			
	Space split									
Property	Offices	Retail / restaurant	Warehouse	Indoor parking	Other	Total m ²	Market rent vacancy	CPI	WAULT per Dec 2021	Run rate per Dec 2021
	m ²	m ²	m ²	m ²	m ²	m ²	%	%	Years	NOK million
CBD										
Bryggegate 7-9	6,384	2,088	0	0	0	8,472	0.0	98.0	2.3	29.1
Dokkbygningen	2,022	257	0	56	0	2,335	0.0	100.0	5.9	5.6
Drammensveien 60	8,975	0	1,890	404	0	11,269	0.0	100.0	7.5	29.7
Fondbygget (incl. Felix)	13,073	2,535	1,052	0	5,461	22,121	0.0	100.0	4.9	54.2
Lille Grensen 7	5,056	1,650	163	0	0	6,869	1.5	100.0	6.2	23.5
Kaibygning I (Stranden 5)	21,112	6,341	2,366	0	552	30,371	5.9	100.0	3.4	115.0
Kaibygning II	0	1,741	805	0	0	2,546	2.1	100.0	7.6	7.8
Stranden	2,684	158	24	474	0	3,340	0.1	100.0	5.6	13.3
Støperiet	0	2,588	0	0	0	2,588	0.0	100.0	2.6	5.8
Terminalbygget (Stranden 1)	17,771	3,225	1,678	1,387	421	24,481	0.2	100.0	3.6	106.7
Tingvallautstikkeren, uteareal og marina ¹	0	1,202	0	0	0	1,202	0.0	100.0	2.4	27.6
Verkstedhallene (Stranden 3)	19,218	7,713	2,615	0	797	30,343	3.4	100.0	3.1	115.2
Total CBD	96,295	29,498	10,593	2,321	7,231	145,937	2.2	99.9	3.9	533.6

¹ Adjusted for normal seasonal short term contracts



Property details Q4-2021

2/3

	Property facts						Rent facts			
	Space split									
Property	Offices	Retail / restaurant	Warehouse	Indoor parking	Other	Total m2	Market rent vacancy	CPI	WAULT per Dec 2021	Run rate per Dec 2021
	m ²	m ²	m ²	m ²	m ²	m ²	%	%	Years	NOK million
Nydalen										
Gjerdrums vei 10 D	2 140	0	178	0	0	2 318	2.9	100.0	3.8	4.7
Gjerdrums vei 14, 16 and 16 P-house	5 363	0	976	2 292	0	8 631	5.2	100.0	3.0	12.3
Gjerdrums vei 17	806	0	16	0	0	822	8.1	100.0	0.9	1.2
Gjerdrums vei 3	0	0	0	0	463	463	12.6	100.0	0.4	0.8
Gjerdrums vei 5	1 387	0	868	0	55	2 310	8.1	100.0	1.3	2.5
Gjerdrums vei 8	7 726	0	633	1 164	0	9 523	12.8	100.0	3.1	15.6
Gullhaug Torg 3	7 793	0	334	0	0	8 127	0.1	100.0	2.5	15.8
Sandakerveien 138-140 (Gullhaugvn 9-13)	23 504	0	7 328	13 743	0	44 575	26.6	100.0	2.9	26.1
Nydalsveien 15	3 711	0	65	0	28	3 804	0.2	100.0	4.5	9.1
Nydalsveien 17	0	1 691	0	0	0	1 691	0.0	100.0	3.4	5.0
Sandakerveien 130	5 542	0	1 047	3 362	0	9 951	5.0	100.0	6.1	15.1
Total Nydalen	57 971	1 691	11 445	20 561	546	92 213	11.4	100.0	3.5	108.2

¹ Part of Sandakerveien 138-140 is not included in the calculation of run rate and vacancy as preparations are being made for a development / refurbishment project.



Property details Q4-2021

3/3

	Property facts						Rent facts			
	Space split									
Property	Offices	Retail / restaurant	Warehouse	Indoor parking	Other	Total m2	Market rent vacancy	CPI	WAULT per Dec 2021	Run rate per Dec 2021
	m ²	m ²	m ²	m ²	m ²	m ²	%	%	Years	NOK million
Fornebu										
Snarøyveien 30	144,563	0	7,200	45,578	1,098	198,439	1.8	100.0	7.7	339.5
Snarøyveien 36	40,659	0	327	17,213	0	58,199	42.1	100.0	2.8	41.5
Total Fornebu	185,222	0	7,527	62,791	1,098	256,638	8.7	100.0	7.1	381.0
Hasle										
Vinslottet	0	8,922	284	1,479	0	10,684	8.7	100.0	6.3	15.7
Total Hasle	0	8,922	284	1,479	0	10,684	8.7	100.0	6.3	15.7
GROSS TOTAL	339,488	40,111	29,849	87,151	8,875	505,472	5.5	99.9	5.1	1,038.6

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