

Trading Update Q4 2020

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As a result of the current situation where both Castellum AB and Samhällsbyggnadsbolaget i Norden AB have put forward voluntary offers for the Company's shares, and to ensure that all shareholders have the information necessary to evaluate these offers, Entra has decided to release an update of the financial and operational performance in the fourth quarter of 2020. The full quarterly report will be released on 12 February 2021, as previously announced.

On an overall note, Entra has continued its strong operational and financial performance in the final quarter of 2020.

Letting activity

There has been very high letting activity in the quarter, and Entra has signed new and renegotiated leases with annual rent totalling 256 million (86,000 sqm) during Q4 2020, compared to 208 million (90,000 sqm) during Q4 2019.

As of 31.12.20, the portfolio occupancy was 98.0 per cent (97.1 per cent), and the average unexpired lease term of contracts was 7.1 (6.9) years.

Project portfolio

Entra's project portfolio as of 31.12.20 consist of 152,000 sqm to be finalised in the period 2021-2023.

During Q4 2020, Entra finalised the re-development of 4,300 sqm in Kristian Augusts gate 13, an environmental pioneer pilot within circular economy where as much as 80 % of the building materials used came from re-used materials.

Entra started five new development projects totalling 82,400 sqm during Q4 2020. The new projects are:

- Redevelopment of 13,000 sqm in Tordenskiolds gate 12 in Oslo. The project is 92 % pre-let
- Redevelopment of 14,200 sqm in Møllendalsveien 6-8 in Bergen. The project is 44 % pre-let
- Redevelopment of 15,800 sqm in Stenersgata 1 in Oslo. The project is 57 % pre-let
- Redevelopment of 16,500 sqm in St. Olavs plass 5 in Oslo. The project is 60 % pre-let
- Redevelopment of 22,900 sqm in Schweigaards gate 15 in Oslo. The project is 31 % pre-let

Fully let, the ongoing development projects, including the five redevelopment projects mentioned above, will add rental income of approximately 450 million to the management portfolio and will be phased in over the years 2021-2023.

Transactions

Entra has called an option to acquire the property Lagårdsveien 6 in the city centre of Stavanger for 126 million. Newsec, one of Entra's external appraisers, has estimated the fair market value at 313 million. It totals approximately 13,600 sqm and is fully let to the Southwestern Police District with a remaining lease of approximately 1.1 years where the tenant has the option to extend the lease for five years on same terms. Entra plans to redevelop the asset together with the current tenant. The transaction is in accordance with Entra's strategy of growth in central areas of the largest cities in Norway. The transaction closed in January 2021.

Portfolio valuation and EPRA NRV per share

As notified to the market on 9 December 2020, the valuation of Entra's property portfolio has increased significantly. Following the uncertainties from Covid-19, the activity in the transaction market was low during the spring, yields were relatively stable, and the yield gap increased. During the autumn, the activity in the transaction market picked up, and a number of transactions of relevance for Entra's portfolio were completed. In addition, and as described above, the letting activity in the fourth quarter has been very high, and Entra started a total of five new development projects during the quarter.

As of 31.12.20, the value of Entra's property portfolio is 56.7 billion, and the EPRA NRV is expected to be reported at NOK 189 per share. The net yield is 4.4 %, and loan to value is approximately 37 %.

Forward looking statement

During 2019 and 2020, several large assets were taken out of the management portfolio for redevelopment and, as a result, top line growth has recently been lower than in previous years. Upon completion of these redevelopment projects during 2021-2023, Entra will continue to deliver strong revenue growth. In addition, the company, with its strong balance sheet, available liquidity and low loan-to-value, will continue to re-deploy the capital into profitable projects and properties that will continue to enhance the portfolio quality in order to further accelerate growth.

Disclaimer

The information in this statement is based on a preliminary assessment of the company's Q4 2020 financial results. The company has not completed all review and control procedures, and the financial information may be subject to change.

This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

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About Entra ASA

Entra is a leading owner, manager and developer of office properties in Norway. Entra owns and manages around 90 buildings totalling approximately 1.3 million square meters, located in Oslo and the surrounding region, Bergen, Stavanger and Trondheim. Entra has a solid customer portfolio with a high proportion of public tenants. The company's strategy is focused on delivering profitable growth, high customer satisfaction and environmental leadership

Attachments

- [Download announcement as PDF.pdf](#)