ANNUAL REPORT 2009

entra
EIENDOM AS

ENTRA'S ENVIRONMENTAL POLICY MUST START BY DEVELOPING AND EDUCATING OUR OWN ORGANISATION.

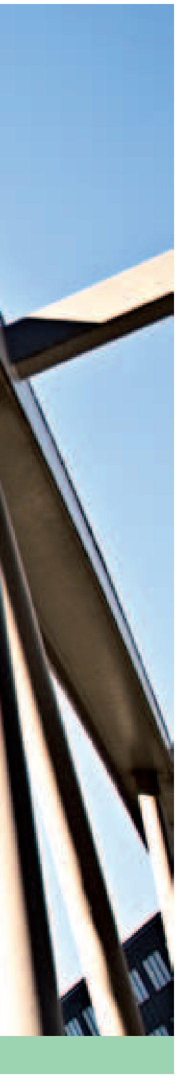
From Entras headquarter in Biskop Gunnerus gate 14 A, Oslo

CONTENTS

-19 GWh

PROFITABLE MEASURES HAVE REDUCED THE ANNUAL ENERGY CONSUMPTION OF ENTRA'S BUILDINGS BY APPROX. 19 GWH AS OF 2009. THAT IS EQUIVALENT TO ALMOST TWO YEAR'S ENERGY CONSUMPTION AT POSTHUSET IN OSLO.

Posthuset,
Biskop Gunnerus gate 14, Oslo



ABOUT

ENTRA EIENDOM AS

Entra Eiendom is a leading Norwegian property company, which has the primary objective of providing premises to cover the public sector's needs, whilst operating on commercial principles.

Entra Eiendom is owned by the Norwegian state. It is administered through the Ministry of Trade and Industry. The company has a required rate of return equivalent to that of private property companies.

The company was founded on 1 July 2000, as a result of a parliamentary resolution to move the Statsbygg properties that operated in a competitive market into a separate company.

Entra has a head office and four regional offices. The company's head office is situated in Oslo. The regional offices are located in Oslo, Bergen, Trondheim and Kristiansand.

Entra's business concept is to add value by developing, leasing and operating attractive and exceptionally environmentally friendly premises.

The company's vision is to increase the efficiency and enhance the reputation of its customers. The buildings it leases shall be environmentally efficient, modern and flexible, and shall make a positive contribution to their environments. Entra takes its corporate social responsibility seriously, and promotes good urban development.

Entra's values are: Focused Honest Responsible Ambitious
Entra's slogan is: GOOD HOSTS.

KEY FIGURES AT 31 DEC.	2009	2008
Property-related		
Estimated market value (NOK millions)	20 249	19 165
Total gross floor space (BTA)	1 152 127	1 140 572
Floor space under management (BTA)	948 595	970 711
Occupancy rate for management portfolio	96.1 %	97.5 %
Weighted average remaining lease term (years)	9.8	10.1
Financial		
EBITDA	1 094.1	955.0
Management income	541.6	415.9
Comprehensive income for the year	744.8	-2 601.0
Total assets	21 343.4	20 091.3
Equity ratio	31 %	29 %

AMBITIOUS GOALS – GOOD RESULTS

"Good hosts" is Entra's slogan, and it is the guiding principle behind everything we do. It's about looking after our customers, the wider community and the environment. You do not become good hosts from one day to the next; it requires hard, long-term work. It requires competent and committed members of staff, wise investments and a desire to continuously improve.

That was how Entra managed to deliver good financial results in 2009. The strong figures reflect both operational improvements and the fact that Norwegian property values rose over the course of the year. Entra's employees added value, achieved our owner's required rate of return and worked strategically to reduce the company's exposure to risk. Entra is focusing hard on operational improvements.

During 2009 we honed our market strategy. Going forward, Entra will strengthen its position in the Oslo region, Bergen and Trondheim. Simultaneously we are actively looking for projects of strategic interest in other major Norwegian cities. Growth shall mainly be driven by office blocks and cultural and educational buildings. The company will also pursue opportunities in the health sector.

The overall objective of Entra's strategy is to reinforce the company's future market position by becoming the environmental leader in its industry. At the close of 2009, Entra's portfolio consisted of around one million square metres of leased premises, in addition to a significant volume of properties under development. In 2009 Entra drew up a specific, binding environmental strategy. We apply stringent environmental standards to both the refur-

The overall objective of entra's strategy is to reinforce the company's future market position by becoming the environmental leader in its industry.

bishment of existing buildings and the development of new builds. We cannot become the environmental leader in our industry by making bold claims; what it requires is long-term work and clear prioritisations. That takes time. But at Entra, what we care about are the results.

Report to parliament no. 29 on Entra Eiendom (2008–2009) was discussed by the Storting (Norwegian parliament) in June 2009, and describes our shareholder's ownership objectives. In the report, our owner emphasises that the company's main objective is to provide premises to cover public sector needs, whilst operating on commercial principles. The report also reiterates the expectation that Entra shall be socially responsible; that financial and ethical considerations shall go hand in hand throughout the company's activities; that features of architectural and cultural value shall be managed properly; and that the company has a responsibility to help make the building and construction industry more environmentally friendly. We are constantly striving to fulfil those expectations.

Property markets are subject to rapid fluctuations in prices, vacancy rates and, above all, investment. 2009 started with rising office vacancies, falling rents and very few property transactions. However, by the end of the year transaction numbers were increasing and there was cautious optimism in the rental market. Short-term market fluctuations mean that we must take a long-term view, be willing to invest and manage risk carefully in all of our activities. During the turbulent period that we have just put behind us, Entra's portfolio of relatively long and secure leases performed fairly well.

Entra does not just focus on buildings, it also cares about the people in them. Our buildings can facilitate good, creative working environments. We strive to increase our customers' efficiency and enhance their reputations. We want to become the environmental leader in our industry. And we want to fulfil the high expectations of our customers and owner in terms of corporate social responsibility. The results we achieved in 2009 demonstrate that Entra is ready to meet these challenges and to continue growing.

Kyrre Olaf Johansen
Chief Executive Officer

From left: Nils Fredrik Skau, Sverre Vågan, Kyrre Olaf Johansen, Ingrid Schiefloe, Rune Olsø, Anders Hernæs, Bjørn Holm and Torodd Bøystad.

THE OVERALL OBJECTIVE OF ENTRA'S STRATEGY IS TO REINFORCE THE COMPANY'S FUTURE MARKET POSITION BY BECOMING THE ENVIRONMENTAL LEADER IN ITS INDUSTRY.

THE MANAGEMENT

GROUP

Organisational structure – Entra Eiendom

CHIEF EXECUTIVE OFFICER
Kyrre Olaf Johansen

- CFO
  Anders Hernæs (acting)
- VICE CEO
  Torodd Bøystad
- DIRECTOR OF HUMAN RESOURCES
  Sverre Vågan
- DIRECTOR OF STRATEGY AND BUSINESS DEVELOPMENT
  Rune Olsø
- DIRECTOR OF COMMUNICATIONS AND SOCIAL RESPONSIBILITY
  Ingrid Schiefloe
- DIRECTOR OF MARKETING
  Anders Solaas
  (takes up position in 2010)
- TECHNICAL DIRECTOR
  Nils Fredrik Skau
- DIRECTOR OF PROJECTS AND DEVELOPMENT
  Bjørn Holm

2009 HIGHLIGHTS

NEW POLICE STATION IN BÆRUM

The new police station at Kjørbo in Bærum was officially opened. The property was developed in close cooperation with the Asker and Bærum Police District. The new police station combines an existing office block that has been refurbished with a brand new, specially designed building housing police cells, a shooting range and a control centre.

NEW PREMISES IN STAVANGER

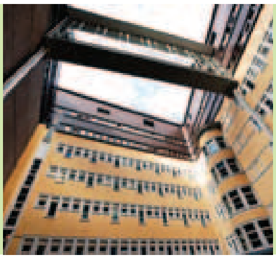
State-owned Electronic Chart Centre AS moved into totally refurbished offices at Lerviksveien 32 in Stavanger.

ENTRA ON THE MOVE

Entra's Central and Northern Norway office moved into Brattørkaia 17 B in Trondheim, and PricewaterhouseCoopers signed a lease for 2,000 square metres in the same building.

REPORT TO PARLIAMENT ON ENTRA

Report to parliament no. 29 on Entra Eiendom was discussed by the Storting. The report states that Entra's main objective is to provide premises for the public sector, whilst operating on commercial principles. It contains no specific guidelines on how much space the company can lease to the private sector.

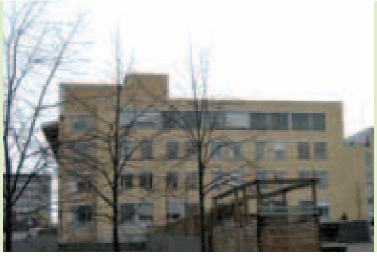


BERGEN PROPERTY FULLY LEASED

Norconsult and the Consumer Council of Norway moved into Valkenddorfsgate 6 in Bergen. The Norwegian Welfare and Labour Organisation (NAV) signed a lease for premises in the same building. This means that the building is fully leased.

CONSTRUCTION STARTS IN STAVANGER

The Mayor of Stavanger, Leif Johan Sevland, broke ground on the construction and refurbishment project at Professor Olav Hanssens vei in Stavanger.



PURCHASE AND SALE IN HAMAR

Entra bought and then sold on Parkgata 36, Statens Hus, in Hamar. The property was purchased from Nordea Liv Norge and sold on to UP Entra AS, which is owned by Entra Eiendom AS (50 percent) and Utstillingsplassen Eiendom AS (50 percent).

ELECTRIC CAR FLEET

Entra acquired 15 electric cars in collaboration with Move About, which can be rented by tenants in three selected buildings in Oslo and Entra employees.

COLLOCATION IN STAVANGER

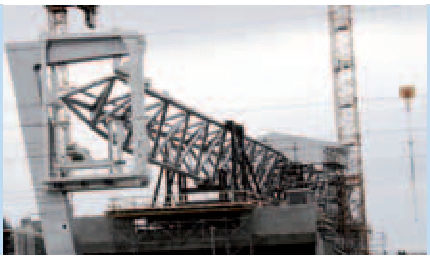
Stavanger City Council moved into Nytorget 1. The National Youth Club Organisation collocated its activities in Stavanger.

REFURBISHMENT IN PILESTREDET

Entra returned the fully refurbished "Blitz" house in Pilestredet 30C to the City of Oslo. The refurbishment of the historic buildings at Pilestredet 30 A, B and C was completed. The facades of the buildings and the flat where the painter Edvard Munch lived as a child are of great historic value, so the work was done in close consultation with the Cultural Heritage Management Office in Oslo.

THE NAV PENSION SERVICE MOVES TO PORSGRUNN

The NAV pension service moved into new premises in Sverres gate 20 in Porsgrunn. 2,500 square metres were totally refurbished.



LINKING BJØRVIKA AND GAMLE OSLO

Bjørvika Utvikling AS, in which Entra holds an ownership interest through Oslo S Utvikling AS, started building a footbridge over the tracks at Oslo Central Station. The bridge will connect the district of Gamle Oslo to the new seafront at Bjørvika.

COMPLETE REFURBISHMENT IN TØYEN

Hagegata 22 in Tøyen in Oslo was fully refurbished. This approx. 11,000 square metre office block, constructed in 1976, consists of 11 floors above ground and two basement levels. The property forms part of the Tøyen Senter shopping district. A lease was signed with NAV for the first six floors of the building.

STATENS HUS IN MOSS HANDED OVER

The converted and refurbished premises at Statens Hus in Vogts gate 17 in Moss were completed and handed over to the tenants. Tax Region East has started using the new premises. The other tenants are the County Governor of Østfold and the Office of the Auditor General of Norway. The property is fully leased.

ENTRA SOLD:

Øvre Slottsgate 2 B in Oslo
Storgata 162 in Porsgrunn
The company cabin in Kragerø

ENTRA SIGNED SALES CONTRACTS FOR:

Grini Næringspark 13/14 in Bærum

ENTRA EIENDOM ACCEPTED BIDS ON:

Jeløgata 2 in Moss
Holbergsgate 6 in Skien
Jernbanegata 4 in Mysen (sections)
Tollbugata 1 in Sandefjord
Løkkebakken 20 in Kragerø

PROJECT
DEVELOPMENT

Developing new and existing properties is what enables Entra to add value. Ongoing development projects in 2009:

Oslo Z

In Oslo, work progressed on the new office block behind the customs house in Schweigaards gate 15, right adjacent to the tracks at Oslo Central Station. The interesting design of the building has led to it being called Oslo Z. The building has seven floors above ground level, comprising approx. 15,000 square metres of total floor space. It is ideally located in relation to the new foot and cycle bridge across the railway tracks, as one end of the bridge is integrated into the building. The tenants are the police and The Norwegian Directorate for Education and Training, who both moved in at the turn of the year 2009/2010.

Valkendorfsgate 6 in Bergen

In Bergen, a major refurbishment project is underway at Valkendorfsgt. 6. This approx. 13,500 square metre property is being completed in stages for the various tenants. Tenants include Norconsult, NAV, the Consumer Council of Norway, Gulating Court of Appeal and the Norwegian International Ship Register. The whole project is due for completion in spring 2010.

Professor Olav Hanssens vei 10 in Stavanger

In Stavanger, work has started at Professor Olav Hanssens vei 10 on a 13,500 square metre new build and the refurbishment of a further approx. 22,500 square metres. The existing buildings include an administration block built in 1986 and extended in 1997, as well as a separate warehouse for storing rock cores. The biggest tenants are the Norwegian Petroleum Directorate and the Petroleum Safety Authority Norway, who will remain in the property during the construction phase. When completed in 2012, the property will have approx. 36,000 square metres of floor space.

Middelthuns gate 29 in Oslo

Work has started on the total refurbishment of Middelthuns gate 29 in Oslo, which is due for completion in May 2011. The tenant, the Norwegian Water Resources and Energy Directorate, has temporarily moved out. The property has approx. 21,000 square metres of floor space.

Oslo Z,
Schweigaards gate 15, Oslo

ENTRA IS FOCUSING ON BUILDINGS
CLOSE TO PUBLIC TRANSPORT LINKS.

THE AVERAGE ENERGY CONSUMPTION OF ENTRA'S BUILDINGS SHALL BE LESS THAN 200 KWH PER SQUARE METRE BY 2012.

*Vøyenenga skole,
Borgenveien 1–3, Bærum*

DIRECTORS'

ANNUAL STATEMENT

Entra Eiendom AS and the Entra Eiendom Group are engaged in the letting, management, operation, sale, purchase and development of real estate in Norway. Entra Eiendom has its head office in Oslo, and four regional offices located in Oslo, Kristiansand, Bergen and Trondheim.

ENTRA'S ACTIVITIES IN 2009

Entra's main objective is to provide premises for the public sector, whilst operating on commercial principles in line with those of private companies in the industry. The company has both public and private sector customers, occupying several types of properties. Its properties are mostly located in Oslo, Trondheim, Bergen, Stavanger and Kristiansand, with the main focus being on Oslo and Eastern Norway. The largest customer group is the public sector, which makes up 80 percent of the company's tenants.

At the close of 2009, the Group managed 1,056,867 square metres spread across 123 properties, including ten properties under development.

The transaction market was weak in the first half of the year, but improved slightly in the second half. Transactions in the office property market reached their lowest level since 2002. The slow market in the first half of the year had little impact on the company's activities. In line with our new market strategy, we have initiated the sale of several smaller properties that no longer fall within the Group's main area of focus. There is strong interest for several of these properties, and we are making satisfactory progress with the sales process.

Investments in development projects and the completion of new premises fell from NOK 1,384 million in 2008 to NOK 922.6 million in 2009.

The following major (refurbishment) projects were completed in 2009:

- Pilestredet 30 A-C
- Upgrade to the National Library of Norway's underground storeroom in Oslo
- Police station for Asker and Bærum
- NAV pension service in Porsgrunn
- Statens Hus in Moss

In 2009, Entra Eiendom started work on a refurbishment and new build project at Professor Olav Hanssens vei 10 in Stavanger, as well as the refurbishment of Hagegata 22 and Middelthuns gate 29 in Oslo. The new Oslo Z building and the refurbishment of Valkendorfsgate 6 in Bergen started in 2008 and will be completed in 2010. The company has decided to start work on a new build at Pilestredet 28 in Oslo and on the refurbishment and new build project at Malmskriverveien 4 in Bærum.

Activity in the office rental market in Oslo slowed for a second consecutive year. In 2009, rental market activity also slowed in the other cities where the company is located. The rental market picked up slightly towards the end of the year, reflecting a general improvement in the Norwegian economy. Office vacancy levels rose fastest during the first half of the year, but were still rising at the start of 2010. The company's tenants needed additional space in 2009, which helped to limit the rise in the company's vacancy rates.

Entra had an occupancy rate of 96.1 percent at the end of 2009, down from 97.5 percent in 2008.

One of Entra's most important goals is to have satisfied customers. That increases stability and allows the efficient management of the company's properties. In 2009, 82 percent of the company's tenants responded to its customer satisfaction survey. 95 percent of customers responded that they look favourably on leasing premises from Entra in the future, whilst 93 percent would recommend Entra to others.

On account of its corporate social responsibility and the obligations that come with being a major player in the property market, Entra continued to focus on good urban development. The projects at Brattørkaia in Trondheim and Bjørvika (through Oslo S utvikling AS) are examples of this.

In 2009 Entra adopted an environmental strategy for the coming three years. The strategy includes a goal of Entra Eiendom becoming the environmental leader within its industry. The environmental strategy for 2010-2012 has been incorporated into the company's vision, and also sets out specific goals and strategic areas of focus. Entra Eiendom has set itself the goal of making its properties more eco-friendly. It is important to make our customers realise what we are doing for the environment and to ensure that our staff understand, and are committed to, best environmental practice. The environmental strategy shall be implemented through specific measures and action plans. Becoming the market leader in this area will make us more competitive.

Part-owned subsidiaries

Brattørkaia AS is developing the Brattørkaia area in Trondheim. The company currently has two properties under development, Brattørkaia 17b and Brattørkaia 14. Brattørkaia 14 will house Rockheim, the national pop & rock experience centre. The Ministry of Culture and Church Affairs is the tenant, and a modern museum will open in spring 2010.

Brattørkaia AS is pushing forward infrastructure improvements through Tverrforbindelsen AS. The company is owned by property owners and stakeholders in the area, including Entra Eiendom AS. (Tverrforbindelsen AS is described in greater detail in the section on associates)

Kristiansand Kunnskapspark Eiendom AS has been responsible for developing Sørlandet Science Park, which is located at Gimlemoen 19. The property is now fully up and running, housing a mixture of large tenants such as Agder Research, the publishing house Høyskoleforlaget and the Southern Norway Resource Centre, as well as a number of small businesses attracted by the innovation cluster.

Optimo AS completed the first construction phase at Brekkeveien, and has started selling the second phase of the same project. The company is also responsible for leasing, operating, converting and maintaining the former university college at Bekkestua in Bærum.

Papirbredden Eiendom AS owns the Drammen Science Park, which is mainly leased to higher education institutions and a library. The company also owns Union Scene, a modern cultural centre with stages, theatres and offices for the Drammen Municipality department of culture. 2009 is the first full year that both properties have been in full use.

The company also owns an adjacent site, with 18,000 square metres of development potential.

Joint ventures and associates

Entra Eiendom AS owns **Krambugata 3 AS** in Trondheim jointly with Utstillingsplassen AS and Langøya Invest AS. Choice Hotels is the tenant, which has completed its first full year of operation. The hotel is reporting increasing turnover. Entra Eiendom has decided to sell its share in the company.

In 2009, **Kunnskapsbyen Eiendom AS**, which Entra Eiendom AS owns jointly with Campus Kjeller AS, Siva Eiendom Holding AS and some minor shareholders, realised the value of the remaining development potential by selling a site at the Kjeller technology cluster. In addition, the company's wholly-owned subsidiary Kjeller Senterbygg AS completed the construction of Kunnskapsbyens Hus at Kjeller. We have decided to also attempt to sell Kjeller Senterbygg AS. If the subsidiary is sold, Kunnskapsbyen Eiendom AS will not be doing much business, so in due course we will consider winding it up.

Oslo S Utvikling AS, which is owned by ROM Eiendom AS, Linstow AS and Entra Eiendom AS, is one of the major players in the development of Bjørvika. In the Opera Quarter, the company will build a total of approx. 200,000 square metres above ground and a joint cellar of approx. 75,000 square metres.

KLP's head office is due for completion on 1 April 2010. The sale of 53 flats in the top floors of the building started at the end of October, and by the turn of the year half of the flats had been sold.

The construction of the footbridge between Bjørvika and Schweigaardsgate is progressing well.

Work on the new head office for the DnB NOR Group has started, and the first of three buildings in total will be completed in summer 2012. The remaining two buildings are due for completion at the end of 2012 and 2013 respectively. When the final building is occupied in 2013, around 4,500 DnB NOR employees will have moved to Bjørvika.

The construction of the "Visma" building is going to plan, with completion due in April 2011. Construction of the cellar of the Snøhetta building has started. Phase II, which consists of approx. 70 flats, is currently being designed, with construction work expected to start this year and completion slated for the second half of 2012.

Tverrforbindelsen AS in Trondheim is working on the bridge between Brattørkaia and the station area. The company's task is to establish a blueprint for building the bridge and to agree the involvement of the various parties.

In 2009, Entra Eiendom acquired a 44 percent ownership interest in **Ullandhaug Energi AS** in Stavanger. The other investors are Ipark Eiendom and Iris. The company supplies hydronic heating and cooling to buildings in the local area using heat pumps and waste heat recovery. The company plans to dig geothermal wells. Entra's ownership interest ensures access to green energy for Professor Olav Hanssens vei 10.

Entra owns **UP Entra AS** jointly with Utstillingsplassen AS. The company develops and manages a total of 87,400 square metres of property in the Hamar region. The company acquired Statens Hus in Hamar from Entra Eiendom AS in the first quarter of 2009. The company owns properties directly and through subsidiaries and joint ventures, and in the fourth quarter it purchased 80 percent of the shares in Kongsvinger Kompetanse- og Næringssenter AS from Entra Eiendom AS and other shareholders.

Youngstorget Parkeringshus AS's objective is to construct a public underground car park below Youngstorget in Oslo. Entra Eiendom is interested in the car park because it owns properties in the area between Youngstorget and Arbeidersamfunnets plass. The other shareholders in the company are OBOS forretningsbygg, Sparebank 1, Olav Thon and Gårdeiergruppen Youngstorgetkvartalene.

INCOME STATEMENT AND BALANCE SHEET, FINANCIAL POSITION AND LIQUIDITY

General

The annual financial statements have been filed on the assumption of the business being a going concern. The Board's assessment is that this is an accurate assumption. The company is in a healthy financial position, and has strong liquidity.

Income statement and cash flow

The Group's total operating revenues in 2009 were NOK 1,774.9 (1,350.8) million. Rental income in 2009 was NOK 1,452.6 (1,297.5) million. The increase in rental income was due to the completion of projects, including the new builds at Kjørbo, for the Asker and Bærum Police District, and at Brattørkaia 17 B in Trondheim, as well as the refurbishment of Cort Adelersgate 30 in Oslo and Valkendorfsgate 6 in Bergen. Rental income also increased due to the full year effect of projects that were completed in 2008, such as the Nonnester quarter in Bergen and Akersgaten 51 in Oslo.

Operating profit totalled NOK 1,084.3 (945.6) million. Operating expenses in 2009 totalled NOK 690.1 (407.5) million. The increase in operating expenses was mainly due to the completion of the abovementioned projects, as well as to expenses related to Optimo's housing project in Brekkeveien.

Changes in the value of investment properties in 2009 totalled NOK 405.9 (-3,491.8) million. The increase in value was primarily due to a reduction in the required rate of return for properties with long, secure leases over the second half of the year. This was due to an improvement in financial markets and greater activity in the transaction market. At 31 December 2009, the company's net yield based on contractual rents was 6.7 percent (6.9 percent). Market rents fell sharply over the first half of 2009, particularly in the upper segments of the market, but over the second half of the year they stabilised. This has particularly affected the values of properties with short remaining lease terms. Overall, the company's portfolio has a weighted average remaining term of 9.8 years, which helps limit its exposure the fall in market rents. The business risk associated with public sector tenants is considered to be low.

Net financial items in 2009 totalled NOK -560.5 (-534.3) million. The Group's share of profit from associates and joint ventures totalled NOK 17.8 (4.5) million.

The Group's profit before taxation for 2009 was NOK 1,037.5 (-3,822.1) million. The tax expense for the year totalled NOK 290.8 million (income of NOK 1,222.5 million).

The Entra Eiendom Group's profit after taxation was NOK 746.7 (-2,599.6) million before minority interests, and NOK 631.2 (-2,573.7) million after minority interests.

The Group's net cash flow from operating activities totalled NOK 536.5 (405.0) million. The increase over the previous year was mainly due to a NOK 65.2 million net change in trade receivables and payables. The increase in the Group's operating income, which exceeded the increase in operating expenses, also helped to boost net cash flow from operating activities. Net cash flow from investment activities was NOK -990.4 (-1,395.4) million. The main investments in 2009 were the new build projects Oslo Z at Schweigaardsgate 15 B in Oslo and the police station for the Asker and Bærum Police District, the refurbishment of Valkendorfsgate 6 in Bergen, Hagegata 22 in Oslo and Rockheim at Brattørkaia 14 in Trondheim, as well as the refurbishment and extension of the Norwegian Petroleum Directorate's premises at Professor Olav Hanssens vei 10 in Stavanger. Net cash flow from financing activities was NOK 503.2 (837.8) million in 2009. For 2009 this mainly relates to net new borrowing to finance ongoing projects. The net change in cash and cash equivalents for the year was NOK 49.3 (-152.6) million.

BALANCE SHEET AND EQUITY

The Group's book assets at the close of the year totalled NOK 21,343.4 (20,091.3) million. The book value of the Group's investment properties and investment properties held for sale rose by NOK 2,622.8 million in 2009. Of the increase, NOK 1,520.4 million was due to the reclassification of the previous year's development properties to investment properties (in line with the rule change in IAS 40). Investment properties are measured at fair value, based on the average of two external, independent valuations. The Group's nominal interest-bearing debt increased by NOK 396.0 million in 2009.

The Group's equity at 31 December 2009 was NOK 6,608.7 (5,854.5) million, equivalent to an equity ratio of 31.0 (29.1) percent. The Board considers the Group's financial position to be satisfactory.

FINANCING AND LIQUIDITY – FINANCIAL RISK

Financial markets improved significantly in 2009. Unemployment growth slowed, and the economy is showing signs of improvement after a period of weakness.

The extremely high financial market risk premiums at the start of the year fell over the course of the summer, and markets were almost back to normal at the close of the year.

The improvement in financial markets over the year improved access to capital at a lower cost. By renegotiation its loans, the company also achieved greater room for manoeuvre in relation to its loan covenants. Overall, this has helped to reduce the company's refinancing/liquidity risk.

The Group's liquid assets, including liquid financial investments, totalled NOK 229.8 million (NOK 204.1 million) at 31 December 2009. In addition, the company had available, undrawn credit facilities with Norwegian banks totalling NOK 5.0 billion (NOK 3.2 billion).

Entra Eiendom is financed through a variety of bank and capital market instruments. By issuing new bonds in the fourth quarter, the company has refinancing in place for all loans due for payment in 2010. The company's loan portfolio has a balanced maturity structure.

The management of financing activities is regulated through agreed frameworks in the finance strategy and finance policy.

A constant evaluation is made of the company's financial frameworks in relation to its other activities. The average interest rate payable on the company's loans has fallen as a result of falling market interest rates and the company's responses to the market. The Board considers that the risks associated with the company's financial exposure fell through 2009.

The company's interest rate risk is managed in line with a stated finance policy, within a framework that covers the average duration and hedging within various time intervals. The average interest rate on the Group's portfolio of loans and debt instruments was 5.2 (5.8) percent per annum at 31 December 2009. 69 percent of the Group's total interest-bearing debt was subject to a fixed interest rate at 31 December 2009. The weighted average duration (fixed interest period) was 4.2 years.

Entra Eiendom shall not take on currency risk, and at the close of the year the company had no such exposure.

Our high proportion of public sector tenants means that credit and counterparty risk are limited. For other customers, credit checks are carried out. Any financial weakness at customers is compensated for through adequate collateral being provided.

The Group's liabilities at 31 December 2009 totalled NOK 14,734.7 (14,236.9) million. The Group's nominal interest-bearing debt on that date totalled NOK 11,883.0 (11,487) million, equivalent to 55.7 percent (57.2 percent) of total equity.

PROFIT FOR THE YEAR AND ALLOCATIONS

In 2009 Entra Eiendom AS made a profit after taxation of NOK 68.4 (446.8) million, as set out in the financial statements presented under the Norwegian Accounting Act and Norwegian generally accepted accounting principles.

The Board proposes that Entra Eiendom AS's profit for the year be allocated as follows:

Transferred from other reserves	NOK million	-46,1
Proposed dividend	NOK million	114,5

The company's distributable reserves totalled NOK 553.2 million at 31 December 2009.

SHAREHOLDER INFORMATION

The Norwegian Government, through the Ministry of Trade and Industry, owns 100 percent of the company's shares.

CORPORATE GOVERNANCE

Corporate governance at Entra is based on the principles set out in the Norwegian Code of Practice for Corporate Governance.

Over the course of the year, seven Board meetings were held to discuss matters such as the strategy and development of the Group. There were no changes to the composition of the Board in 2009.

The Group has established a set of values and ethical guidelines that underpin its operations. Our strategy and overall objectives set out our ambitions, strategic choices and long-term goals. Guidelines, procedures and authorisation structures have been drawn up to support and operationalise the strategy and the overall objectives.

For further details, please see the separate chapter on "Corporate governance" in the company's annual report.

REPORT TO PARLIAMENT ON ENTRA EIENDOM AS

Report to parliament no. 29 (2008–2009) on Entra Eiendom AS was discussed by the Storting on 4 June 2009. The report and parliament's resolution describe the owner's expectations for the company.

WORKING ENVIRONMENT AND STAFF

At the close of 2009, the Group had 167 employees, equivalent to 166.2 full-time equivalents, seven more than at the end of 2008.

Staff turnover at the Group was 5.4 percent in 2009, 4.9 percent lower than in 2008. Adjusted for natural wastage (retirement), turnover was 4.8 percent. At the parent company Entra Eiendom AS, turnover was six percent in 2009.

Sickness absence at Entra Eiendom AS was 3.78 percent in 2009, 0.32 percent less than in 2008.

In 2009 Entra Eiendom participated in the staff survey "Great Place to Work". The survey makes it possible to compare staff satisfaction at the company with other enterprises. Entra Eiendom came out roughly average amongst the participants in the survey. The company aims to do better than that, and improvement measures have been implemented.

There were no occupational accidents that resulted in serious injuries in 2009.

Cooperation with employee organisations was good and constructive during 2009, and made a positive contribution to the running of the company.

EQUAL OPPORTUNITY AND DIVERSITY

In 2009, 24.8 (26.4) percent of Entra Eiendom's employees were women. Roughly 60 percent of the positions at the company are related to operating the company's properties, an area where there are usually very few female applicants. We are working to increase the number of women even in this part of our business. 45 percent of the company's administrative staff are women. Entra Eiendom aims to increase the proportion of jobs at the company held by women. This goal has been incorporated into recruitment procedures.

Two of the Board's five shareholder representatives, i.e. 40 percent, are women. One of the two employee representatives on the Board is a woman.

At Entra Eiendom, working time arrangements are the same for both genders, and there is no discrimination in terms of pay and working conditions. Employee benefits, such as flexitime and full pay during sickness and pregnancy, are important planks of our equal opportunity policy.

In 2002 the company signed an inclusive working life agreement. Its main focus is on reducing sickness absence and increasing the average retirement age. The company has drawn up a separate policy on older workers, which includes specific measures for their benefit. None of the nine employees who were entitled to retire in 2009 did so.

The company promotes diversity, which includes wanting to recruit more staff from ethnic minorities. This aim has been incorporated into the company's recruitment procedures, and all qualified applicants from ethnic minorities are invited to an interview. The company's recruitment drives encourage all qualified candidates to apply, regardless of age, gender, disability or ethnic background.

2.2 percent of the workforce at Entra works part-time, and 33 percent of part-time staff are women.

THE COMPANY'S IMPACT ON THE ENVIRONMENT

Entra Eiendom wants its properties to have as little impact as possible on the environment and to help ensure that resources are used efficiently.

Analyses are carried out for all investments to identify the optimal solution in relation to environmental impact, investment, operation and maintenance. Construction materials are reused wherever possible, and the company aims to use eco-friendly materials. Heating is largely provided by hydronic systems, linked to district and local heating. Hydronic heating systems are very flexible in terms of the primary energy source you use.

Entra Eiendom communicates openly with relevant stakeholders in order to minimise the negative impacts on our surroundings from the noise, waste and pollution caused by construction projects.

For all new builds, conversions and maintenance projects, measures are taken to reduce energy consumption and to maximise recycling. As part of the Group's environmental policy, a web-based system has been introduced to measure energy consumption, waste and water consumption at our buildings.

ENOVA projects

Four ENOVA projects initiated in 2006 and 2007 were still going in 2009. In total, 773,000 square metres of floor space in the company's properties are covered by energy efficiency projects supported by ENOVA. According to ENOVA's building statistics, Entra Eiendom's energy consumption is below average.

The aim of the ENOVA projects is to reduce energy consumption at our buildings by approx. 19 GWh/year. For 2009, the energy saving achieved was 18.6 GWh/year.

Features of historic value

Features of historic value in the company's buildings are carefully looked after in line with current laws and regulations. When disposing of properties comprising buildings constructed before 1950, the company follows the regulations contained in the fourth paragraph of section 2.1 of the "Order on the disposal of real estate belonging to the state, etc." (Royal Decree of 19 December 1997).

FUTURE DEVELOPMENT

The market is cautiously optimistic. The Norwegian economy has emerged from the financial crisis in better shape than was feared at the start of 2009. In the autumn there were signs that growth was returning to the European and American economies, after a sharp contraction from autumn 2008 into early 2009.

Rents have fallen less than was feared, and they remain at relatively high levels. The sharp slowdown in the global economy from autumn 2008 through early 2009 means that there is still a strong focus on risk. Banks went from being very restrictive in their lending for commercial property at the start of 2009 to being overwhelmingly positive towards the end of the year.

Employment is expected to continue falling in Norway at the start of 2010, and the global economic recovery is fragile. High levels of government debt in several major economies, and the consequent need for fiscal tightening, is one of the biggest uncertainty factors. A need for fiscal tightening in Norway has also been expressed. For Entra it will be important to continue offering space and energy efficient premises.

Entra must retain the trust of its customers, owner, employees and of society as a whole. Focusing hard on comprehensively meeting the company's corporate social responsibilities, including its environmental goals, and on integrating them into the day-to-day operations and development of the company, should improve the future prospects of the company.

Market developments

The market was very nervous in the first half of 2009, leading to lower rental activity and falling rents. Rents fell most in the top segment of the market, and much less for properties with more normal rents. In spite of the slight fall in rents in 2009, the general level of rents is still higher than it was in 2007. This has helped improve the profitability of many property companies. The prospects for the labour market brightened over the second half of the year. Financial and macroeconomic risks have fallen. Employment is expected to continue falling in early 2010, but so far the impact has been limited in the industries that typically lease a lot of office space. Office vacancy rates are still rising, but are expected to peak in the first half of 2010. Rents will therefore remain under pressure, but they are not expected to change significantly. Demand for modern premises in attractive locations is expected to grow. Centrally located properties close to public transport hubs, with modern and flexible premises, which are efficient to run, will continue to have a competitive advantage in 2010.

Financial developments

Entra Eiendom's equity ratio has improved, and the company has long-term external financing. Refinancing has been secured for all of the loans that mature in 2010, and the company has renegotiated its loan agreements to increase its financial flexibility.

The company is attempting to reduce financial risk by actively using various interest rate hedging instruments.

It is the Board's view that Entra's strong cash-flow and balance sheet give it a good financial platform. Entra will continue to build on that platform to achieve profitable growth in line with the company's strategy. The company is involved in several major development projects. Entra Eiendom continues to have a conservative financial risk profile.

The Board is of the opinion that the Group has laid good foundations for further growth and development.

Oslo, 26.03.2010

Grace Reksten Skaugen Chairman of the Board	**Martin Mæland** Vice-chairman of the Board	**Gerd Kjellaug Berge** Board member	**Finn Berg Jacobsen** Board member
Ottar Brage Guttelvik Board member	**Tore Benediktsen** Board member (Employee representative)	**Mari Fjærbu Åmdal** Board member (Employee representative)	**Kyrre Olaf Johansen** Chief Executive Officer

KEY FIGURES
AND FINANCIAL INFORMATION

MORE THAN 98 % OF THE PROPERTIES LEASED BY ENTRA ARE LINKED TO A WEB-BASED ENERGY MONITORING SYSTEM.

From Entra's headquarter in Biskop Gunnerus gate 14 A, Oslo

TABLE 1 FINANCE

Figures for the Entra Eiendom Group All amounts in NOK millions	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
INCOME STATEMENT (NGAAP)									
Operating revenue					1 071.6	1 072.2	855.9	673.8	637.3
Op. revenue excl. depr.					329.1	387.9	406.1	377.8	211.4
EBITDA					742.0	684.3	449.8	296.0	425.9
Profit before tax					230.0	187.1	25.9	-17.8	139.1
Profit for the year (after minority interests)					162.8	133.9	18.4	-13.3	99.7
INCOME STATEMENT (IFRS)									
Operating revenue	1 774.9	1 350.9	1 230.1	1 124.3					
Op. revenue excl. depr. and writedowns	680.3	398.1	349.6	320.0					
Writedowns (projects under development)		369.8							
Adjustment to value of investment property	405.9	-3 491.8	1 204.6	2 042.8					
Adjustment to value of financial instruments	89.9	-376.3	231.0	285.7					
Profit before tax	1 037.5	-3 822.1	1 883.4	2 766.3					
Profit for the year (after minority interests)	631.2	-2 573.7	1 388.2	1 952.8					
INVESTMENTS/DISPOSALS DURING THE YEAR									
New investments in fixed assets and shares/ interests in other enterprises	924.7	1 469.4	1 845.0	1 080.5	1 078.9	1 078.7	1 841.9	1 601.6	1 450.8
Sales of fixed assets and shares/interests in other enterprises	144.9	102.7	94.5	193.5	205.1	394.9	144.6	22.2	6.5
FINANCIAL STRENGTH (NGAAP)									
Book assets					9 727.2	8 768.4	8 127.2	6 518.0	5 070.4
Book equity excl. minority interests					1 330.5	1 288.2	1 274.1	1 505.7	1 519.0
Equity ratio, book equity excl. minority interests					14 %	15 %	16 %	23 %	30 %
Value-adjusted assets					15 567.0	13 388.0	11 566.8	9 615.6	7 479.5
Value-adjusted equity					7 170.0	5 907.0	4 713.6	4 603.3	3 928.1
Value-adjusted equity ratio					46 %	44 %	41 %	48 %	53 %
FINANCIAL STRENGTH (IFRS)									
Book assets	21 343.4	20 091.3	22 566.9	18 990.1					
Book equity excl. minority interests	6 354.2	5 724.8	8 443.9	7 189.7					
Equity ratio, book equity excl. minority interests	30 %	28 %	37 %	38 %					
LIQUIDITY									
Liquidity reserve (incl. undrawn, committed credit facilities)	5 163.7	3 387.1	2 778.0	5 773.8	1 210.9	1 930.4	2 403.8	805.1	232.2
THE ENTRA EIENDOM GROUP'S DEBT PORTFOLIO									
Interest-bearing debt	11 883.0	11 487.0	10 433.2	8 474.5	7 722.2	6 835.4	6 222.3	4 667.7	2 989.7
Weighted average remaining capital lock-up (years)	5.6	6.2	6.2	6.8	5.6	2.3	2.1	1.3	2.4
Weighted average interest fixing period (years)	4.2	4.5	3.5	4.1	4.2	3.8	4.6	4.7	4.3
Adjusted interest cover ratio*	1.9	1.8	1.9	2.1	2.0	2,2	2.0	2.2	2.3
Weighted average interest rate on the portfolio at 31 Dec.	5.2 %	5.8 %	5.6 %	5.1 %	4.9 %	5.2 %	5.9 %	6.7 %	-
PROPERTY PORTFOLIO/LEASE CONTRACTS									
Volume of property (sq.m.)	1 152 127	1 140 572	1 116 365	987 854	956 658	899 655	881 853	838 626	746 057
- of which development projects**	87 666	105 810	221 968	189 930	186 799	122 600	126 333	217 991	186 223
Occupancy rate excl. development projects	96 %	98 %	97 %	96 %	96 %	95 %	95 %	98 %	97 %
Occupancy rate for development projects	73 %	69 %	81 %	60 %	56 %	60 %	60 %	93 %	70 %
Weighted average remaining lease term (years)	9.8	10.1	10.4	11.1	11.5	11.3	11.6	11.4	7.9

From the financial year 2007 (with comparative figures for 2006), the Group started reporting its financial results under IFRS. The table shows key figures from the company's income statement and figures relating to its financial strength for the period 2001–2005 under NGAAP and for 2006–2007 under IFRS. It should be noted that the value-adjusted equity for the period 2006–2007 (IFRS) represents the Group's equity less tax liabilities on unrealised increases in the value of investment properties and financial instruments.

* The interest cover ratio is calculated with an adjustment for investment-related items:

$$\frac{\text{Operating profit adjusted for provisions for future liabilities} + \text{depreciation} + \text{refurbishment costs} + \text{financial income}}{\text{Interest expenses}}$$

** For the period 2001-2007 future development potential is included in the figure for development projects.

DEVELOPMENTS IN THE FINANCIAL MARKETS

2009 was a year marked by a turnaround in the global macroeconomic situation. The financial crisis resulted in dramatic slowdown in the global economy in late 2008 and early 2009. As a result, central banks and governments introduced extensive monetary and fiscal stimulus measures in order to limit the contraction. Gradually the global economy started to recover, and by autumn 2009 most OECD economies had returned to growth, after four or five quarters of in some cases sharp falls in GDP.

The Norwegian economy experienced a downturn at the start of 2009. Mainland Norway's GDP stopped falling in the second quarter, but growth remained significantly below trend throughout the rest of the year. After the second quarter, Norwegian household consumption grew strongly, making it an important factor in the Norwegian mainland economy's turnaround from contraction to expansion. This growth in household consumption is partly attributable to highly expansionary monetary and credit policy in the shape of low interest rates and liquidity injections into banks. Meanwhile, housing and business investment in mainland Norway, excluding public sector investment, fell throughout 2009.

FINANCIAL ACTIVITIES OVER THE COURSE OF THE YEAR

The Group's finance strategy shall support the implementation of the adopted business strategies, with the main focus being on ensuring access to capital and managing the company's financial risk. The aim is to minimise the Group's finance costs, whilst ensuring the most appropriate capital structure to assist the future development of the company.

Entra Eiendom's finance policy forms the overall framework for the Group's financial management, and defines objectives, responsibilities and areas of authority for the handling of financial activities. The finance policy supports the company's other commercial activities, and is revised annually.

The company's financial risk management is also described in Note 3 to the consolidated accounts on page 80. The most important areas of the company's financial risk management are handled separately:

Refinancing risk

The company aims to limit its refinancing risk by diversifying its sources of capital and by operating within the following framework:

- A maximum of 30 percent of the company's financing shall mature within the next twelve months.
- Diversification between different types of borrowing instruments.
- Diversification between loan providers.
- Liquidity requirements for the coming 12 months shall be covered through committed credit facilities.
- Short-term financing through commercial paper shall be hedged with back stop facilities covering the volume which falls due within the next six months.

Financial markets are still affected by the uncertainty resulting from the credit crisis. Future long-term financing is expected to be more expensive than in the past, and this had some impact on our portfolio during 2009.

However, as a result of the measures to reduce refinancing risk described above, the Group is expected to achieve good financing terms, in view of the safe nature of its business.

Interest rate risk

The company's strategy for positioning itself in relation to the interest rate markets reflects the fact that it has properties with a range of risk profiles and remaining lease terms. The company's risk tolerance in terms of its financial activities is assessed on the basis of the overall business model and exposure, bearing in mind the strategy and structure of its individual investments. Along with the company's current view of interest rates, it forms the basis for adjustments to the interest rate structure within the framework of the norm portfolio. The norm portfolio specifies that the weighted duration of the portfolio should be 3–6 years, with a neutral position at 4 years and a diversification of instruments in different «time buckets».

The Group has reduced its exposure to interest rate risk by having a significant proportion of fixed-interest debt (69 percent at 31 December 2009), but also aims to retain sufficient flexibility to allow it to adapt its exposure to changes in risk levels and markets. The company is exposed to fluctuations in short-term interest rates, although this only affects the variable rate portion of its portfolio.

Currency risk

The Group's business is only based on and exposed to Norwegian kroner (NOK). The company shall therefore not take on direct currency risk. All potential loans and associated interest payments in foreign currency shall be fully hedged for profit, cash flow and balance sheet effects.

Credit and counterparty risk

New transactions shall be entered into after assessing the individual counterparty's creditworthiness. Any inadequate creditworthiness shall be compensated for by a demand for guarantees linked to the relevant situation.

As we are in a period of weaker economic growth, in general there may be a higher risk of bankruptcy. Entra Eiendom has a very high-quality customer portfolio, with a high proportion of public sector tenants, but we are increasing our focus on the credit risk attached to the remaining tenants.

OVERALL KEY FIGURES

Financial strength

By developing its property and lease contract portfolio, the company has built up significant assets since its establishment. During 2008 and the first half of 2009, the value of our property portfolio fell significantly as a result of a shortage of financing and the higher rates of return required by the market. The market outlook continues to be weak. However, the company believes that the company's very secure and long-term cash flow will help the value of the company's portfolio to hold up better than the general market for office properties. This was demonstrated by the rise in value of the portfolio towards the end of last year.

The Group has a cautious finance strategy and a strong equity ratio that ensures financial flexibility throughout the economic cycle. One important goal for the Group's management of its capital structure is to ensure that it maintains a good credit rating, allowing it to borrow from lenders on reasonable terms.

Also see the description in Note 3 on page 80.

Fig. 2 shows the historical figures for our equity and equity ratio. Significant falls in the value of the our property portfolio led a decline in equity during 2008, but this turned around towards the end of 2009.

As of the financial year 2007 (with comparative figures for 2006), the Group started reporting its financial results under IFRS. Figure 2 shows changes in estimated book and value-adjusted equity over the period 2001-2005 under NGAAP and over the period 2006–2007 under IFRS. The value-adjusted equity for the period 2006–2007 represents the Group's equity less potential tax liabilities on unrealised increases in the value of investment properties and financial instruments, so what is shown is the equity after tax. At 31 December 2009, deferred tax on the unrealised increase in value totalled NOK 1,885 million, which also provides a working capital buffer for the company.

DEVELOPMENT OF TOTAL ASSETS

Fig. 1
shows how the company's total assets grew from when the company was founded to 31 Dec. 2009.

EQUITY DEVELOPMENT

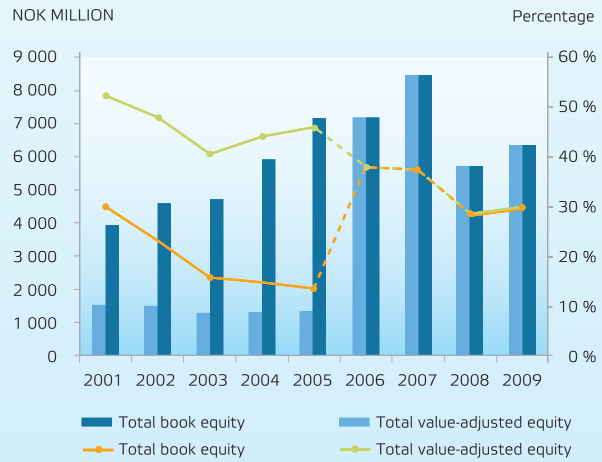


Fig. 2

Liquidity and cash flow

The Group has a strong current, positive cash flow from ordinary operations. The Group's net cash flow from operating activities totalled NOK 537 million in 2009.

Revenues are to a large extent based on long-term contracts with reliable tenants. 80 percent of the tenants in the Group's property portfolio were from the public sector at 31 December 2009.

Interest cover ratio

The Group had an adjusted interest cover ratio of 1.9 at the close of 2009 (1.8 in 2008). This metric is improving. The figure is based on the company's operating cash flow, ignoring investment-related and any extraordinary items and gains on disposals. The interest cover ratio is an important key figure for various financial services companies when they assess the company. The figure shows that the company is in a strong position to service its debts.

FINANCING/BALANCE SHEET

Equity

Our owner, the Norwegian Government through the Ministry of Trade and Industry, measures its return on the basis of dividends and increases in value, and have set a target of achieving a market rate of return on value-adjusted equity.

Loan capital

The Group's total (nominal) debt at the close of 2009 was NOK 14,735 million, of which NOK 11,883 million was interest-bearing debt.

These figures include the financing costs for joint ventures and for companies in which Entra Eiendom AS holds a stake of at least 51 percent. The management of properties and financing of joint ventures is handled separately, and is tailored to the underlying activities of the individual project/company.

The maturity structure of the Group's long-term interest-bearing debt is illustrated in Fig. 3.

The average remaining term to maturity of available credit facilities was 5.6 years at 31 December 2009. The company continues to have a strong position in the banking and capital markets. The company has a close relationship with a wide range of large, professional banks that provide it with banking services and that are capable of contributing to the company's future development.

Over the course of 2009 credit markets improved, with credit spreads coming down off the peaks reached during the crisis. However, there is still a lot of uncertainty in the markets, and the expectation is that it will take some time for access to capital and credit spreads to return completely to normal.

The company's debt portfolio is made up of loans from Norwegian and foreign financial institutions, and direct credit acquired through the issue of debt instruments on the Norwegian capital market. At 31 December 2009, 57 percent of the company's financing came from the money and capital markets. Entra issued commercial paper and bonds during 2009. In November 2009 the company issued the following new bonds:

- 5 year at 4.95 % fixed rate, NOK 975 million
- 5 year at floating rate, NOK 450 million
- 10 year at 5.55 % fixed rate, NOK 325 million

In conjunction with issuing the above bonds, Entra Eiendom repurchased NOK 657 million of bonds maturing 22 June 2010 or earlier.

DEBT MATURITY STRUCTURE

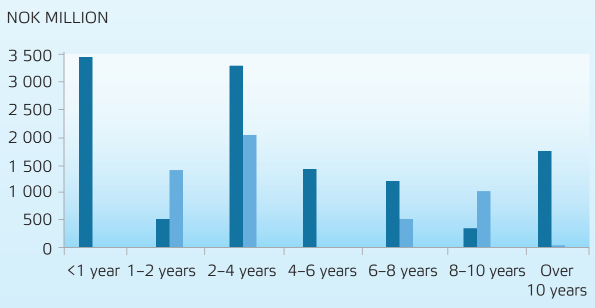


Fig. 3

DISTRIBUTION OF THE COMPANY'S DEBT PORTFOLIO

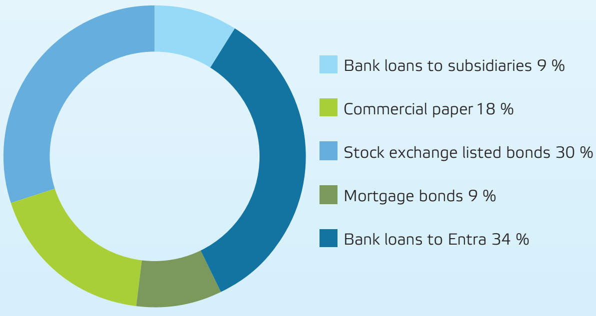


Fig. 4
shows the share of different types of loans in the company's debt portfolio at 31 Dec. 2009.

Entra Eiendom's financing has negative pledge as its main principle. Its lease agreements nevertheless make it possible to use other forms of loans for some of its portfolio. For further details see Note 3 on page 80.

At 31 December 2009, the Group had available committed undrawn facilities of NOK 4,965 million with which to cover future refinancing and investment requirements, as well as to provide a back stop for the company's commercial paper portfolio.

With the current structure, the company's refinancing risk is seen as very low, but the company continuously assesses its future financing requirements.

INTEREST RATE HEDGING

Naturally, Entra Eiendom has significant financial risk associated with fluctuations in general NOK interest rate levels. On the basis of the current interest rate view, the Group's interest rate exposure is managed actively through a portfolio of interest rate instruments within the framework of the specified finance strategy. The company uses the interest rate instruments that at any given time are most suited to cover the various risks that it faces. See Note 3 on page 80 for further details.

FIXED INTEREST MATURITY PROFILE

Percentage of the portfolio

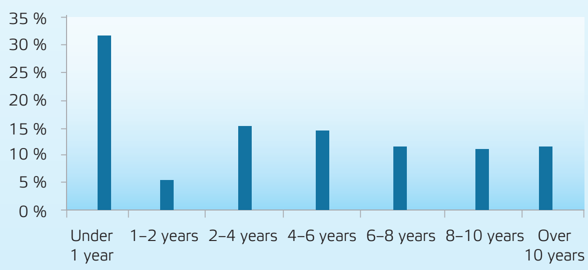


Fig. 5
shows the company's balanced maturity profile in relation to interest rate exposure at 31 Dec. 2009.

The company considers it important for it to have a significant proportion of variable rate loans in its portfolio, to give it flexibility in terms of its interest rate positioning and to allow it freedom of action in the event of changes to its requirements or market conditions. As a result of the company's interest rate portfolio, the company's average borrowing cost appears robust in the face of changes in general market rates.

MARKET VALUE OF THE COMPANY'S DEBT

In accordance with IFRS, the company's debt and financial instruments are measured at fair value on the balance sheet, with changes in value recognised through profit or loss.
The net change in the value of the company's financial instruments during 2009 was NOK 89.9 million. This was a result of rising market interest rates, which increase the value of derivatives and bond debt, offset by a fall in value resulting from a change in the difference between actual and market interest rates on bank loans.

MARKET
DEVELOPMENTS

After several years of very strong growth in employment and demand for office space, employment fell in 2009. Fewer companies wanted to move, and the volume of new contracts in the office market fell.

THE RENTAL MARKET IN GREATER OSLO

An increase in the construction of new office blocks during the boom years 2004-2008 led to more office space being completed in 2009 than in previous years. The fall in employment and increase in office space led to a marked rise in office vacancy rates and falling rents. The vacancy rate rose fastest, and rents fell most, during the first half of 2009. The labour market improved in the second half of the year. Towards the end of 2009, we signed several good lease contracts at slightly higher rents. However, the volume of contracts remains too low to absorb sufficient floor space to reduce vacancy rates.

Employment in Norway fell less than had been expected at the start of 2009. In spring 2009 it was expected to fall just over one percent, whereas the estimates towards the end of the year were below half a percent. Big government stimulus packages and exceptionally low interest rates were two of the important reasons for this. In Oslo and Akershus the number of people in employment fell slightly more than the national average. However, figures from Statistics Norway suggest that employment in industries that are typically big users of office space has held up well. Manufacturing, the building and construction industry and the retail trade have borne the brunt of the fall in employment.

The number of contracts signed in the Oslo market fell by nine percent, or 14 percent measured in floor space, from 2008 to 2009 (source: Eiendomsverdi Næring). There was a clear increase in the number of contracts signed in the fourth quarter, but measured in floor space the level was no higher than at the end of 2008. The volume of contracts being signed is lower than the volume of old leases expiring, helping to push up vacancy levels.

The consensus of the analysts with whom Entra is in regular contact is that the office vacancy rate in Oslo and Bærum rose from almost 5.5 percent at the end of 2008 to closer to eight percent at the end of 2009. According to Eiendomsspar, the vacancy rate is highest, and increased most, in Oslo Outer North, in Oslo East and South and in Asker/Bærum.

Rents fell much less than many people had feared in 2009. On average, prices fell by approx. five percent from 2008 to 2009, after increases of 15 percent in both 2007 and 2008 (source: Eiendomsverdi Næring). Weighted by area, average rents actually increased by two percent from 2008 to 2009.

The average market rent was NOK 1,540 per square metre in 2009. The inflation-adjusted rent on leases that expired in 2009 was on average NOK 1,277. For many property companies, contract renewals are therefore boosting cash flow from leased office space.

There was great variation in how rents fared in different areas in 2009. Rents fell most in Vika-Aker Brygge (13 percent), whereas they increased in Nydalen. The fall in Vika-Aker Brygge followed average annual increases of over 20 percent over the period 2006–2008 (source: Eiendomsverdi Næring).

Macroeconomic forecasts suggest that employment will continue to fall in the first half of 2010. This suggests that demand for office space will not be high enough to prevent office vacancy rates from continuing to rise. The vacancy rate is expected to reach 8.5 percent by the end of 2010.

Fig. 1 illustrates the rapid increase in rents in Vika-Aker Brygge in relation to other areas. The market in Vika-Aker Brygge represents around nine percent of total leased office space in Oslo, whilst Oslo City Centre represents 27 percent.

Fig. 2 shows that market rents (for new contracts) fluctuate over time, whereas the cash flow from existing leases is more stable. Since 2007, market rents have been higher than average passing rents.

AVERAGE REAL MARKET RENTS IN OSLO

In thousands of NOK per square metre. 2009 NOK.

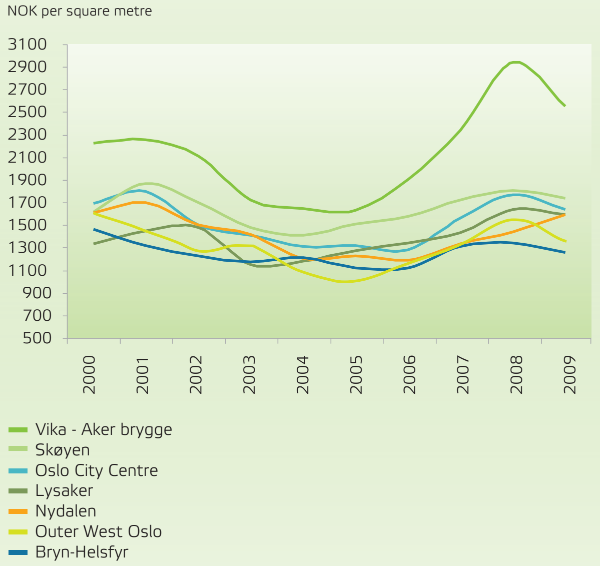


Fig. 1 Source: Eiendomsverdi

AVERAGE MARKET RENTS AND PASSING RENTS IN OSLO

In thousands of NOK per square metre. Quarterly figures for Q1 2004–Q4 2009.

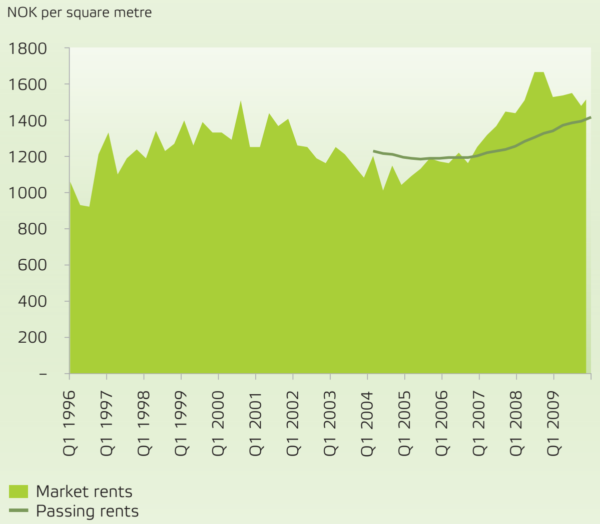


Fig. 2 Source: Eiendomsverdi

REGIONAL RENTAL TRENDS

As usual, the changes in the labour market have affected Oslo more than other Norwegian cities. Stavanger and Kristiansand are the other cities that have suffered most from lower business activity and greater uncertainty in the oil industry. Of the major cities, the labour market in Trondheim appears to be least affected by the slowdown. From 2008 to 2009, the number of job vacancies fell by more than 30 percent in Vest-Agder and in Rogaland, whilst vacancies in Sør-Trøndelag fell 20 percent. The number of job vacancies in Hordaland fell by over 25 percent from 2008 to 2009.

The office vacancy rate in Stavanger rose from 1.5 percent in summer 2008 to over seven percent towards the end of 2009. The completion of new builds is the main reason for the rapid increase in the vacancy rate. The prospects for the oil industry are uncertain. There is reason to believe that vacancy rates will rise further in early 2010, but as fewer new build enter the market the rate of increase will slow. Rents fell by around 10-15 percent in Stavanger in 2009.

When demand fell in autumn 2008, several recently completed office blocks in Kristiansand were left without tenants. That has put pressure on the market, and a few thousand square metres are still available in these projects. Rents for high quality modern offices in central locations fell by 10–15 percent from summer 2008 to the end of 2009.

RENTS FOR MODERN, CENTRALLY-LOCATED OFFICES IN BERGEN, STAVANGER, TRONDHEIM, KRISTIANSAND AND OSLO.

In thousands of NOK per square metre per year. 2009 NOK

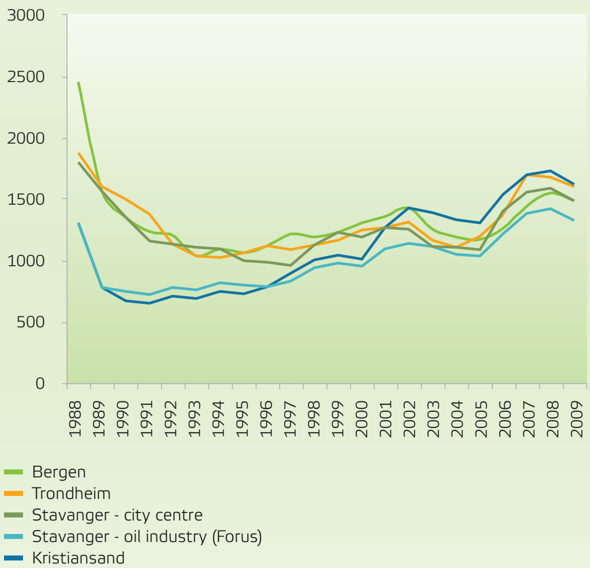


Fig. 3 Source: Dagens Næringsliv rent report

The volume of vacant office space in Trondheim rose from approx. 50,000 square metres in 2008 to approx. 60,000 square metres in 2009. The vacancy rate remains low, but it is nevertheless difficult to find tenants for new premises outside the city centre. An improvement in the labour market in the second half of the year had little impact on the vacancy rate. Rents for standard offices in average locations have held steady, whereas they have fallen approx. 15 percent in the most expensive segments. An increase in the number of new builds becoming available will put pressure on the market in 2010, and tenants are demanding more efficient premises. The vacancy rate may therefore rise somewhat in early 2010.

The office vacancy rate in Bergen fell from a peak of 8.5 percent in 2005 to a low of 5.5 percent in spring 2008. In 2009 the vacancy rate reached approx. six percent, after increasing less than expected. Few new builds are under construction, but more sub-leased premises became available over the course of the year, putting pressure on rents. Rents in Bergen are still trending downwards, but they haven't fallen sharply. For the whole of 2009 the decline was probably closer to five than to ten percent.

THE TRANSACTION MARKET

The volume of transactions remains low, but is now rising. The global economy has come out of recession, and is showing tentative signs of growth. Investors' fear of a significant contraction in economic activity has given way to a more normal macroeconomic uncertainty. Financial market risk premiums have fallen, and the Oslo Børs property index rose by around 70 percent during 2009. Investors are becoming more confident about returns on property investments, and yields are falling.

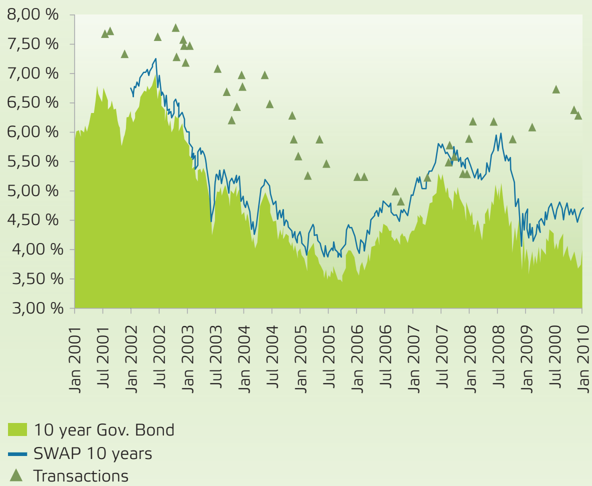
The volume of transactions in the commercial property market rose from just under NOK 20 billion in 2004 to a record high of approx. NOK 60 billion in 2006, before falling to NOK 50 billion in 2007. There was a lot of liquidity in the market, and risks were perceived to be low. From summer 2006 to summer 2008, the required rate of return for commercial property investments was roughly the same as the ten-year swap rate.

In September 2008, turbulence in financial markets spiralled into a global credit crisis. The global economy was already slowing, but everything deteriorated in the final months of the year. The dramatic turnaround hit virtually all financial, goods and service markets simultaneously, affecting the US, Europe, Asia, Latin America and Oceania. Stock markets and commodity and property prices throughout the world fell sharply. It was a crisis of confidence that cast doubt over the future, with a loss of trust in banks, counterparties and contractual partners. Easy access to long-term loans had created excessive demand for housing and other real property in almost all of the western world.

The volume of transactions in the commercial property market fell rapidly in late 2008 and early 2009, before bottoming out in summer 2009. The year ended with a slight increase from a very low base. In total, NOK 13 billion of commercial property changed hands last year, NOK 7 billion of which comprised office properties. You have to go back to 2003 to find a lower figure. Much of the demand last year was for easy-to-run buildings in good locations with long leases.

Norges Bank's survey of bank lending shows that banks tightened their lending criteria sharply from autumn 2008 through to spring/summer 2009. Banks' access to funding improved in early 2009. Gradually, lending criteria were relaxed due to growing risk appetite and better macroeconomic prospects.

INTEREST RATES AND PRIME YIELDS (LOWEST REQUIRED RATE OF RETURN) 2001–2009



Figur 4 Source: Akershus Eiendom

By autumn 2009 lending criteria had also been relaxed for commercial property. The Oslo Børs stock market rose by 70 percent from December 2008 to December 2009. The Oslo Børs property index rose by 64 percent over the same period.

From summer 2006 to summer 2008, the required rate of return for commercial property investments was no higher than the ten-year swap rate. There was a great deal of optimism, credit was freely available and lots of money was chasing higher returns than those offered by safer alternatives. The financial crisis caused long-term interest rates to fall, whilst the required rate of return on commercial property

TRANSACTION VOLUME FOR COMMERCIAL PROPERTY (transactions of over NOK 50 million)

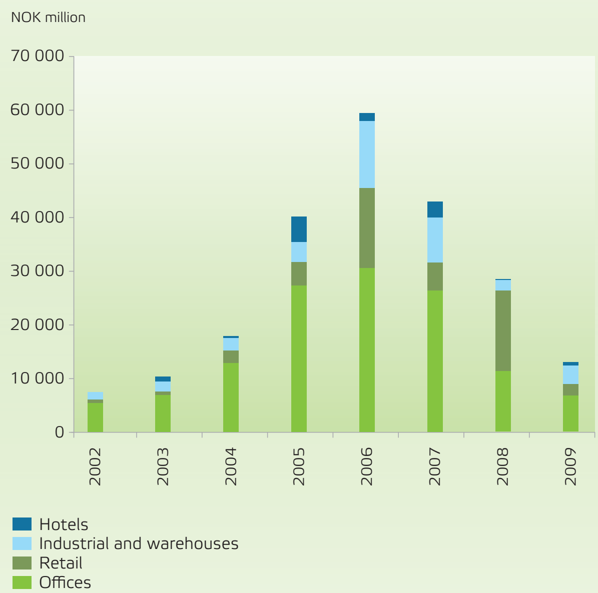


Fig. 5 Source: Akershus Eiendom

investments rose to between 6.5 and seven percent for easy-to-sell and safe properties. The required rate of return for this type of property has fallen somewhat since then. Transactions at the end of 2009 suggest a required rate of return of around 6.5 percent. This reflected lower interest rate margins and financial market risk premiums, far brighter macroeconomic prospects and smaller declines in rents than had been feared.

Sandvika stasjon and Skattens hus,
Malmskriverveien 18 and 20, Sandvika

ENTRA'S BUSINESS CONCEPT IS TO ADD VALUE BY DEVELOPING, LEASING AND OPERATING ATTRACTIVE AND EXCEPTIONALLY ENVIRONMENTALLY FRIENDLY PREMISES.

OUR PROPERTY

PORTFOLIO

Entra manages around 1 million square metres of floor space spread across 123 buildings. 73 percent of the portfolio is made up of offices.

TABLE 1	FLOOR SPACE (BTA)						YEARS	NOK MILLIONS	%
	Offices	Education	Potential develop-ments	Develop-ments	Other	Total	Weighted remaining lease term	Annual passing rent	Share of total annual
Eastern Norway						**705 700**	**10.7**	**1 043**	**70 %**
Oslo	424 337	10 129	19 959	48 694	8 069	511 187			
Akershus	85 361	33 803	10 000	6 485	29 459	165 108			
Østfold	29 405	-	-	-	-	29 405			
Southern Norway						**133 455**	**9.3**	**138**	**9 %**
Kristiansand	35 686	12 174	8 000	-	3 117	58 977			
Oslofjord og Agder	26 725	-	-	-	-	26 725			
Drammen	22 596	21 915	-	-	3 242	47 753			
Western Norway						**146 728**	**5.9**	**145**	**10 %**
Bergen	61 048	6 366	6 500	13 536	-	87 450			
Stavanger	37 139	-	7 500	13 151	1 488	59 278			
Central and Northern Norway						**166 246**	**7.8**	**155**	**11 %**
Trondheim	85 666	-	43 300	5 800	53	134 819			
Tromsø	24 643	-	-	-	311	24 954			
Bodø	6 474	-	-	-	-	6 474			
Company total	**839 078**	**84 387**	**95 259**	**87 666**	**45 739**	**1 152 127**	**9.8**	**1 481**	**100 %**

MARKET VALUE/CONCENTRATION

Two external, independent market valuations of our portfolio were carried out at the turn of the year. Based on the average of the two valuations, the Group's property portfolio at 31 December 2009 was worth NOK 20.2 billion.

The company owns a total of 123 properties. The bulk of the value of the portfolio relates to properties in Oslo. The distribution is shown in Fig. 1.

Table 3 shows price changes for comparable properties in the various regions over the course of the year. For the whole of 2009, the portfolio rose in value by six percent, or two percent after adjusting for investments over that period. In the first half of the year the rental market weakened, and rent expectations were lower when existing leases expired. This was reflected in a 3.2 percent writedown of the value of the property portfolio over the first six months.

GEOGRAPHIC DISTRIBUTION BY VALUE

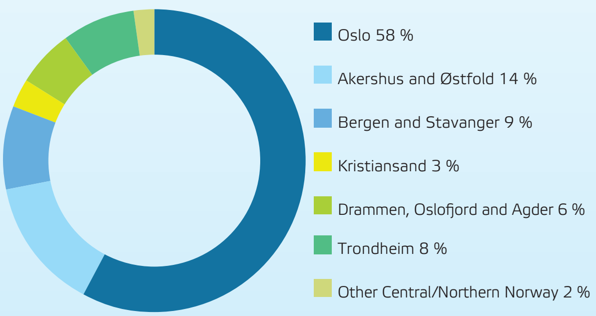


Fig. 1

Over the second half of the year rents stabilised, and the required rate of return fell, particularly for properties with long and secure leases. As a result, the Group recognised a 5.3 percent increase in the value of its property portfolio over that period.

A feature of our portfolio is that it contains many large, centrally-located properties in the biggest cities in Norway. This means that there is a concentration of values, with the 10 most valuable properties being worth NOK 9.1 billion, or 45 percent of the market value of the Group's properties at 31 December 2009. Our 30 largest properties are together worth approx. 83 percent of the total portfolio value.

SEGMENTS

The company's main area of focus remains the office segment, which represents 73 percent of the total portfolio. The company has also gradually been gaining experience and expertise in the education segment, which represents seven percent of the overall portfolio. The proportion of development properties has remained high, and at the end of 2009 they represented

TABLE 3	MARKET VALUE AT 31 DEC.		CHANGE		INVESTMENTS IN 2009	NET CHANGE %
NOK MILLIONS	**2009**	**2008**	**Amount**	**%**		
Eastern Norway Region - Oslo	11 803	11 315	488	4 %	461	0 %
Eastern Norway Region - Akershus	2 432	2 322	110	5 %	78	1 %
Eastern Norway Region - Østfold	398	400	-1	0 %	9	-3 %
Southern Norway Region - Kristiansand	607	600	7	1 %	-1	1 %
Southern Norway Region - Oslofjord and Agder	280	252	29	11 %	25	1 %
Southern Norway Region - Drammen	836	768	69	9 %	-2	9 %
Western Norway Region - Bergen and Stavanger	1 809	1 557	252	16 %	205	3 %
Central and Northern Norway Region - Trondheim	1 681	1 448	233	16 %	72	11 %
Central and Northern Norway Region - Tromsø	323	320	4	1 %	7	-1 %
Central and Northern Norway Region - Bodø	79	81	-2	-3 %	-	-3 %
Total	**20 249**	**19 062**	**1 186**	**6 %**	**854**	**2 %**

16 percent of the total portfolio, eight percent of which relates to estimated development potential.

DISTRIBUTION OF THE PORTFOLIO BY SEGMENT

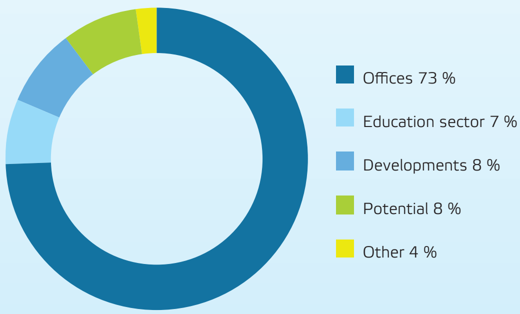


Fig. 2
shows the distribution of the portfolio at 31 Dec. 2009.

Our total portfolio has grown by approx. 92 percent since the company was established, from just under 600,000 square metres in 2000 to 1,152,128 square metres at the close of 2009.

A number of major projects were completed in 2009, which led to a net reduction in the volume of projects under construction of approx. 20,000 square metres. Meanwhile, the volume of potential future developments rose by around 30,000 square metres to approx. 95,000 square metres. This puts the Group in a strong position to continue growing.

In 2009, the future development potential of undeveloped sites was separated out from other properties under development, and was reclassified as development potential. This category includes major urban development projects, where work is being carried out on long-term plans, but where construction has yet to start and no major investments have been made. Adjusted for development potential in 2007, the volume of development properties fell by approx. 69,000 square metres. In 2009, the development portfolio, including development potential, fell by approx. five percent to approx. 15 percent of the overall portfolio. Over the same period, development potential increased by 17,000 square metres to 64,000 square metres. The decline in the volume of development properties was mainly due to the completion of a number of major projects in 2008, which were transferred to the management portfolio.

CHANGES IN ENTRA'S PROPERTY PORTFOLIO

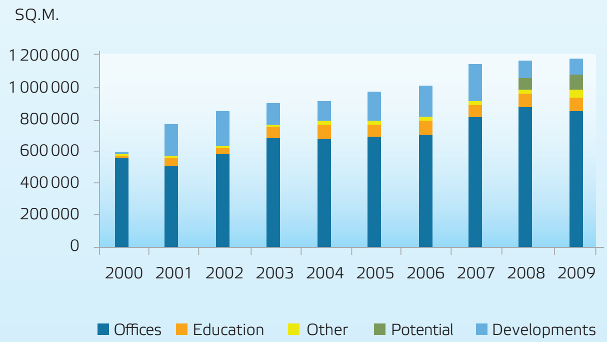


Fig. 3
shows changes over time in the distribution by segment of the company's property portfolio.

Our strong focus on development property is in line with our strategy, which states that property development shall be a significant part of our activities.

RENTAL INCOME

Passing rent from signed lease contracts was NOK 1,481 million at the turn of the year. The Group's rental income over the coming years is secured by long-term lease agreements. At the turn of the year, the weighted average remaining lease term was 9.8 years. This is 0.3 years lower than in 2008, but new long-term contracts signed in 2009 helped to limit the fall in the remaining lease term, which remains significantly higher than when the company was established. This can be seen from figure 4.

WEIGHTED AVERAGE REMAINING LEASE TERM

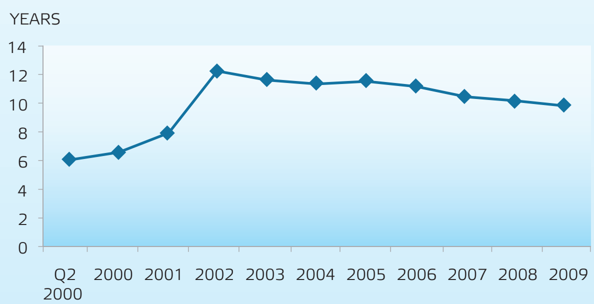


Fig. 4

LEASE EXPIRY STRUCTURE

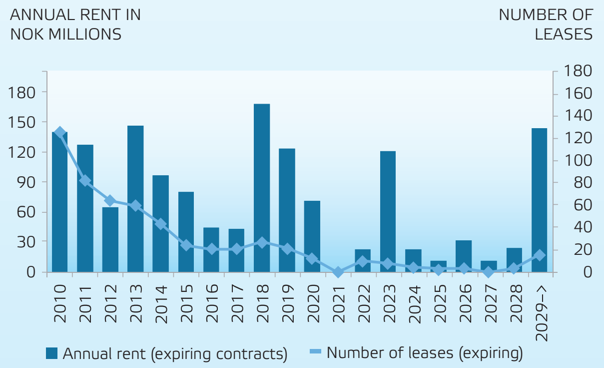


Fig. 5
shows the expiry structure of the Group's leases at 31 Dec. 2009.

HISTORICAL OCCUPANCY RATES

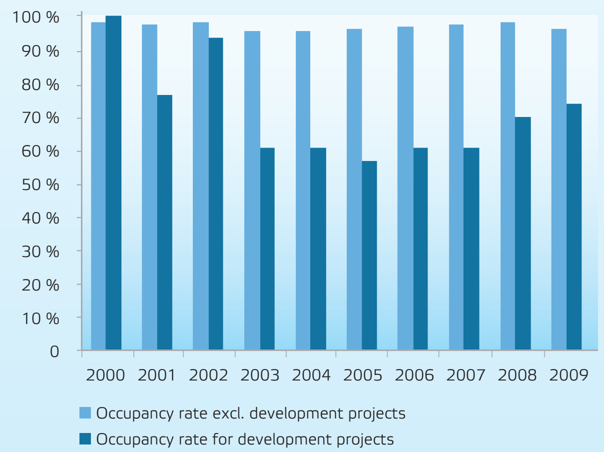


Fig. 6

The balanced expiry structure of the contract portfolio limits the company's exposure to the economic cycle and fluctuations in market rents. A maximum of 11.3 percent of Entra Eiendom's contract portfolio, in value terms, matures in any given year. The profile has continuously improved since the company was founded in 2000.

OCCUPANCY RATE

The occupancy rate at the close of 2009 was 96.1 percent for the company's ongoing management portfolio. The company's customer focus results in high levels of customer satisfaction, which means that we achieve a high rate of renewals when contracts expire. Customer surveys are carried out annually, and in 2009 95 percent of Entra's customers said that they would be happy to lease premises from Entra again. The company has a diversified portfolio of centrally-located office properties, which mostly have long-term lease contracts. The vacancy rate is relatively low, but at the same time, it is necessary to have a certain level of availability in the property portfolio in order to be active in the rental market. Such availability should probably be around four to six percent.

Changes in the company's occupancy rate over time are illustrated in Fig. 6.

At the turn of the year, Entra Eiendom had 183,000 square metres of development properties/buildings under construction. This represents around 16 percent of the Group's total property portfolio. It is important to note that this figure includes the floor space of potential developments that have not yet been started. In other words it also includes the development potential in the portfolio. Approx. 73 percent of the floor space in projects that have been started or that are ongoing has been leased.

TENANT STRUCTURE

At 31 December 2009, office space rented to public sector tenants made up 80 percent of the total contract value. The change is primarily due to lease contracts signed with private sector tenants in completed development properties. The distribution of customers across the portfolio will always vary over time, as a result of actively managing it in a competitive market.

Changes in the company's tenant structure over time are illustrated in figure 7.

Although the proportion of private sector tenants has increased since the company was established, the total office space that Entra leases to the public sector has also increased over recent years. The company's core customer group is – and will remain – the public sector.

Figure 8 shows the company's largest customer groups by government ministry at 31 December 2009, measured by gross floor space.

Cumulatively, the 10 largest customers (ministries) occupy over 67 percent of the floor space in the managed portfolio.

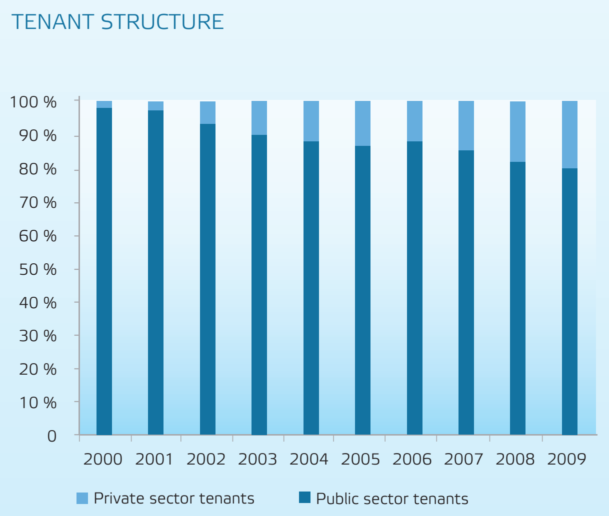

TENANT STRUCTURE
100 %
90 %
80 %
70 %
60 %
50 %
40 %
30 %
20 %
10 %
0
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
Private sector tenants
Public sector tenants

Fig. 7

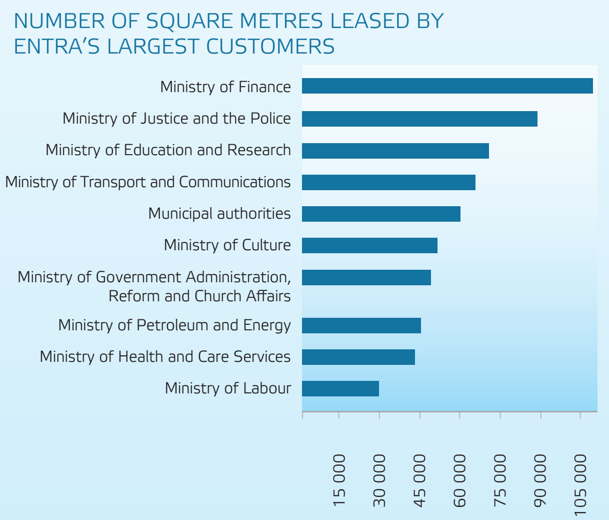

NUMBER OF SQUARE METRES LEASED BY ENTRA'S LARGEST CUSTOMERS
Ministry of Finance
Ministry of Justice and the Police
Ministry of Education and Research
Ministry of Transport and Communications
Municipal authorities
Ministry of Culture
Ministry of Government Administration, Reform and Church Affairs
Ministry of Petroleum and Energy
Ministry of Health and Care Services
Ministry of Labour
15 000
30 000
45 000
60 000
75 000
90 000
105 000

Fig. 8

Utdanningsdirektoratet, Oslo Z, Schweigaards gate 15, Oslo

LIST OF PROPERTIES

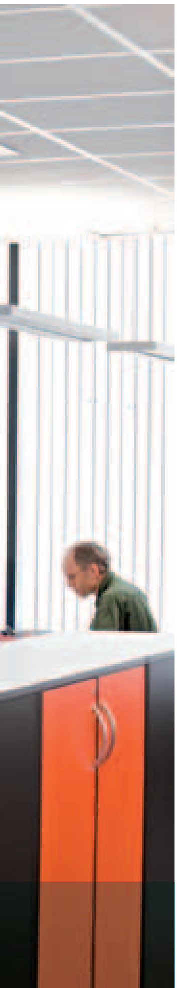
			Floor space (BTA)				
Property	Location	Total	Offices	Education	Potential	Development	Other
Kirkegaten 2 B	Arendal	5 808	5 808	-	-	-	-
Firmaleilighet	Beitostølen	150	-	-	-	-	150
Allehelgensgate 6	Bergen	14 104	14 104	-	-	-	-
Kaigaten 9	Bergen	9 991	9 991	-	-	-	-
Kalfarveien 31	Bergen	8 441	8 441	-	-	-	-
Marken 37	Bergen	3 417	-	3 417	-	-	-
Nonnesetergaten 4	Bergen	17 207	17 207	-	-	-	-
Spelhaugen 12	Bergen	15 981	9 481	-	6 500	-	-
Strømgaten 1	Bergen	2 950	-	2 950	-	-	-
Tollbualmenningen 2 A	Bergen	1 824	1 824	-	-	-	-
Valkendorfsgate 6	Bergen	13 536	-	-	-	13 536	-
Molovegen 10	Bodø	5 531	5 531	-	-	-	-
Tollbugt. 2	Bodø	943	943	-	-	-	-
Grini næringspark 13	Bærum	4 404	4 404	-	-	-	-
Kjørbo gård	Bærum	1 000	-	-	-		1 000
Kjørboveien 10	Bærum	10 000	-	-	10 000		-
Kjørboveien 12–26	Bærum	27 499	27 499	-	-		-
Kjørboveien 15, 30–33	Bærum	12 061	12 061	-	-	-	-
Kjørboveien 3	Bærum	16 240	-	-	-		16 240
Malmskriverveien 2	Bærum	2 950	2 950	-	-	-	-
Malmskriverveien 18–20	Bærum	8 929	8 929	-	-	-	-
Ringstabekkveien 105	Bærum	12 219	-	-	-	-	12 219
Borkenveien 1–3	Bærum	6 668	-	6 668	-	-	-
Øvre torvvei 1	Bærum	10 814	10 814	-	-	-	-
Malmskriverveien 4–6	Bærum	6 485		-	-	6 485	-
Grønland 32	Drammen	7 353	7 353	-	-	-	-
Grønland 56–58	Drammen	21 915	-	21 915	-	-	-
Grønland 60	Drammen	8 572	8 572	-	-	-	-
Hans Kiærsgate 1 C	Drammen	2 225	2 225	-	-	-	-
Konggata 51	Drammen	3 242	-	-	-	-	3 242
Nedre Storgate 18	Drammen	4 446	4 446	-	-	-	-
Brochsgate 3	Fredrikstad	4 130	4 130	-	-	-	-
Gunnar Nilsensgate 25	Fredrikstad	4 370	4 370	-	-	-	-
Tollbodbrygga 2	Fredrikstad	1 765	1 765	-	-	-	-
Gamle Kragerøvei 9	Kragerø	813	813	-	-	-	-
Løkkebakken 20	Kragerø	579	579	-	-	-	-
Fjellanlegg	Kristiansand	1 120	-	-	-	-	1 120
Gimlemoen 19	Kristiansand	14 821	6 821	-	8 000	-	-
Kongsgård Allé 20	Kristiansand	12 174	-	12 174	-	-	-
Lømslandsvei 23	Kristiansand	1 402	1 402	-	-	-	-
Lømslandsvei 24	Kristiansand	172	-	-	-	-	172
Lømslandsvei 6	Kristiansand	1 445	-	-	-	-	1 445
St. Hansgt. 1	Kristiansand	469	232	-	-	-	237
Tordenskioldsgate 65	Kristiansand	24 704	24 704	-	-	-	-
Tordenskioldsgate 67	Kristiansand	656	513	-	-	-	143
Vestre Strandgate 21	Kristiansand	2 014	2 014	-	-	-	-
Storgata 19 A	Larvik	1 680	1 680	-	-	-	-

Property	Location	Total	Floor space (BTA)				
			Offices	Education	Potential	Development	Other
Jeløgata 2	Moss	946	946	-	-	-	-
Welhavensgate 2 A, 2 B, 2 C	Moss	3 010	3 010	-	-	-	-
Prins Chr. Augusts plass 3	Moss	5 041	5 041	-	-	-	-
Vogtsgate 17	Moss	9 542	9 542	-	-	-	-
Jernbanegaten 4	Mysen	603	603	-	-	-	-
Akersgaten 32	Oslo	2 170	2 170	-	-	-	-
Akersgaten 34	Oslo	3 528	3 528	-	-	-	-
Akersgaten 36	Oslo	1 363	1 363	-	-	-	-
Akersgaten 51/Apotekergata 6	Oslo	17 794	17 794	-	-	-	-
Biskop Gunnerusgate 6	Oslo	9 150	9 150	-	-	-	-
Biskop Gunnerusgate 14	Oslo	50 576	50 576	-	-	-	-
Brekkeveien 8/19	Oslo	5 317	-	-	-	-	5 317
Brynsengfaret 4 og 6 A, 6 B, 6 F	Oslo	47 505	35 505	-	12 000	-	-
Brynsengfaret 6 C og D	Oslo	349	-	-	-	-	349
Cort Adelers gate 30	Oslo	15 601	9 582	6 019	-		-
Henrik Ibsensgate 110	Oslo	36 484	36 484	-	-	-	-
Dronningensgate 16	Oslo	13 013	13 013	-	-	-	-
Fredrik Selmers vei 4	Oslo	32 372	32 372	-	-	-	-
Fritznersgate 12	Oslo	820	820	-	-	-	-
Grenseveien 92	Oslo	14 700	14 700	-	-	-	-
Hagegata 22	Oslo	11 315	-	-	-	11 315	-
Hagegata 24	Oslo	1 454	-	-	-	-	1 454
Hammersborggata 12	Oslo	12 414	12 414	-	-	-	-
Kristian Augusts gate 15	Oslo	6 231	6 231	-	-	-	-
Kristian Augusts gate 21	Oslo	3 296	3 296	-	-	-	-
Kristian Augusts gate 23	Oslo	8 736	8 736	-	-	-	-
Langkaia 1 A	Oslo	39 709	39 709	-	-	-	-
Middelthuns gate 29	Oslo	21 170	-	-	-	21 170	-
Pilestredet 19–21	Oslo	7 098	7 098	-	-	-	-
Pilestredet 28	Oslo	3 660	-	-	3 660	-	-
Pilestredet 30 A, B, C, D	Oslo	1 624	-	-	-	1 624	-
Schweigaards gate 15	Oslo	22 831	22 831	-	-	-	-
Schweigaards gate 15 B	Oslo	14 585	-	-	-	14 585	-
St. Olavsgate 4	Oslo	4 110	-	4 110	-	-	-
Strømsveien 96	Oslo	18 163	17 830	-	-	-	333
Tollbugata 1 A	Oslo	8 453	8 453	-	-	-	-
Tordenskioldsgate 12	Oslo	12 920	12 920	-	-	-	-
Tvetenveien 22	Oslo	4 126	4 126	-	-	-	-
Universitetsgaten 2	Oslo	41 540	41 540	-	-	-	-
Wergelandsveien 27/29	Oslo	6 187	6 187	-	-	-	-
Youngskvartalet	Oslo	4 299	-	-	4 299	-	-
Aasta Hansteens vei 10	Oslo	5 913	5 913	-	-	-	-
Sverresgate 20	Porsgrunn	2 519	2 519	-	-	-	-
Strandgata 10	Risør	541	541	-	-	-	-
Sandarveien 1	Sandefjord	932	932	-	-	-	-
Tollbugata 1	Sandefjord	1 099	1 099	-	-	-	-
Jonas Lies gt. 20–28	Skedsmo	12 660	12 660	-	-	-	-

Property	Location	Total	Floor space (BTA)				
			Offices	Education	Potential	Development	Other
Kunnskapsveien 55	Skedsmo	27 135	-	27 135	-	-	-
Nittedalsgata 2 B	Skedsmo	2 970	2 970	-	-	-	-
Storgata 14	Skedsmo	2 392	2 392	-	-	-	-
Torggata 3–5	Skedsmo	683	683	-	-	-	-
Holbergsgate 6	Skien	2 901	2 901	-	-	-	-
Langbrygga 1	Skien	1 206	1 206	-	-	-	-
Telemarksgaten 11/Lundegate 4	Skien	4 293	4 293	-	-	-	-
Lerviksveien 32 and 36	Stavanger	14 283	6 783	-	7 500	-	-
Nytorget 1	Stavanger	3 416	3 416	-	-	-	-
Professor Hanssens vei 10	Stavanger	37 200	24 049	-	-	13 151	-
Skansegaten 2	Stavanger	2 891	2 891	-	-	-	-
Skansegaten 2, Tollpakkhuset	Stavanger	1 488	-	-	-	-	1 488
Grønnegata 122	Tromsø	6 664	6 664	-	-	-	-
Grønnegata 126	Tromsø	178	-	-	-	-	178
Strandgata 41	Tromsø	6 418	6 418	-	-	-	-
Strandveien 13	Tromsø	11 561	11 561	-	-	-	-
Vestregate 65	Tromsø	133	-	-	-	-	133
Brattørkaia 13 B	Trondheim	6 334	6 334	-	-	-	-
Brattørkaia 14	Trondheim	5 800	-	-	-	5 800	-
Brattørkaia 15 A and B	Trondheim	15 000	-	-	15 000	-	-
Brattørkaia 16	Trondheim	15 000	-	-	15 000	-	-
Brattørkaia 17 A	Trondheim	10 900	-	-	10 900	-	-
Brattørkaia 17 B	Trondheim	22 052	19 652	-	2 400	-	-
Dronningensgt. 2	Trondheim	5 158	5 158	-	-	-	-
Erling Skakkesgate 25	Trondheim	3 869	3 869	-	-	-	-
Kongensgate 87	Trondheim	10 148	10 095	-	-	-	53
Prinsensgate 1	Trondheim	26 000	26 000	-	-	-	-
Tungasletta 2	Trondheim	14 558	14 558	-	-	-	-
Storgaten 51	Tønsberg	4 355	4 355	-	-	-	-
		1 152 127	**839 078**	**84 387**	**95 259**	**87 666**	**45 738**

Utdanningsdirektoratet, Oslo Z, Schweigaards gate 15, Oslo

MAKING PREMISES MORE EFFICIENT IS ONE OF THE BEST WAYS OF PROTECTING THE ENVIRONMENT. NO OTHER MEASURE CAN COMPETE WITH INCREASING URBAN DENSITY.



CORPORATE
GOVERNANCE

Entra Eiendom AS is owned by the Norwegian state, which exercises and manages its ownership of the company through the Ministry of Trade and Industry. As a result of Entra Eiendom having listed bonds, the reporting rules that apply to the company are the same as those that apply to listed companies.

The company adheres to the Norwegian Code of Practice of 21 October 2009 published by the Norwegian Corporate Governance Board (NUES). For further information about the Code of Practice, see www.nues.no. Each year, the management and Board of Entra Eiendom AS review the corporate governance principles and how they are working within the Group.

1. Implementation and reporting on corporate governance

Entra's strategy and overall objectives set out our ambitions, strategic choices and long-term goals. The company's values and ethical guidelines underpin Entra's strategic decisions. The quality system includes guidelines, procedures and authorisation structures to support the company's strategy.

State-owned companies face strict requirements regarding the fulfilment of their corporate social responsibilities. Entra Eiendom's business concept includes the ambition of being the environmental leader in our industry, and this sets the standard for the company's approach to environmental issues. Entra wants to help shape the future, and its corporate social responsibility shall be an integrated part of its activities. The company has rules on ethics, the environment, HSE, sustainable purchasing and human rights that apply both within the company and to external partners.

1 Entra Eiendom's quality system integrates our strategy, objectives and overall principles with routines, tools and documentation requirements for our administrative functions and the business areas in the value chain. The company's quality system shall ensure the high quality of all the company's processes.

Non-conformances with the Code of Practice: there are some minor non-conformances with the Code of Practice. See the descriptions under the individual items.

2. Business

According to the company's articles of association Entra Eiendom shall own, buy, sell, operate and manage real property, and carry out other activities that are connected with this. The company can also invest in shares and interests in companies performing the activities described above. The company shall be run on commercial principles.

The Group's strategy, values and overall objectives are described in the chapters "About Entra Eiendom" on page 5 and "CEO's statement" on page 6.

Non-conformances with the Code of Practice: none.

3. Equity and dividends

Capital and equity

As Entra has listed bonds, the company follows IFRS. The Group's book equity totalled NOK 6,608.7 million at 31 December 2009. The equity ratio was 31 percent. The Group's financial strength is considered satisfactory. The Group's financial strength is constantly reviewed in terms of its aims, strategy and the desired risk profile.

Dividends

Entra Eiendom's goal is to manage the Group's resources in such a way that its shareholder achieves a market return on invested capital.

The shareholder's expected dividend from Entra is presented each year in the national budget. In 2010, the proposed dividend for 2009 from Entra is NOK 114.5 million. The AGM decides the dividend based on the Board's proposal. Under the Limited Liability Companies Act, the AGM of state-owned companies is not bound by the Board's proposed dividend.

In St.prp. no. 1 (2007–2008) the consequences of the transition to IFRS were discussed. The conclusion was that the dividend would be calculated on the basis of "the consolidated profit after taxation and minority interests, adjusted for unrealised gains and losses".

Capital increases and share buybacks

The Board is not authorised to raise new capital or to buy back company shares.

Non-conformances with the Code of Practice: none.

4. Equal treatment of shareholders and transactions with related parties

Shareholders and share transactions

All of the company's shares are owned by the Norwegian state through the Ministry of Trade and Industry, and there is only one class of shares.

The company is currently drawing up a policy for transactions with related parties. Amongst other things it will help to ensure the proper handling of contracts where key employees have a direct or indirect interest. The Board shall be informed if the transaction relates to the CEO or is of a certain value.

Transactions with related parties

In 2009 Entra Eiendom had related party transactions with the joint venture UP Entra. Statens hus in Hamar was transferred from Entra Eiendom to UP Entra in the first quarter of 2009, and in the fourth quarter the latter company also bought the shares in Kongsvinger Kompetanse- og Næringssenter AS from Entra Eiendom. These intragroup transactions were reviewed by Entra Eiendom's Board.

The company has a number of public sector tenants. Lease contracts with them have been signed on commercial terms.

Non-conformances with the Code of Practice: none.

5. Freely negotiable shares

The company's shares are not freely negotiable. The Ministry of Trade and Industry cannot sell shares in the company without special authorisation from the Storting.

Non-conformances with the Code of Practice: according to the Code of Practice, the company's shares should in principle by freely negotiable. As Entra Eiendom AS is fully owned by the Norwegian state, the requirement is not relevant.

6. General Meetings

Section 20-5 of the Limited Liability Companies Act regulates the general meetings of state-owned companies. At wholly state-owned companies, the ministry that owns the company is responsible for sending out notice of AGMs and EGMs.

Notice, agenda and relevant documents

The Ministry that owns the company determines when the

Annual General Meeting shall be held. Entra's management prepares the agenda and other documents, and sends out notice of the meeting. The notice states the items on the agenda. Notice is sent to the shareholder, Chairman of the Board, the company's auditor and the Office of the Auditor General of Norway. Entra Eiendom AS does not have an election committee, and the Code of Practice's rules on election committees have therefore not been followed.

In 2009 the registration deadline for the AGM was set as close to the AGM as possible from a practical point of view.

Chair of the meeting

The chair is selected by the General Meeting. The Chairman of the Board chaired the 2009 AGM.

Attendance

The Ministry of Trade and Industry represents the shareholder at General Meetings. There is no reason for the company to make it possible for shareholders to participate in absentia, as there is only one shareholder. Of the Board of Directors, at least the Chairman shall attend. At the 2009 AGM, the Deputy Chairman and one of the employee representatives also attended. The code of practice suggests that the whole of the Board should attend, and the Board's representation at the AGM therefore fails to conform to the code. The company auditor always attends. The Office of the Auditor General of Norway is entitled to attend. Of the executive management, at least the CEO, CFO and Director of Strategy and Business Development shall attend.

Non-conformances with the Code of Practice: with respect to the items that are relevant to the company, there is only a minor non-conformance. It relates to the failure of the whole Board to attend the company's AGM.

7. Election committee

Entra Eiendom does not have an election committee.

Non-conformances with the Code of Practice: Section 7 of the code of practice is not relevant to the company.

8. Corporate assembly and Board of Directors: composition and independence

Entra Eiendom does not have a corporate assembly.

Composition and independence of the Board of Directors

At the AGM, the shareholder elects the Board's shareholder representatives for a period of two years. The Chairman of the Board is also elected by the AGM. The Board consists of seven members, two of whom are employee representatives. § 5 of the company's articles of association states that the Board shall have between five and seven members. All shareholder representatives are independent of the company's executive management, important business contacts and our shareholder. Two of the shareholder representatives are women. One of the two employee representatives on the Board is a woman. The Board's combined expertise, capacity and diversity makes a positive contribution to the ability of the company to add value, and we believe that it helps safeguard the interests of the shareholder. This is confirmed by the Board's annual self-evaluation. The Group's executive management is not represented on the Board, and the Board is also independent of the executive management in other areas.

Non-conformances with the Code of Practice: there is no reason for Entra Eiendom AS to have a corporate assembly. It is also impossible for Board members to own shares in the company. There are no other non-conformances with the code of practice.

9. The work of the Board of Directors:

The tasks of the Board:

The Board has adopted a set of guidelines to govern its work and procedures. The guidelines also regulate the CEO's tasks and relationship with the Board. There is an emphasis on Board meetings being carefully prepared, and on the whole Board being able to participate in decision-making processes. A thematic plan for the Board's work for the year has been established. Based on the annual plan, the Chairman of the Board – in collaboration with the company's CEO – adopts the final agenda for each Board meeting. The CEO, CFO and Director of Strategy and Business Development always attend Board meetings. The company's auditor attends when the annual report and financial statements are being adopted, or on other occasions where the expertise of the auditor is relevant.

Each year, the Board evaluates its work and the way in which it carries out its duties as a basis for implementing changes and improvements. In addition there is an evaluation of the Board's expertise, as a whole and for each individual Board member, and an assessment of the Board's teamwork. The CEO gives an evaluation of the Board's work on behalf of the management group. The results of the evaluation are presented to the shareholder.

The Board has a Deputy Chairman, who chairs meetings if the Chairman cannot, or should not, lead the work of the Board.

The Board has overall responsibility for the management of Entra Eiendom AS, and through the CEO it shall ensure that the business is run properly. Amongst other things, the Board shall adopt plans and budgets for the company's activities, and stay informed about the company's financial position and progress. There is an annual review of the Group's strategy and overall objectives. The Board shall ensure that the company has adequate capital in view of the size of the business and the risks that it faces, and that operations are subject to satisfactory audits. At all Board meetings the CEO shall report the company's current situation, including a risk matrix and risk assessments.

Sub-committees

The Board has created an audit committee and compensation committee, which have two and three shareholder representatives respectively. The audit committee has relevant accounting and auditing experience. Representatives are elected for periods of two years at a time. The committees assist the Board with preparing its work, but decisions are taken by the whole Board. The Board has established mandates for the work of the committees.

The CEO, CFO, committee secretary and company auditor shall always attend audit committee meetings. The audit committee has four scheduled meetings each year. Each year, the committee evaluates its own performance.

The audit committee helps the Board to assess questions relating to financial reporting, internal controls and risk management. The Board's audit committee shall ensure that the Group has an independent and effective external auditor, satisfactory internal controls and good compliance procedures, as well as ensure adherence to the Group's ethical guidelines.

The compensation committee assists the Board with all matters relating to employment conditions, salaries and any severance payments to the CEO and management group.

The Director of Human Resources always attends compensation committee meetings. The committee normally meets two to four times a year. The compensation committee held two meetings in 2009.

Non-conformances with the Code of Practice: none.

10. Risk management and internal controls

As stated in Entra's overall strategy for risk management, the Group shall take a proactive stance towards risk.

For all decisions and actions, potential risks shall be identified, assessed, quantified and dealt with.

Each quarter, risk matrices are produced for each business area and field of business support, and when aggregated they give a picture of the overall risk profile of the company. The company's risk profile is presented to the Board. The management's risk assessments and information about mitigation measures provide the Board with good tools for checking that the company is managing its risks properly. The executive management has established routines and procedures for managing the risk exposure entailed by Entra's activities. Risk management and internal controls are discussed by the Board's audit committee.

The quality department performs internal audits in accordance with the plan presented to the audit committee. The results of internal audits are presented to the audit committee, which reports the main conclusions to the Board.

The audit committee and Board review the auditor's management letter, as well as the findings and assessments of audits in conjunction with interim and annual reports.

Special authorisations govern the management's day-to-day implementation and follow-up of Board resolutions.

The Group's financial risk is continuously monitored, to ensure that it is in line with the adopted finance strategy. Financial instruments are used to manage risk exposure. Other commercial and financial exposure to risk through contracts are handled by the relevant business area, if necessary in cooperation with the administrative staff.

The ethical guidelines include a description of how employees can report breaches of the company's ethical guidelines or current legislation. Employees are encouraged to report unsatisfactory situations. An internal ombudsman can be contacted in the event of issues that employees do not wish to report through their line management. The company has also established an external reporting channel to a firm of lawyers, who can receive notifications on behalf of the company.

Non-conformances with the Code of Practice: none.

11. Remuneration of the Board of Directors

Each year, the AGM determines the remuneration of the Board. For information about the remuneration of the Board in 2009, see Note 23 to the consolidated financial statements. The Board's remuneration is not performance-related, and Board members have not been issued with share options.

Board members shall have no involvement in the company's other activities. Any business dealings between the company and related parties of Board members shall be notified by the Board member in question and shall require special approval.

Non-conformances with the Code of Practice: none.

12. Remuneration of key employees

Determining salaries and remuneration

Regarding the determination of the CEO's salary and other benefits, see the description under Section 9 on the compensation committee. The aim is for the company's total remuneration of the Chief Executive Office and of other members of the management group to be competitive, but not market-leading. This is in line with "The Norwegian government's approach towards management pay – new guidelines" of 25 January 2007 and Section 7.4 "Management pay and incentive schemes" in St.meld. (White paper) no. 13 (2006–2007).

Performance-related pay

The CEO has a personal bonus scheme with a maximum limit of 50 percent of his annual salary. The other members of the senior management group are part of the same performance-related pay scheme as other employees at the Group. After consultation with the compensation committee, the CEO has been authorised to give employees bonuses over and above the company-wide scheme described below. However, the total bonus can never exceed 25 percent of the annual salary of the employee.

The company-wide performance-related pay scheme is based on an external benchmark obtained from the Investment Property Databank, IPD. Customer satisfaction levels and individual goals also help to determine performance-related pay. Total performance-related pay from the scheme cannot exceed 12.3 percent of the employee's annual salary in any given year. The principles governing the performance-related pay scheme are described in greater detail in a separate document. There are no share option schemes for key employees.

Remuneration in 2009

Please see Note 23 to the consolidated financial statements for further details about the remuneration of key employees.

Non-conformances with the Code of Practice: none.

13. Information and communications

Financial reporting and communications

The company's reporting requirements are the same as those that apply to listed companies. Reporting must fulfil statutory requirements and provide sufficient additional information to allow the company's stakeholders to form as accurate as possible a picture of the business. A financial calendar is published on the company's website, and is included in the company's annual report.

Dialogue with shareholders

Separate meetings are held with representatives of the shareholder and company at which the annual and interim accounts are presented. The CEO, CFO and Director of Strategy and Business Development shall always represent the company. Shareholder representatives, the Chairman and the CEO also meet as required.

Non-conformances with the Code of Practice: none.

14. Take-overs

The company is wholly owned by the Norwegian Government through the Ministry of Trade and Industry. The owner cannot sell shares in the company without special authorisation from the Storting.

Non-conformances with the Code of Practice: Section 14 of the Code of Practice is not considered relevant to the company.

15. Auditor

Plan for the auditor's work

Each year the auditor presents a plan for his work to the audit committee, which in turn informs the Board of the main elements of the plan.

Auditor's relationship to the Board

The auditor always attends meetings of the audit committee, as well as Board meetings to review and adopt the annual report and financial statements. The auditor attends Board meetings where other matters for which the auditor's expertise is relevant are being discussed. The audit committee and auditor meet twice a year and the whole Board and the auditor meet once a year without the attendance of anyone from the executive management.

The auditor's review of the company's internal controls

When presenting the results of the interim audit, the auditor focuses on the company's internal controls, identified weaknesses and proposed improvements. The auditor summarises the interim audit's findings and assessments in a letter to the company's management, copied to the chair of the audit committee.

The auditor's independence

The Board has drawn up guidelines on the use of the external auditor, governing what work the auditor can do for the company in view of the requirement for independence. Any significant work other than statutory audits shall be approved by the audit committee in advance. The management informs the audit committee of additional services supplied by the external auditor as a fixed item on the agenda. Furthermore, the auditor's independence is assessed each year, as a separate item on the audit committee's agenda. The auditor shall each year report to the audit committee on the work he has performed.

General Meetings

The auditor attends the AGM in conjunction with the discussion of the annual financial statements. The auditor's fee for statutory auditing and other services is approved by the AGM.

Non-conformances with the Code of Practice: none.

REPORT ON

CORPORATE SOCIAL RESPONSIBILITY

INNHOLD

>95 %

WATER CONSUMPTION IS METERED AT MORE THAN 95 % OF THE BUILDINGS LEASED BY ENTRA.

Bisnode in Havnelageret, Langkaia 1, Oslo

CORPORATE
SOCIAL RESPONSIBILITY

Entra Eiendom is shaped by its values, and it incorporates its social responsibility as an integrated and natural part of its activities.

Entra's values of being **focused**, **honest**, **responsible** and **ambitious** assist and guide us in everything we do. These values determine how the company acts in its relationships with customers, employees, suppliers, the environment and the wider community.

In 2009 the whole of Entra's organisation worked to make the company's values permeate all of our activities. The focus was on how the values are used within the company, how they are used and experienced outside the company and how Entra wants the values to define the company going forward.

THE VALUES HAVE SPECIFIC CONTENT, AND SHALL BE A NATURAL PART OF THE DAY-TO-DAY WORK OF ALL EMPLOYEES.

Focused:
- Entra listens to customers and suppliers, makes them better and learns from them.
- Entra concentrates on long-term value creation and profitability.
- All employees know and care about how our business is structured and works as a whole.
- Entra constantly develops its expertise in its core areas.
- Entra has systems that allow employees to learn from one another.
- Entra always implements the plans that have been made, and is flexible and goal-oriented.

Honest:
- Entra's employees are honest and straightforward in their words and actions.
- Entra's employees do what they say and keep their promises.
- Entra's employees are brave enough to see the world as it is.
- Entra's employees are honest about both their own and the company's strengths and weaknesses.

Responsible:
- Entra's employees take responsibility for their own work and for that of their team.
- Entra's employees are team players who win or lose together.
- Entra's employees have high ethical standards and take their social responsibilities seriously.
- Entra's employees take responsibility for the environment and work to reduce the company's pollution of the air, water and soil.
- Entra's managers simplify complex problems, trust employees and are not afraid to unleash the creativity and dynamism that all staff members possess.

Ambitious:
- Entra sets itself high goals.
- Entra takes on challenges, and has a responsible attitude to risk.
- Entra shall see the need for change before others do and respond accordingly.
- Entra strives for forward-looking solutions.
- The energy that you gain from appreciating each other's differences is greater than the power that derives from seeking similarity. That is why Entra promotes diversity.
- Entra likes to lead, but does not admire arrogance.

2009 was also the year when Entra adopted a binding environmental strategy for the company. The environmental strategy was placed right at the heart of the company's ambition:

"Entra shall add value by developing, leasing and operating attractive and exceptionally environmentally friendly premises."

The Norwegian government's exacting demands and expectations in relation to Entra's corporate social responsibility motivate and inspire the whole company.

Implementing Entra's strategies, objectives and values will:
- give a competitive return on equity,
- enhance the company's reputation, making it more attractive to potential employees,
- strengthen customer loyalty and
- make it easy to choose the right partners.

Papirbredden
Drammen kunnskapspark,
Drammen

ACCORDING TO ENOVA'S BUILDING STATISTICS, ENTRA'S ENERGY CONSUMPTION IS BELOW AVERAGE.

BUSINESS ETHICS AND ANTI-CORRUPTION STRATEGIES

Entra has procedures, standard agreements and preventive measures to help ensure that the company does not get involved in business activities that contravene laws, regulations, signed agreements and international conventions. The company has its own standards for business ethics. Entra demands equivalent standards of its partners.

Entra has ethical guidelines to set out how the company is to treat its stakeholders and what conduct is expected of employees. The ethical guidelines are available on the company website.

In 2009, Entra revised the company's ethical guidelines. The changes were intended to make the guidelines clearer and more tailored to the company's activities. After they were reviewed by the audit committee, the Board adopted the revised guidelines in May.

Entra's employees are encouraged to report breaches of the company's ethical guidelines or current legislation so that corrective measures can be implemented as soon as possible. The reporting procedures are available to all employees on the company's intranet. It is made very clear that the person who submits the report will not suffer as a result of doing so. Reports are treated confidentially where appropriate.

If the person reporting an issue does not want to go to his/her immediate superior, there are links that can be used to contact the company ombudsman or the company's external partner's anonymous notification service.

In 2009 no corruption attempts were discovered at Entra.

Suppliers and procurement

In 2009 Entra purchased NOK 1.64 billion of goods and services. The company received around 27,000 invoices from over 1,900 suppliers.

Entra Eiendom's purchasing activities are subject to strict ethical standards. All of Entra's suppliers must accept the company's rules on socially responsible purchasing. They entitle Entra to inspect the supplier's HSE and quality systems. In 2009, Entra contacted approx. 1,000 of its suppliers to ask them to accept the company's guidelines on socially responsible purchasing. In parallel with this, credit checks were done on suppliers. A database has been created of approved suppliers who meet Entra's corporate social responsibility requirements and whose finances are acceptable. The database of approved suppliers is available to employees on the intranet.

All contracts worth more than NOK 20,000 are put out to competitive tender, and procedures have been drawn up for all phases of the purchasing process. The following documents are available in the company's quality system:

- Procedures
- Document templates
- Standard terms of contract for purchases of both goods and services
- Standard terms of contract in relation to social responsibility
- Authorisation matrices

The Operations and Maintenance department has carried out a major reorganisation of its purchasing routines, establishing framework agreements and a purchasing system to simplify processes and administration. This improves the quality of deliveries. The new purchasing module implemented in 2009 ensures that all enquiries and orders can be traced and verified.

THE ENVIRONMENT

40 percent of non-transport energy consumption in Norway goes to heating and operating buildings. The construction industry also has a major impact on waste levels, recycling and water consumption. Environmental policy within the Norwegian property industry is still in its infancy. No single player in the industry can currently claim to be the environmental leader. That is what Entra wants to become.

Entra's detailed environmental strategy, which was adopted for the whole company in 2009, ensures that the company takes its responsibilities and safeguards the long-term future of the business.

The environmental strategy sets specific goals for Entra's activities over the coming three years:

- Reduce average energy consumption to below 200 kWh/sq.m.
- Reduce carbon emissions by over ten percent
- New builds shall at least meet the Class B standard under the new environmental classification system being introduced in 2010.
- Improve the recycling rate by over 40 percent
- Environmental policies shall benefit customers and enhance their reputations
- More than 75 percent of Entra's customers shall recognise the value of environmental measures.

Entra's environmental strategy starts at home. Our whole organisation must be developed and educated. We must constantly improve our expertise on environmental matters. Employees must work with customers to become environmental leaders.

ENTRA'S INTERNAL ENVIRONMENTAL REPORTS AND GOALS STATE THAT:

- *Entra's environmental strategy must start by developing and educating our own organisation.*
- *Entra's buildings shall be so environmentally friendly that they give our tenants a competitive advantage.*
- *More than 98 percent of the buildings leased by Entra are linked to a web-based energy monitoring system.*
- *Profitable measures have reduced the annual energy consumption of Entra's buildings by approx. 19 GWh as of 2009. That is equivalent to almost two year's energy consumption at Posthuset in Oslo.*
- *Water consumption is metered at more than 95 percent of the buildings leased by Entra.*
- *According to ENOVA's building statistics, Entra's energy consumption is below average.*
- *Average energy consumption shall be reduced to under 200 kWh per square metre by 2012.*
- *At Entra's properties, CO2 emissions were reduced to 63 kilos per square metre in 2009, from 64 kilos per square metre in 2008.*
- *Carbon emissions from Entra's buildings shall be reduced by over ten percent by 2012.*
- *The recycling rate shall be improved by over 40 percent by 2012.*
- *Making premises more efficient is one of the best ways of protecting our environment. No other measure can compete with increasing urban density. At Havnelageret in Oslo, the number of employees per floor doubled after our refurbishment project.*
- *Entra's buildings increasingly make use of district heating and renewable energy sources.*
- *Oil as an energy source and electric heating is being phased out in Entra's buildings.*
- *The recycling rate is recorded at around 90 percent of Entra's buildings.*

ENOVA projects

The four ENOVA projects that were initiated in 2006 and 2007 for the four Entra regions - Eastern Norway, Western Norway, Central and Northern Norway and Southern Norway - continued in 2009. According to ENOVA's building statistics, Entra's energy consumption is below average. In total, 773,000 square metres of the company's properties are included in ENOVA-backed energy saving projects. This also includes separate new build projects.

The aim of the ENOVA projects was to reduce annual energy consumption at our buildings by approx. 19 GWh. As of 2009, energy savings have been estimated at 18.6 GWh/year. For existing buildings, the saving is calculated in relation to representative past energy consumption. For new builds, the saving is calculated in relation to ENOVA statistics for equivalent new builds. The saving for the new builds is 5.3 GWh/year.

Energy and environmental analyses, which have been carried out at three quarters of the buildings, have revealed potential savings of approx. 21 GWh.

Use and conservation

Cultural heritage preservation is a key element of Entra's corporate social responsibility and environmental strategy. Preservation through appropriate use gives both buildings and urban environments a new lease of life.

Features of historic and cultural value must be treated with care, and the best way to achieve that is through continuous use.

Entra owns a number of historic buildings. The old customs houses are of particular note. Buildings that represent the emergence of the post-war welfare state and large office blocks from the 1970s also fall within this category, along with typical blocks of flats from the second half of the 19th century. As and when the customs houses are vacated, Entra is working with the cultural heritage authorities to find ways of combining restoration with modernisation.

The Directorate of Customs and Excise is an agency that takes its duty to look after its buildings very seriously, and when modernisation is required it always tries to ensure that their existing structures are preserved. Reusing existing buildings is also good for the environment, both in the traditional sense, and with respect to cultural values.

One good example is the customs house in Trondheim that was completed in 1910. The Cultural Heritage Management Office in Trondheim has described the customs house at Brattørkaia as "an exceptionally outstanding building" and "a masterpiece of Norwegian post-independence institutional construction". The Customs Region Central Norway, which includes the counties of Sør-Trøndelag, Nord-Trøndelag and Nordland, the Trondheim regional customs office, and the Directorate of Customs and Excise's information centre, has its offices at the customs house.

Preservation and listing

It is important for us to cooperate closely with the relevant authorities in our management and development of historic buildings. It is a challenge to come up with solutions that satisfy statutory quality requirements and modern needs whilst nevertheless preserving features of cultural historic value.

The ability of the Directorate for Cultural Heritage to protect buildings in public ownership is one of external forces that Entra has to work with, but to optimise the planning, predictability and quality-led management of its properties, the company has worked with the Directorate to come up with a comprehensive conservation plan, which deals with cultural heritage issues throughout its property portfolio.

Entra has worked actively with the Directorate for Cultural Heritage to comprehensively document all of Entra's properties that are to be listed or are of cultural historic value.

This process has allowed us to reach agreement on which of Entra's properties are to be proposed for listing and which other properties are of cultural historic value. The management plans for these properties will become an integrated part of the company's management, operation and maintenance system.

Entra has worked actively with the Directorate for Cultural Heritage to comprehensively document all of Entra's properties that are to be listed or are of cultural historic value. It has been agreed which ones will be listed, and there are management plans in place for all of the cultural heritage features in Entra's portfolio.

ENTRA IS CARRYING OUT EXTENSIVE ENVIRONMENTAL UPGRADES TO EXISTING BUILDINGS BECAUSE:

IN TEN YEARS OVER 90 % OF TODAY'S BUILDINGS WILL STILL BE IN USE.

IN 40 YEARS OVER 80 % OF TODAY'S BUILDINGS WILL STILL BE IN USE.

Havnelageret, Langkaia 1, Oslo

In addition to the conservation plan, documentation and associated management plans, procedures are being drawn up for managing cultural heritage issues when purchasing and selling properties. This involves upgrading and quality assuring existing procedures in Entra's quality system, to ensure that they are adequate for internal purposes and comply with government stipulations.

Urban development

Entra plays an important and proactive role in urban development. By viewing properties and development projects in their urban context, both society and the company profit. Due to Entra's size and expertise, the company is in a position to make important contributions not just to individual properties but also to the wider urban environment.

Havnelageret in Oslo is one example of a property that Entra has developed by taking into account its urban context. Entra's vision for Havnelageret is that it will play a role in the development of a completely new district. The motto for the refurbishment project is "creating the future out of the past". The whole area will be opened up and returned to the people of Oslo. The building will provide an interface between Kvadraturen, the sea and the new Bjørvika district. In cooperation with the Directorate for Cultural Heritage, we have found a way of creating an opening through the long building. This allows the building to provide an attractive route to the sea from Kvadraturen.

The building's unloading balcony was originally one of the nerve centres of the city. Entra wants it to turn it back into a hive of activity by returning it to the city. The refurbishment project views Havnelageret in its urban context. In order to live up to the project's motto, Entra is trying to find an appropriate use and appropriate users for the building. Entra wants to breath fresh life into the city whilst also making people aware of its history.

Sandvika station

Of the 11 original station buildings along the Drammensbanen railway, only Sandvika station remains. Entra is refurbishing Sandvika station, which was built in 1873 at Malmskriverveien 20, which is in a special conservation area. More work is probably being put into the 234 square metres spread over two floors than is strictly justified by the cultural heritage value of the building, and Entra is exceeding the authorities' requirements.

After consultation with the County Governor's cultural heritage office in Bærum, agreement was reached on how to refurbish Sandvika station in terms of the choice of materials and implementation of the project.

In so far as possible, Sandvika station is being refurbished and restored to its original condition. Amongst other things, thorough research was put into discovering and recreating the original colours.

The plan is for the building to have retail outlets on the ground floor and offices on the other floors.

Middelthuns gate 29

Entra is making good progress on turning Middelthuns gate 29 into a modern and more environmentally friendly office block. The refurbishment project is retaining important features of the building that help to identify it and its role in the development of Norway. It is a major challenge to preserve features of cultural historic value whilst meeting the requirements for a modern and large office block. Our very successful collaboration with the Directorate for Cultural Heritage has involved both parties breaking new ground.

The "NVE building" is a legacy of the post-war boom in power generation. Rapid growth led to the Norwegian Water Resources and Energy Directorate (NVE) having offices all over Oslo. In 1964 it was able to move to a single headquarters. Completed in 1964, the well over 20,000 square metre building at Middelthunsgate 29 was specially designed to meet NVE's needs.

Pilestredet 30 A, B and C

Entra preserves our cultural heritage, both past and present, as can be seen at Pilestredet 30 A-C. Pilestredet 30, which Entra is refurbishing in close consultation with the Cultural Heritage Management Office in Oslo, is part of a historic row of buildings that were erected in the late 1860s.

Pilestredet 30 C, which is used by the "Blitz" youth organisation, was formally handed over to the City of Oslo in 2009. The flats in 30 A and most of 30 B, which are run by the Church City Mission as social housing, have now been occupied.

The ground floor of 30 B, where Edvard Munch lived as a child, is currently being turned into a museum flat. The Munch family lived in flats in A and B from 1868 to 1875, until Edvard Munch was 12 years old. Entra is refurbishing and recreating a flat that will be run by the Munch Museum. The plan is that it will be open to the general public.

HSE (HEALTH, SAFETY AND THE ENVIRONMENT)

Entra's overall objective is to be the industry-leader in the field of HSE. To help it achieve that goal, the company has a systematic, preventive HSE policy, comprising goals, procedures and rules.

Sub-goals for HSE during the period 2007–2009:

Sickness absence of no more than five percent

- Average retirement age of at least 65
- LTIF for construction projects < 5 (the LTIF is the number of lost time injuries per million hours worked)

From 2010 scorecards are being introduced for each department and individual employees. We will also consider setting annual HSE goals. Policies on HSE, inclusive working life and the duty of activity shall take into account the Gender Equality Act, the Anti-discrimination Act, and the Anti-discrimination and Accessibility Act, as well as the Working Environment Act.

Entra has an inclusive working life agreement with The Norwegian Labour and Welfare Service (NAV), which focuses on preventing sickness absence.

In spring 2009 all managers and employees were briefed on Entra's procedures for sickness absence management and on what it means to be an inclusive working life enterprise. There was an emphasis on the role of the employer and employees in preventing sickness absence, adapting the workplace and the importance of attendance.

Entra offers all employees a company health service, which focuses on preventive health care. The company health service provides annual health checks for all employees.

Safety inspections and safety analyses were performed at all of Entra's properties in 2009.

LTIF

Entra has the following targets for its HSE work:

Vision: LTIF = 0
Target: LTIF < 5

The LTIF for 2009 was 7.1, which implied no change from 2008. In 2009 Entra had four accidents that resulted in lost time and 16 that did not.

There were no occupational accidents that resulted in serious injuries in 2009.

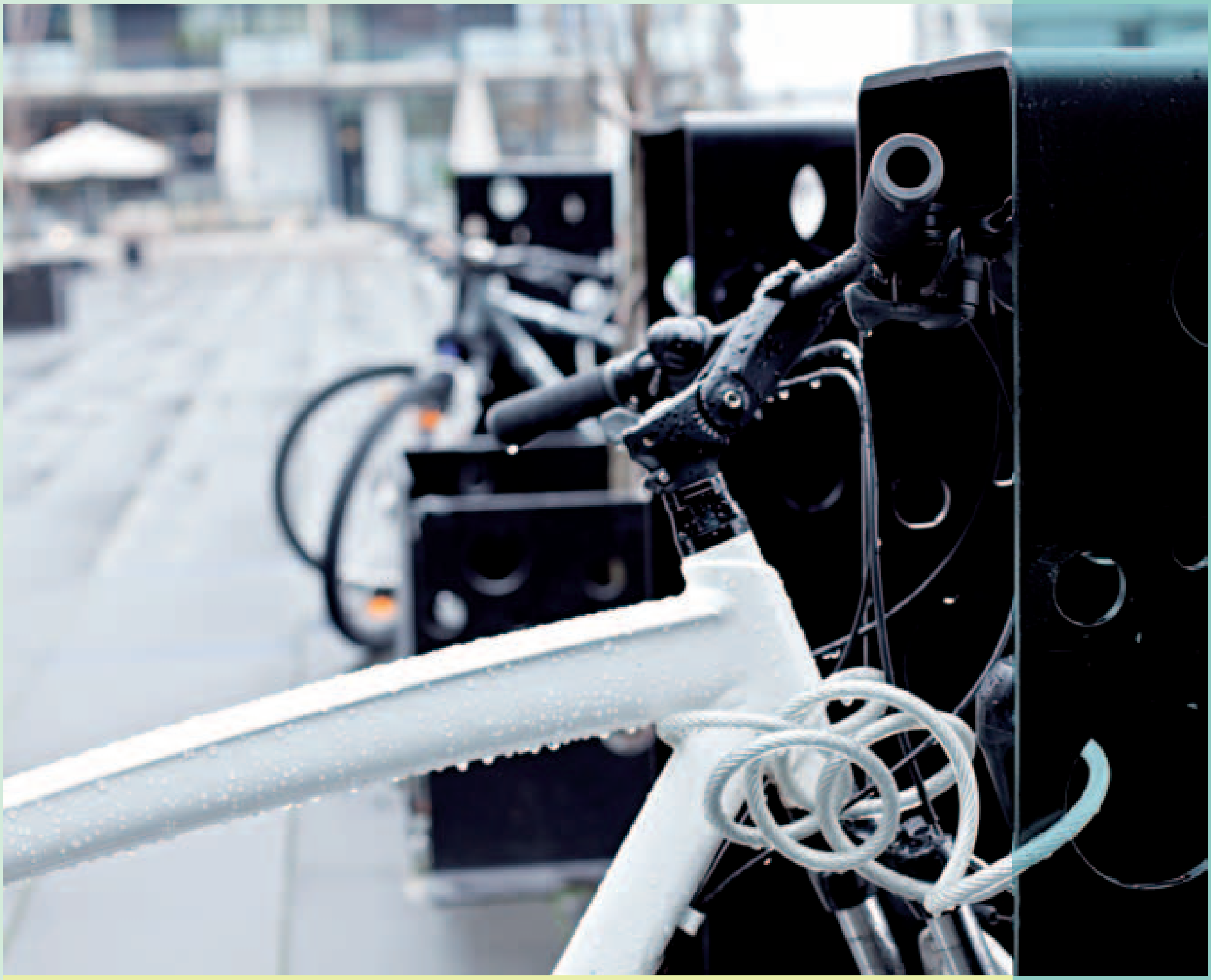
HSE during construction projects

Annual safety inspections and safety analyses are performed at all of Entra's properties. The HSE manager and senior safety representative perform safety inspections and safety analyses in collaboration with operations managers/ coordinators and local safety representatives.

The safety inspections and safety analyses are described in a single final report, which forms the basis for an improvement plan, which allocates responsibility for follow-up. The physical and psychosocial working environment is reviewed, on the back of which corrective measures are introduced.

Key figures	Unit	2009	2008	2007	Mål
Employees	Number	**167**	160	151	-
Man-years	Number	**166.2**	158.5	144	-
Staff turnover	%	**5.4**	10.3	10.3	4–12
Staff turnover, excluding retirement	%	**5**	9	8	2–8
Sickness absence	%	**3.8**	4,1	4.8	<4
Long-term absence (more than 16 days)	%	**1.9**	2.5	3.4	-
Staff who are very satisfied with working at Entra	%	**75***	-	-	-

* Not comparable with previous years, as Entra changed its supplier and system for staff satisfaction surveys in 2009.



ENTRA PROVIDES CYCLE PARKING AT ALL OF ITS PROPERTIES WHERE IT IS POSSIBLE TO DO SO.

Papirbredden
Drammen kunnskapspark,
Drammen

Key figures for the Group in 2009

In 2009, Entra participated in the staff satisfaction survey "Great Place to Work" for the first time. It allows the company to compare its results with those of other Norwegian and European countries. Previously the staff satisfaction survey was done by the company itself. As this was the first time that the company participated in this survey, there is no way of comparing the results with past surveys carried out at Entra.

The final question of the questionnaire is: "Taking everything into account, I would say this is a great place to work". The responses provide an index of staff satisfaction at the company. The company's score for this question was 75 percent, which makes Entra roughly average amongst the participating companies. Measures to improve the company's score have been implemented.

EQUAL OPPORTUNITY AND DIVERSITY

In 2009, 24.8 percent (26.4 percent in 2008) of Entra Eiendom's employees were women. Roughly 60 percent of the positions at the company are related to operating the company's properties, an area where there are usually very few female applicants. We are working to increase the number of women even in this part of our business. 45 percent of the company's administrative staff are women. Entra Eiendom aims to increase the proportion of jobs at the company held by women. This goal has been incorporated into recruitment procedures.

Two of the Board's five shareholder representatives, i.e. 40 percent, are women. One of the two employee representatives on the Board is a woman.

At Entra Eiendom, working time arrangements, pay and working conditions are the same for both genders. Employee benefits, such as flexitime and full pay during sickness and pregnancy, are important planks of our equal opportunity policy.

The average age at Entra in 2009 was 46.4, 43.2 for women and 47.4 for men. The average retirement age in 2009 was 70. Since 2004 the average retirement age has varied between 60.5 and 70.

One of the aims of the inclusive working life agreement is to increase the average retirement age. The company has drawn up a separate policy on older workers, which includes specific measures for their benefit. Only one of the nine employees who were entitled to retire in 2009 actually did.

In all job advertisements, Entra encourages all suitable applicants to apply, regardless of age. In its annual employee appraisals, almost a quarter of the time is set aside to discuss the issues that affect older workers where relevant.

Entra aims to recruit more employees from ethnic minorities. This aim has been incorporated into the company's recruitment procedures, and all qualified applicants from ethnic minorities are invited to an interview. The company's recruitment drives encourage all qualified candidates to apply, regardless of age, gender, disability or ethnic background.

2.2 percent of the workforce at Entra works part-time, and 33 percent of part-time staff are women.

RESTRUCTURINGS

Entra did not carry out any major restructurings or layoffs in 2009.

When buildings are sold, Entra looks carefully at the potential impact on operations staff working at the property being sold.

The purchase and sale of properties is an important part of Entra's activities, which plays an vital role in developing the company. In 2009, approx. one percent of the property portfolio was sold. This was part of a process to concentrate the company's activities geographically and strategically, and a direct consequence of the company's new market strategy adopted in 2009.

The sales completed in 2009 affected two employees. One of them will retire, whilst the other one has been offered another position at the company.

RESEARCH, DEVELOPMENT AND SKILLS DEVELOPMENT

Entra wants to play an active role in research and development in Norway. In order to remain competitive, the company must be capable of implementing and developing new knowledge and technological and organisational advances. In the State Ownership Report, the Norwegian government states that a more knowledge-based economy will require greater business investment in R&D, supported by good government policy, and a good infrastructure of universities, university colleges and research institutes.

Entra is involved in the following R&D projects:

LECO (Low Energy Commercial Buildings)

Low Energy Commercial Buildings (LECO) is an R&D project run by SINTEF Building Research to develop the energy efficient commercial buildings of the future. The project has participants from all areas of the industry.

The main aim of the project is to look at the various solutions that are required to reduce the energy consumption of buildings to three different levels: half, a quarter and a tenth of current levels.

Entra will contribute by testing and documenting the proposed solutions in practice in a refurbishment project. Both energy efficiency and financial considerations will be taken into account.

Glass facades

The main aim of the "Glass facades" project is to increase our understanding of these facades so that Entra can use them successfully. This will be done by learning about the relationship between theoretical and actual values, and by describing the properties for facades. The project will also develop and test methods of controlling the desired properties of the facades in terms of comfort and energy efficiency. The project is financed by The Research Council of Norway and the participants.

Entra is participating through its project at Pilestredet 28, where it is testing and documenting various solutions.

GLITNE (increasing the responsibility of manufacturers of construction products)

GLITNE is an R&D project run by The Research Council of Norway. The main goal of the project is to make the construction industry more eco-friendly by putting a price on environmental impacts.

The project involves participants from the whole industry, including Statsbygg, NCC, Veolia, the National Office of Building Technology and Administration, The Norwegian Financial Services Association, Bellona, Snøhetta, SINTEF Building and Infrastructure and Standards Norway.

The methods and tools developed through the project have been tested at locations such as Entra's properties at Sverres gate 20 in Porsgrunn and Alnafossen (Brynsengfaret) in Oslo.

Health and Light

Health and Light is a national R&D programme based around the Drammen region and the scientific community at Papirbredden Eiendom. The programme is funded by Innovation Norway and The Research Council of Norway.

Together with the Norwegian lighting institute Lyskultur and other industry players, Entra has help write the report Kvalitetsmål for belysningsanlegg i næringsbygg ["Quality goals for lighting systems in commercial buildings"]. The purpose of the project is to make Entra and the industry better informed as buyers of lighting systems.

Training

All employees at Entra have a responsibility to make the company a challenging and attractive place to work. Managers have a particularly important responsibility.

Entra's use and development of the company's expertise focuses on its core activities. Employees are offered continuing education and a variety of courses.

The training and courses on offer are continuously being updated and are available to all employees on the intranet.

Examples of courses offered by Entra to employees in 2009:
Operations, foundation module
Hot work certification
Fire safety manager course
Beginner and super-user courses in FDVweb
Excel, foundation course
PowerPoint, intermediate course
First aid course
Property management studies

CIVIL PROTECTION

Entra shall systematically prevent unwanted situations and incidents, whether they risk causing human or material losses.

Health, safety and the environment shall be integrated in all aspects of the company's activities, and individuals have a duty to resolve and document non-conformances at the level of the organisation where they occur. A variety of tools and procedures help the company to keep track of this area, and to introduce general corrective measures where necessary.

Knowledge, loyalty and a proactive stance provide the foundations for the continuous improvement of the working environment and customer care, as well as for protecting the company's assets and reputation.

Entra's continuous HSE activities shall safeguard the company's operations, employees and local community against accidents. The company's safety culture shall ensure the security of information, employees and operations.

Entra's operations department has an HSE system that safeguards the company's employees, properties and tenants, as well as the latter's ability to carry out their activities. The internal control routines therefore also include clauses that are relevant to civil protection. Entra's operations department is made up of a number of teams, each of which manages a selection of properties. An electronic work management tool gives each operations manager a set of tasks to help ensure that good HSE practice is followed in all processes. Entra also has an administrative department which is responsible for ensuring that the necessary procedures are implemented, and that they are updated to reflect current legislation.

Risk analyses and condition surveys are used to assess the various risk elements associated with properties. The frequency and scope of operational procedures are tailored to the risk level. Any defects or non-conformances are recorded, and work orders are produced to ensure that non-conformances are rectified quickly. This is the task of the company's HSE manager.

Entra leases premises to several tenants whose activities are critical to our society. Entra's operational and maintenance procedures ensure that these tenants can always perform their activities. This is particularly relevant to the police and the courts.

Entra's website has information about the company's 24-hour emergency line. Tenants are encouraged to call the number in the event of major technical problems and serious incidents if operations staff are not available. Entra's 24-hour emergency line enables tenants to quickly report any non-conformances that affect normal operation.

All properties have their own contingency plans to ensure that problems or non-conformances can be dealt with quickly.

Entra also has a number of public air-raid shelters at its properties. Maintaining these is therefore an important contribution to civil protection. Entra is currently nearing the end of a project to upgrade all of its air-raid shelters.

In principle, the nature of property management is that it has limited potential to affect civil protection, apart from ensuring that critical tenants are able to perform their functions.

Entra has an internal control system that is designed to cover all of its activities, with the main emphasis being on the operation of its properties. The system is identical for all of the company's properties.

Risks that may affect other people than tenants include fire, roof avalanches and the spread of Legionnaires' disease. This risk is managed through operational procedures and internal controls. The Internal Control Regulations stipulate that tenants have a duty to deal with potential threats to third parties within their organisations.

Operational procedures relating to fire safety include checking fire safety measures, escape routes and the general fire safety management at properties. In order to prevent the spread of Legionnaires' disease, Entra recently introduced extensive procedures to minimise the risk of an outbreak of Legionnaires' disease. The new procedures include temperature checks and bacteria tests. Entra is also checking all of its properties for radon in 2010.

There are also extensive procedures for inspecting roofs and facades in order to prevent the risk of roof avalanches. As an owner, Entra also has strict rules on the inspection of electrical systems. Entra has recently updated its procedures in this area, in order to ensure the safety of tenants and properties.

Good cooperation with tenants is essential if we are to fulfil our legal obligations. Entra has initiated a project to highlight our cooperation with tenants, particularly in relation to fire safety. There is always a balance to be struck in terms of to what extent a property owner should get involved with his tenants' own HSE systems. However, within a few years Entra will have introduced a system at all of its properties to ensure that tenants fulfil their HSE duties, thus reducing the risk of fire or other unwanted incidents.

Recycling at Papirbredden – Drammen kunnskapspark, Drammen

>40 %

THE RECYCLING RATE AT ENTRA'S BUILDINGS SHALL BE IMPROVED BY OVER 40 % BY 2012.

IFRS 2009 CONSOLIDATED

COMPREHENSIVE STATEMENT OF INCOME 1 JAN.-31 DEC.

All amounts in NOK millions

	Note	2009	2008
Rental income	5	1 452.6	1 297.5
Other operating revenue	5,22	322.3	53.4
Total operating revenue		**1 774.9**	**1 350.8**
Profit/loss on sale of fixed assets		-0.5	2.3
Maintenance costs		59.4	56.8
Other operating expenses	23,24	620.9	341.3
Depreciation	7,10	9.7	9.4
Total operating expenses		**690.1**	**407.5**
Operating profit		**1 084.3**	**945.6**
Interest and other financial income	3-3	22.2	33.2
Interest and other finance expense	3-3	-582.7	-567.4
Net financial items		**-560.5**	**-534.3**
Share of profit/loss from associates and joint ventures	12	17.8	4.5
Management income		**541.6**	**415.9**
Writedowns (projects under development)	10	-	-369.8
Adjustment to value of investment property	8	405.9	-3 491.8
Adjustment to value of financial instruments	3	89.9	-376.3
Profit before tax		**1 037.5**	**-3 822.1**
Tax expense	25	290.8	-1 222.5
Profit/loss for the year		**746.7**	**-2 599.6**
Other revenues and expenses			
Changes in the fair value of available-for-sale financial instruments		-	-1.4
Realised gain/loss on disposal of available-for-sale financial instruments measured through profit or loss		-1.9	-
Comprehensive income/loss for the year		**744.8**	**-2 601.0**
Profit/loss for the year attributable to			
Controlling interest		631.2	-2 573.7
Minority interests	28	115.5	-25.9
		746.7	**-2 599.6**
Comprehensive income/loss for the year attributable to			
Controlling interest		629.3	-2 575.1
Minority interests	28	115.5	-25.9
		744.8	**-2 601.0**
Earnings per share (NOK)	29		
Continuing operations - Basic = Diluted		**4 439**	**-18 100**

Note 1 to 29 are an integrated part of the consolidated financial statements.

BALANCE SHEET AT 31 DEC.

All amounts in NOK millions

Assets	Note	2009	2008
FIXED ASSETS			
Intangible assets			
Goodwill	7	15.7	15.7
Other intangible assets	7	7.0	7.6
Total intangible assets		**22.7**	**23.4**
Tangible assets			
Investment property	4,8	19 751.0	17 532.9
Projects under development	10	-	1 406.9
Property used by owner	10	6.5	16.5
Other operating assets	10	21.7	22.4
Total tangible fixed assets		**19 779.2**	**18 978.7**
Financial assets			
Investments in associates and joint ventures	12	308.1	270.6
Financial assets available for sale	3-1	0.6	6.0
Other non-current receivables	13	379.0	167.7
Total financial fixed assets		**687.8**	**444.3**
Total fixed assets		**20 489.7**	**19 446.3**
CURRENT ASSETS			
Inventories			
Housing units for sale	9	104.3	236.9
Total inventories		**104.3**	**236.9**
Receivables			
Trade receivables	14	21.5	46.6
Other current receivables	14	93.5	157.4
Total current receivables		**114.9**	**204.0**
Financial assets measured at fair value through profit and loss	3-1	-	23.6
Cash and bank balances	15	229.8	180.5
Total current assets		**449.1**	**645.0**
Investment properties held for sale	8	**404.7**	-
Total assets		**21 343.4**	**20 091.3**

Note 1 to 29 are an integrated part of the consolidated financial statements.

BALANCE SHEET AT 31 DEC.

All amounts in NOK millions

Equity and liabilities	Note	2009	2008
EQUITY			
Paid-in capital			
Share capital	16	142.2	142.2
Share premium reserve		1 272.0	1 272.0
Total paid-in equity		**1 414.2**	**1 414.2**
Retained earnings			
Other reserves		4 940.0	4 310.6
Total retained earnings		**4 940.0**	**4 310.6**
Minority share of equity	28	254.5	129.7
Total equity		**6 608.7**	**5 854.5**
LIABILITIES			
Provisions			
Pension obligations	17	77.0	68.8
Deferred tax	25	1 884.6	1 606.0
Other provisions for liabilities	18	35.0	32.7
Total provisions		**1 996.7**	**1 707.6**
Other non-current liabilities			
Bond loan	19	3 361.1	3 315.5
Liabilities to financial institutions	19	4 810.5	5 375.1
Other non-current liabilities	19	647.6	828.4
Total other non-current liabilities		**8 819.2**	**9 518.9**
Current liabilities			
Commercial paper	19	2 185.0	1 370.0
Bond loan	19	1 111.4	-
Liabilities to financial institutions	19	149.9	994.7
Trade payables	3-1	212.4	172.3
Tax payable	25	18.9	4.3
Unpaid government taxes and duties		11.4	8.0
Other current liabilities	20	229.8	461.1
Total current liabilities		**3 918.8**	**3 010.3**
Total liabilities		**14 734.8**	**14 236.8**
Total equity and liabilities		**21 343.4**	**20 091.3**

Note 1 to 29 are an integrated part of the consolidated financial statements.

Oslo, 26.03.2010

The Board of Directors of Entra Eiendom AS

Grace Reksten Skaugen
Chairman of the Board

Martin Mæland
Vice-chairman of the Board

Gerd Kjellaug Berge
Board member

Finn Berg Jacobsen
Board member

Ottar Brage Guttelvik
Board member

Tore Benediktsen
Board member
(Employee representative)

Mari Fjærbu Åmdal
Board member
(Employee representative)

Kyrre Olaf Johansen
Chief Executive Officer

STATEMENT OF CHANGES IN EQUITY

All amounts in NOK millions

At 31 Dec. 2009	CONTROLLING INTERESTS Share capital	Share premium reserve	Fair value adjustment reserve	Other equity	Minority interests	Total equity
Equity at 1 Jan. 2009	142.2	1 272.0	1.9	4 308.7	129.7	5 854.5
Comprehensive income/loss for the year			-1.9	631.2	115.5	744.8
Dividend paid					-1.0	-1.0
Capital increases at subsidiaries					10.5	10.5
Total equity, 31 Dec. 2009	**142.2**	**1 272.0**	**-**	**4 939.9**	**254.5**	**6 608.7**

At 31 Dec. 2008	CONTROLLING INTERESTS Share capital	Share premium reserve	Fair value adjustment reserve	Other equity	Minority interests	Total equity
Equity at 1 Jan. 2008	142.2	1 272.0		7 029.7	157.6	8 601.5
Reclassification of investments available for sale			3.3	-3.3		-
Comprehensive income/loss for the year			-1.4	-2 573.7	-25.9	-2 601.0
Dividend paid				-144.0	-2.1	-146.1
Total equity, 31 Dec. 2008	**142.2**	**1 272.0**	**1.9**	**4 308.7**	**129.7**	**5 854.5**

Note 1 to 29 are an integrated part of the consolidated financial statements.

STATEMENT OF CASH FLOWS

All amounts in NOK millions

	Note	2009	2008
Cash flow from operating activities			
Profit before tax		1 037.5	-3 822.1
Tax paid for the year		2.4	-34.4
Gain/loss on sale of shares and fixed assets		0.5	-7.8
Net interest expense on loans from financial institutions	3-3	555.7	489.3
Net interest paid on loans from financial institutions		-586.6	-462.6
Share of profit/loss from associates and joint ventures	12	-17.8	-4.5
Ordinary depreciation	7, 10	9.7	9.4
Writedowns (projects under development)		-	369.8
Adjustment to value of investment property		-405.9	3 491.8
Changes in the market value of financial derivatives	3	-89.9	376.3
Other differences in valuation principles		-6.2	-
Changes in trade receivables		25.1	48.3
Changes in trade payables		40.1	-61.3
Difference between pension expense recognised and contributions to/payments by pension schemes	17	8.1	6.8
Change in other accruals		-36.2	5.8
Net cash flow from operating activities		**536.5**	**405.0**
Cash flow from investment activities			
Sales of tangible assets	5	118.2	102.7
Purchase of investment properties	8	-	-105.0
Improvements to investment properties	8	-891.7	-1 152.9
Purchase of projects under development	7	-	-136.9
Purchase of moveable assets, machinery and equipment	7,10	-8.4	-14.1
Sales of shares and ownership interests in other enterprises		3.9	-
Purchase of shares and other investments		-24.6	-89.4
Loans made to associates and joint ventures	13	-210.6	-
Sales of other investments		22.8	-
Net cash flow from investment activities		**-990.4**	**-1 395.4**
Cash flow from financing activities			
New non-current liabilities	19	2 684.9	2 289.8
New current liabilities	19	2 800.0	-
Repayment of non-current liabilities	19	-2 006.2	-775.8
Repayment of current liabilities	19	-2 985.0	-530.0
Equity injections		10.5	-
Dividends paid		-1.0	-146.1
Net cash flow from financing activities		**503.2**	**837.8**
Net change in cash and cash equivalents		49.3	-152.6
Cash and cash equivalents at the start of the year		180.5	333.1
Cash and cash equivalents at the end of the year		**229.8**	**180.5**

Note 1 to 29 are an integrated part of the consolidated financial statements.

NOTE 1 - GENERAL INFORMATION

Entra Eiendom was established 1 July 2000.

Entra Eiendom is engaged in the development, letting, management, operation, sale and purchase of real estate in Norway. The company is one of Norway's largest property companies, with a total portfolio of 1,152,127 square metres and a management portfolio of 948,595 square metres at 31 December 2009. Entra Eiendom's head office is situated in Oslo. The company is organised into four regions: Eastern Norway, Southern Norway, Western Norway and Central and Northern Norway. The regional offices are located in Oslo, Kristiansand, Bergen and Trondheim.

All of the shares in the company are owned by the Norwegian Government through the Ministry of Trade and Industry. The Board consists of five shareholder elected members and two employee representatives. Entra Eiendom AS operates in direct competition with privately owned entities on a commercial basis. The company is fully financed in the private market.

The company's tenants are mainly from the public sector, with the proportion at 31 Dec. 2009 being 80 percent.

The consolidated financial statements were approved by the Board of Directors on 26 March 2010.

NOTE 2 - ACCOUNTING POLICIES

ACCOUNTING POLICIES

The most important accounting policies used to prepare the annual financial statements are described below. These policies are used in the same way for all periods presented, unless otherwise indicated in the description.

BASIC PRINCIPLES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU.

The consolidated financial statements have been prepared on a historical cost basis, with the following modifications: investment properties, projects under development, financial assets and financial liabilities have been measured at fair value. Financial instruments measured at fair value include the Group's long-term borrowings, derivatives and investment shares.

Presenting the accounts under IFRS requires the management to make certain assessments and assumptions. The application of the company's accounting policies also requires management to exercise judgement. Estimates and subjective judgements are based on past experience and other factors that are considered relevant. Actual results may deviate from these estimates. The estimates and underlying assumptions are continuously reassessed.

Changes in accounting estimates are recognised in the period in which the changes occur if they only apply to that period. If the changes also apply to future periods, the impact is distributed over the current and future periods. Note 4 details items in the accounts that are based on a significant amount of subjective judgement.

Changes in published standards coming into force in 2009

The following changes to standards affecting Entra's consolidated financial statements have been applied as of 2009:

IAS 1 (revised) – Presentation of Financial Statements

The revision has resulted in changes to the financial statements, particularly the equity statement, where income and expenses previously recognised directly in equity are now presented under Comprehensive Income. IAS 1 (revised) came into force on 1 January 2009, and the Group has applied IAS (revised) as of that date. The implementation of the revised IAS 1 has resulted in changes to the Group's financial statements and adjustments to comparative figures.

IAS 23 (revised) – Borrowing Costs

The biggest change in IAS 23 (R) is that it is longer be possible to expense borrowing costs attributable to a qualifying asset. It will therefore only be possible to capitalise borrowing costs. IAS 23 (R) came into force on 1 January 2009. As the Group already capitalised borrowing costs, the change has no practical significance.

IFRS 7 Financial Instruments – Disclosures

The changes to IFRS 7 require additional information to be included in the notes about financial instruments measured at fair value and liquidity risk. Financial instruments measured at fair value on the balance sheet must be broken down by class using a valuation hierarchy with three levels. A reconciliation is also required between the opening and closing balance of level 3 assets (the lowest level of the valuation hierarchy). The changes clarify the requirements relating to disclosure of liquidity risk by saying how instruments used to manage liquidity risk should be presented.

IASB's annual improvements project

In conjunction with IASB's annual improvement project, a number of amendments to standards were adopted which came into force during 2009. The one that affects Entra's consolidated financial statements is the amendment to IAS 40 Investment property: Property under construction or development for future use as investment property is now covered by IAS 40, and is measured at fair value as of 1 January 2009 (see note 8). The other changes arising from the improvements project are not expected to have a significant impact on the Group's reporting.

The Group has chosen to apply the following standards/interpretations early

IFRIC 15 Agreements for the Construction of Real Estate

The interpretation deals with the recognition of revenue for construction projects, and advises on how to determine whether a project is within the scope of IAS 11 Construction contracts or IAS 18 Revenue. The change means that projects for sale where there is not a buyer who can significantly influence the building's design will no longer be considered construction projects within the scope of IAS 11, and that the percentage of completion method cannot be used to recognise the revenue for these projects.

Standards, amendments to standards and interpretations that have not yet come into force, and which the Group has not chosen to apply early

The list also includes amended/new standards that have already come into force according to IASB but that have not yet been approved by the EU, and which Entra therefore is not permitted to apply. Amendments that may potentially affect Entra's consolidated financial statements:

IFRS 3 (revised) Business Combinations

Compared to the current IFRS 3, the revised standard changes and clarifies certain aspects of the implementation of the acquisition method. Specific matters that are affected include goodwill for step acquisitions, minority interests and contingent consideration. Acquisition costs other than the cost of issuing equity or debt instruments shall be expensed as they are incurred. IFRS 3 (revised) may also affect Entra because the definition of what a business is has been widened. IFRS 3 (revised) came into force on 1 July 2009. The Group will apply IFRS 3 (revised) as of 1 January 2010.

IFRS 9, Financial Instruments

IFRS 9 replaces the rules on classification and measurement in IAS 39 Financial instruments – recognition and measurement of financial instruments. Under IFRS 9, financial assets that have normal loan features are measured at amortised cost, unless the entity chooses to measure them at fair value, whilst other financial assets shall be measured at fair value. IFRS 9 is due to come into force on 1 January 2013, but it has not yet been approved by the EU. The Group expects to apply the amendment as of 1 January 2013.

IAS 24 (revised) Related Party Disclosures

Compared with the current IAS 24, the revised standard clarifies and simplifies the definition of related parties. The revised standard also removes some of the requirements for additional information for state-owned enterprises. The revised standard is due to come into force on 1 January 2011, but it has not yet been approved by the EU. The Group expects to apply the revised IAS 24 as of 1 January 2011.

IAS 27 (revised) Consolidated Accounts and Separate Financial Statements

Amongst other things, the introduction of the revised standard means that when the Group loses control of a subsidiary, any remaining ownership interest in the former subsidiary shall be measured at fair value, with the gain or loss recognised in the income statement. Furthermore, the current rules on the allocation of losses between the group and minority interests have been changed so that losses are charged to non-controlling (minority) interests even if this results in the minority interest having a negative book value. Partial disposals or acquisitions that do not change the control exerted by Entra will be accounted for as equity transactions. The revised standard came into force on 1 July 2009. The Group will apply IAS 27 (R) as of 1 January 2010.

Amendment to IAS 39 Financial Instruments – Recognition and Measurement – Eligible Hedged Items

The amendments to IAS 39 clarify the rules on when financial instruments (hedged items) are hedged in relation to various risks or components of cash flows. The amendments primarily provide additional guidelines on hedging one-sided risk (using options as hedging instruments) and hedging inflation risk, but also clarify the guidelines stating that the specified risks and cash flows must be separately identifiable and reliably measurable. The amendment came into force on 1 July 2009. The Group will apply the amendment to IAS 39 as of 1 January 2010.

IFRIC 12 Service Concession Arrangements

IFRIC 12 deals with public service concessions for infrastructure granted to the private sector, where the public authorities regulate or control the nature of the service provided, to whom it is provided and at what price. The interpretation regulates how these arrangements are to be accounted for. The interpretation will affect three of Entra's properties. It will result in these three properties being reclassified from investment properties to financial assets. A preliminary estimate of the accounting impact of implementing IFRIC 12 is that it will reduce the Group's equity at 1 January 2009 by NOK 86.9 million and at 31 December 2009 by NOK 123.1 million. It is estimated that it would reduce Entra's profit for 2009 by NOK 36.2 million. The interpretation applies to accounting periods starting after 29 March 2009. The Group will apply IFRIC 12 as of 1 January 2010, and will adjust figures for 1 January 2009 for the implementation impact.

IFRIC 17 Distributions of Non-cash Assets to Owners

This interpretation deals with how to account for distributions to owners that are made using other assets than cash. Such distributions shall be accounted for at fair value. The interpretation came into force on 1 November 2009. The Group will apply IFRIC 17 as of 1 January 2010.

IFRIC 18 Transfers of Assets from Customer

The interpretation provides guidance on how sellers should account for tangible assets transferred to them by customers as part of a sales agreement. The seller should measure the assets at fair value and recognise revenue over the period that the underlying service is delivered. The interpretation came into force on 1 November 2009. The Group will apply IFRIC 18 as of 1 January 2010.

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
The interpretation gives guidance on how to account for transactions when a company issues equity instruments as full or partial settlement of a financial liability as a result of renegotiation of the terms of a loan. The interpretation came into force on 1 July 2010, but has yet to be approved by the EU. The Group expects to apply IFRIC 19 as of 1 January 2011.

IASB's annual improvements project
In conjunction with its annual improvements project, the IASB has amended a number of standards. These amendments come into force as of the 2010 financial year. The amendments have not yet been approved by the EU. The Group expects to apply the amendments from the annual improvements project as of 1 January 2010.

- IFRS 2 Share-based Payment: Contributions of business assets in the formation of joint ventures and business combinations under common control are outside the scope of IFRS 2.
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations: A clarification has been added that only the disclosure requirements in IFRS 5 apply to non-current assets held for sale and discontinued operations. Disclosure requirements in other standards do not apply unless specifically stated that they also apply to the assets and businesses within the scope of IFRS 5.
- IFRS 8 Operating segments: A clarification has been added that only segment assets and liabilities which are reported separately for internal decision-making purposes must be included in segment information.
- IAS 1 Presentation of Financial Statements: A clarification has been added that even if the lender is entitled to convert a convertible loan into equity at any time, it does not affect the classification of the loan.
- IAS 7 Statement of Cash Flows: A clarification has been added that only capitalised expenses shall be included under cash flow from investing activities.
- IAS 17 Leases: The special discussion of criteria for classifying sites as financial leases has been removed.
- IAS 18 Revenue: More guidance has been added on how to determine whether a company is acting as an agent or on its own behalf and at its own risk as a principal.
- IAS 36 Impairment of Assets: A clarification has been added that operating segments before aggregation into reportable segments is the highest level at which goodwill can be allocated for the purposes of impairment testing.
- IAS 38 Intangible Assets: A clarification has been added that if an intangible asset is only identifiable together with another intangible asset, the two can be presented as one asset provided that their useful lives are virtually the same.
- IAS 39 Financial Instruments – Recognition and Measurement:
  - A clarification has been added that options are considered closely related to the host contract if the strike price is virtually the same as the present value of the remaining interest payments on the host contract.
  - A clarification has been added that the scope exclusion for agreements between the purchaser and seller in business combinations relating to future transfers of assets in the target company, only applies to futures contracts.
  - A clarification has been added that gains and losses on cash flow hedges where the expected future cash flow will lead to recognition of a financial asset, shall only be recognised through profit or loss when the hedged future cash flows are recognised.
- IFRIC 9 Reassessment of Embedded Derivatives: A clarification has been added that IFRIC 9 does not apply to the reassessment of embedded derivatives acquired in a business combination between companies under common control or in the formation of a joint venture.
- IFRIC 16 Hedges of Net Investment in a Foreign Operation: A clarification has been added that net investments in foreign operations can be hedged using hedges held by any group company. There is therefore no requirement for the parent company itself to acquire the hedge.

The changes arising from the improvements project are not expected to have a significant impact on the Group's reporting.

Amendments that are not expected to impact Entra's consolidated financial statements:

- Amendment to IFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Transactions.
- Amendment to IAS 32 Financial Instruments – presentation - Classification of Rights Issues.
- Amendment to IFRIC 14 IAS 19 – The Limit on a Defined

Benefit Asset, Minimum Funding Requirement and their Interaction – Prepayments of a Minimum Funding Requirement.
- IFRIC 16 Hedges of Net Investment in a Foreign Operation.

CONSOLIDATION PRINCIPLES

Subsidiaries

Subsidiaries are entities over which the Group exercises control of financial and operating policies, normally through ownership of more than half the voting power. When deciding whether control exists, the effect of potential voting rights that can be exercised or converted on the balance sheet date is taken into consideration. Subsidiaries are consolidated from the date on which control is transferred to the Group, and are deconsolidated when control ceases.

The purchase method is used to account for the acquisition of subsidiaries that are businesses. The cost of acquisition is measured at fair value of assets paid towards the purchase, equity instruments issued, obligations incurred in transferring control and direct costs relating to the actual purchase. Identifiable purchased assets and assumed liabilities are recognised at fair value on the date of acquisition, regardless of any minority interests. If the cost of acquisition exceeds the fair value of identifiable net assets in the subsidiary, the difference is recognised as goodwill in the balance sheet. If the cost of acquisition is less than the fair value of net assets in the subsidiary, the difference is recognised on the date of acquisition.

Purchases of subsidiaries that are not businesses, for instance subsidiaries that only consist of a building, are accounted for as asset purchases. In such cases, the cost of acquisition is allocated to the individual identifiable assets and liabilities based on their relative fair values on the date of acquisition.

Intragroup transactions, balances and unrealised gains are eliminated. Unrealised losses are eliminated, but are considered evidence of impairment in terms of writing down the value of the transferred asset. If necessary, the accounting principles at subsidiaries are changed in order to bring them into line with the Group's accounting principles.

Transactions with minority interests

Changes to minority interests are included using the parent entity method in the consolidated accounts. For purchases of minority interests, the difference between the acquisition cost and carrying amount of the acquired shares is recognised in equity. Gains or losses on sales of shares to minority interests are also recorded through equity.

Jointly controlled entities

Joint ventures are companies with which the Group has an agreement ensuring that strategic decisions on financial and operating policies are unanimous. The equity method is used for jointly controlled entities, and is described in more detail below.

Associates

Associates are companies in which the Group has significant influence but not control. Significant influence normally exists where the Group's investment represents between 20 and 50 percent of voting power. Investments in associated companies are recognised using the equity method. Investments in associates are recognised at cost at the time of acquisition. Investments in associates include goodwill identified at the time of acquisition, less any subsequent impairment losses.

The Group's share of the profit and loss of associates is recognised and added to the carrying amount of the investments together with the portion of unrecognised equity changes. The Group does not recognise its share of the loss if this would result in a negative carrying amount for the investment (including the entity's uncollectible receivables), unless the Group is liable for or has provided guarantees relating to the associate's obligations.

The Group's share of unrealised gains on transactions between the Group and its associates are eliminated. This also applies to unrealised losses, unless there is a permanent loss of value. Where necessary, the accounting principles of associates have been brought into line with the Group's accounting principles.

CURRENCY

The Group's presentation currency is NOK. It is also the functional currency of the parent company and all subsidiaries.

Transactions in foreign currency are translated at the transaction date exchange rate. Foreign currency denominated monetary assets and liabilities are translated to NOK at the balance sheet date exchange rate. Non-monetary assets and liabilities measured at cost in a foreign currency are translated to NOK using the transaction date exchange rate. Non-monetary assets and liabilities measured at fair value in foreign currency are translated at the balance sheet date exchange rate. Exchange rate fluctuations are taken to the income statement in the period in which they arise.

SEGMENT INFORMATION

Operating segments are reported in the same way as in internal reports to the company's highest decision-making authority. The company's highest decision-making authority, which is responsible for allocating resources and assessing the profitability of the operating segments, has been identified as the group management.

INVESTMENT PROPERTIES

Investment property is owned with the aim of achieving a long-term return from rental income. Properties used by the Group are valued separately as fixed assets. Investment property is recognised at fair value, based on market values identified by independent valuers. Gains or losses as a result of changes in the market value of investment property are recognised through profit or loss as they arise. As of 1 January 2009, property under construction or development for future use as investment property (projects under development) is accounted for as investment property at fair value. In 2008 these properties were accounted for at cost adjusted for impairments.

Investment property is valued at each reporting date. The valuation is based on the individual property's assumed future cash flows, and property values are arrived at by discounting cash flows with individual risk-adjusted yield expectations.

The yield expectation for each property is defined as a long-term risk-free interest plus a property-specific risk supplement. The latter is defined on the basis of the property segment to which the property belongs, its situation, standard, occupancy rate, tenants' financial reliability and remaining lease term. Known market transactions with similar properties in the same geographical area are also taken into consideration.

Initial measurement also takes into consideration the property's cost price, which includes direct transaction costs such as document duty and other public duties, legal fees and due diligence costs. Subsequent expenditure is added to the investment property's carrying value, if it is probable that future financial benefits associated with the expenditure will flow to the group and the expense can be measured reliably. Other repair and maintenance costs are recorded through profit and loss in the period in which they are incurred. When investment properties are disposed of, the difference between the net sales proceeds and carrying amount is recognised through profit or loss.

Tangible assets, plant and machinery

Property, plant and equipment is recognised at cost, less depreciation. The historical cost includes costs directly related to acquisition of the asset. Projects under development that do not qualify as investment properties are measured at historical cost, adjusted for impairments. The historical cost includes costs directly related to acquisition of the asset.

Subsequent expenditure is added to the asset's carrying amount or recognised separately, when it is probable that future financial benefits attributable to the expenditure will flow to the group and the expense can be measured reliably. Amounts relating to replaced parts are recognised in the income statement. Other repair and maintenance costs are recorded through profit and loss in the period in which they are incurred.

Sites that are not considered to be investment properties (and projects under development) are not depreciated. Other assets are depreciated in a straight line over their anticipated remaining useful life.

The remaining useful life, and residual value, is reassessed on each balance sheet date and changed if necessary. If the carrying amount of an asset is higher than its recoverable amount, the value of the asset is written down to the recoverable amount (Note 10).

Gains and losses on disposals are recognised through profit or loss, and are calculated as the difference between the sales price and the carrying amount at the time of disposal.

Non-current Assets Held for Sale and Discontinued Operations

Non-current assets and groups of non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered through a sale rather than through continued use. This condition is only considered as being fulfilled when a sale is highly probable and the assets (or groups of assets and liabilities) are available for immediate sale in their current form. The entity's management must have committed to a sale and the sale must be expected to be completed within a year of the balance sheet date.

Non-current assets and groups of assets and liabilities classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell. Investment properties classified as held for sale are measured at fair value in the same way as other investment properties.

Housing units being developed by the company for sale

Housing projects involve the development and construction of residential housing, with individual units being handed over to the purchaser when they are completed. While they are under construction, these projects are classified as current assets. When the unit is completed and handed over to the buyer, the sales proceeds are booked to income and the associated costs are expensed.

Borrowing costs

The borrowing costs for capital used to finance projects under development is capitalised under the asset in question. When calculating the capitalised borrowing costs, the average interest rate on the company's debt portfolio over the course of the year is used, unless there is separate financing for the specific project. In such cases the specific borrowing cost for the loan in question is used. When calculating the average interest rate to be used for the capitalisation of borrowing costs, loans taken out for specific projects are not included.

INTANGIBLE ASSETS

Goodwill

Goodwill is the difference between cost and the fair value of the Group's share of net identifiable assets in the entity on the acquisition date. Goodwill arising from the acquisition of subsidiaries is classified as an intangible asset. For the purposes of impairment testing, goodwill is allocated to the relevant cash flow generating units. Goodwill is allocated to the cash flow generating units or groups of cash flow generating units that are expected to benefit from the acquisition from which the goodwill arose. Goodwill is tested for impairment annually and is recognised at cost less any impairment losses. Impairment of goodwill is not reversed. Gains and losses on the sale of an operation include the carrying amount of goodwill relating to the sold operation.

Goodwill arising from the purchase of ownership interests in associates and joint ventures is included under the investment in the associate or joint venture, and is tested for impairment as part of the carrying amount of the investment.

Software

Purchased software is recognised at cost (including expenditure on making programs operative) and is amortised over the expected useful life. Expenses directly associated with the development of identifiable and unique software owned by the Group and which is likely to generate net financial benefits for more than one year are capitalised as intangible assets, and are depreciated over the expected useful life. Expenses relating to the maintenance of software are expensed as incurred.

Impairment of non-financial assets

Intangible assets with an uncertain useful life are not depreciated, and are instead tested annually for impairment. Fixed assets and intangible assets that are depreciated are also tested for impairment if there is any indication to suggest that future cash flows cannot justify the book value of the asset. Write-downs are recorded through profit and loss as the difference between the carrying amount and the recoverable amount. The recoverable amount is the utility value or fair value, whichever is the higher, less sales costs. When testing for impairment, fixed assets are grouped at the lowest possible level at which it is possible to find independent cash flows (cash flow generating units). In conjunction with each financial report, the company assesses whether it is possible to reverse past write-downs of non-financial assets (except goodwill).

FINANCIAL INSTRUMENTS

A financial instrument is defined as being any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

Financial assets are classified in the following categories: fair value through profit or loss, loans and receivables and available for sale. Financial assets at fair value through profit or loss comprise assets held for trading purposes and include derivatives. Loans and receivables consist of non-derivative assets with fixed or determinable payments that are not quoted in an active market. Available for sale financial assets comprises assets that have been designated as available for sale or that do not fall within either of the other two categories, including minor investments in shares.

Financial liabilities are classified as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost. Financial liabilities at fair value through profit or loss comprise loans designated at fair value on initial recognition (fair value option) and derivatives. Financial liabilities at amortised cost comprise liabilities that do not fall within the category fair value through profit or loss.

Financial assets and liabilities are classified on initial recognition based on the properties and purposes of the financial instrument. In order to avoid accounting mismatches, Entra Eiendom has used the fair value option for the company's non-current loans used to finance the purchase of investment properties measured at fair value. Liabilities designated at fair value through profit or loss is typically debt incurred to purchase investment properties measured at fair value.

Trade receivables and other financial assets

Trade receivables and other financial assets are classified as loans and receivables and are measured at fair value on initial recognition, and subsequently at amortised cost. Interest is ignored if it is insignificant. A provision for bad debts is recognised if there is objective evidence that the Group will not receive payment in accordance with the original conditions. Any subsequent payments received against accounts for which a provision has previously been made are taken to income. Trade receivables and other financial assets are classified as current assets, unless they are due more than twelve months after the balance sheet date. If so, they are classified as fixed assets.

Shares
Shares are measured at fair value on the balance sheet date and are classified as available for sale. Changes in the value of shares are accounted for as other revenues and expenses, unless the asset is impaired. Writedowns are recognised in the income statement. Previously recognised impairment losses relating to shares are not subsequently reversed through the income statement. Dividend income and other distributions related to shares are recognised in the income statement under other financial income on the ex-dividend date (normally when the dividend is approved by the general meeting).

Short-term investments
Short-term investments, such as investments in money market unit trusts, bonds and commercial paper, are classified in the category at fair value through profit or loss.

Cash and cash equivalents
Cash and cash equivalents consist of bank deposits and other short-term, highly liquid investments with an original term to maturity of no more than three months. Unused overdraft facilities are included as cash and cash equivalents in the statement of cash flows. On the balance sheet, overdrafts are included under current liabilities.

Derivatives
The Group uses derivatives to manage its interest rate risk. Derivatives are initially recognised at cost price on the date on which the contract was signed, and subsequently at fair value. Gains or losses on re-measurement at fair value are recognised in the income statement.

The fair value of interest rate swaps is the estimated amount the Group would receive or pay to redeem the agreements on the balance sheet date. This amount will depend on interest rates and the agreements' remaining term to maturity. Derivatives are classified on the balance sheet as other current liabilities or other non-current liabilities depending on whether the contracts are expected to be settled less or more than 12 months after the balance sheet date.

Trade payables and other non interest-bearing financial liabilities
Trade payables and other non interest-bearing financial liabilities are classified as financial liabilities at amortised cost and are measured at fair value on initial recognition, and subsequently at amortised cost using the effective interest rate method. Interest is ignored if it is insignificant.

Interest-bearing debt
Interest-bearing debt that satisfies the criteria for use of the fair value option in IAS 39 is classified in the category at fair value through profit or loss. Entra Eiendom uses the fair value option for interest-bearing debt used to finance the purchase of investment properties. Interest-bearing debt is recognised at fair value when repayment of the loan takes place. In subsequent periods, the loan is recognised in the income statement at fair value. Interest-bearing debt is classified as a current liability unless there exists an unconditional right to delay repayment of the debt for more than 12 months from the balance sheet date. Accrued interest due for payment within 12 months of the balance sheet date is also classified as a current liability.

PENSIONS
The Group has pension schemes which are defined benefit plans. A defined benefit plan is a pension arrangement which defines the pension payment an employee will receive on retirement. The pension benefit payable is dependent on a number of factors, such as the employee's age, number of years of membership of the Norwegian Public Service Pension Fund and salary.

The recognised pension obligation relating to defined benefit plans is the present value of the defined benefit on the balance sheet date less the fair value of the plan assets, adjusted for unrecognised actuarial gains/losses and any changes to the scheme relating to past service. The pension obligation is calculated annually by an independent actuary using the projected credit unit method. The present value of the defined benefit is determined by discounting estimated future payments using a discount rate based on a 10-year government bond, plus consideration of the relevant duration of the obligations.

Changes to benefits payable under the pension plan are measured through profit or loss, unless the entitlements under the new pension plan are contingent upon the employee remaining at the company for a specific amount of time (the qualifying period). In such cases the cost associated with the change to the plan is amortised in a straight line over the qualifying period.

Actuarial gains/losses resulting from new information or changes in actuarial assumptions over and above the greater of 10 percent of the value of plan assets and 10 percent of pension obligations are carried in the income statement over a period corresponding to the employees' average remaining service period.

Redundancy packages are payments made when a contract of employment is terminated by the Group before the normal retirement age or when an employee voluntarily agrees to leave in return for such a payment. The Group expenses redundancy packages when it has a proven obligation to either terminate the contract of current employees in accordance with a formal, detailed plan that cannot be withdrawn by the Group, or to make redundancy payments as a result of an offer made to encourage voluntary redundancy. Redundancy packages that are due for payment over 12 months after the balance sheet date are discounted to their present value.

TAX

The tax expense for an accounting period consists of tax payable and deferred tax. Tax is charged to the income statement, except where it relates to items that are recognised directly in equity. If such cases, the tax is also recognised directly in equity.

Deferred tax is calculated for all temporary differences between tax values and consolidated accounting values of assets and liabilities. Any deferred tax arising from the initial reporting of a liability or asset in a transaction which is not a company integration and which on the transaction date does not affect accounting or tax results is not recognised in the balance sheet. Deferred tax is defined using tax rates and laws which are enacted or likely to be enacted on the balance sheet date, and which are expected to be used when the deferred tax asset is realised or when the deferred tax is utilised.

Deferred tax asset is recognised to the extent that it is likely that future taxable profit will be available against which it can be utilised and that the temporary differences can be offset against it.

In principle deferred tax is not calculated on temporary differences arising from investments in subsidiaries and associates. This does not apply in cases where the Group is not in control of when the temporary differences will be reversed, and it is probable that they will be reversed in the foreseeable future. Nor is deferred tax calculated on initial recognition of assets or liabilities arising from the purchase of a subsidiary in a transaction which is not a business combination.

PROVISIONS

The Group recognises provisions for lease agreements and legal requirements when a present obligation (legal or constructive) has arisen as a result of a past event, it is likely that an outflow of resources will be required to settle the obligation and its amount can be estimated reliably. There is no provision for future bad debts.

In cases where there are several obligations of the same nature, the likelihood of settlement is determined by assessing the group as a whole. A provision for the group is recognised even if there is little likelihood of settlement of the group's individual elements.

Provisions are measured at the present value of expected payments to settle an obligation. A pre-tax discount rate that reflects current market conditions is applied. Any increase in an obligation as a result of a changed time value is reported under finance expense.

RECOGNITION OF INCOME

Operating revenue consists of rental income and other operating revenue. Gains on the sale of property are presented separately. Rental income encompasses the fair value of the payments received for services that fall within the ordinary activities of the company. Rental income is presented net of VAT, rebates and discounts. Joint tenant costs are capitalised together with payments on account by tenants, and thus have no impact on profit or loss. Joint tenant costs are calculated after the balance sheet date.

Rental income is recognised over the lease term. Income from the termination of lease contracts is recognised when the lease contract ends.

DIVIDENDS

Dividend payments to the company's shareholders are classified as debt from the date on which the dividend is adopted by the AGM.

NOTE 3 - FINANCIAL RISK MANAGEMENT

All amounts in NOK millions

The Group is exposed to various types of financial risk. The Group's finance policy, which is drawn up by the Board of Entra Eiendom AS, provides a framework for financial management at the Entra Eiendom Group, and defines objectives, responsibilities and authorities for the handling of financial risk. It is adapted to the company's general structure, and is subject to annual review. Operational responsibility for the Group's financing activities is one of the key responsibilities of the parent company. Entra's exposure to risk is supposed to be limited, balanced and in line with the Group's other activities.

Liquidity risk

Liquidity risk is defined as the risk that can arise through the company's use of external capital, and which may lead to higher costs. The Group's strategy for managing liquidity risk is to at all times have sufficient liquidity and available credit facilities to meet its financial liabilities when they fall due, both under normal and extraordinary circumstances, without risking unacceptable losses or at the expense of the Group's reputation. The Group aims to limit liquidity risk by obtaining capital from a wide range of sources in both the bank and capital markets, and from several lenders. The Group has arranged several long-term credit facilities, which are described below. The weighted average remaining term of the Group's loans and credit facilities was 5.6 (6.2) years at 31 December 2009.

The Group issues commercial paper as part of its ongoing, long-term financing. By definition, commercial paper has a maximum term to maturity of 12 months, and is therefore classified as a current liability. To protect itself against the liquidity risk associated with its use of commercial paper, the company has set up back stop facilities totalling NOK 1.7 billion (NOK 1.7 billion) with its banks. These facilities ensure that the company will still be in a position to refinance its debt even if the market for commercial paper becomes unattractive, or if investors do not have available liquidity. The Group's finance policy states that the back stop facilities shall at all times cover all of the commercial paper becoming due in the next six months.

Table of when the Group's financial liabilities fall

31.12.2009	REMAINING TERM								
	Under 3 months	4–12 months	1–2 years	2–4 years	4–6 years	6–8 years	8–10 years	Over 10 years	Total
Interest-bearing bank loans									
- principal	-	150.0	500.0	2 600.0	-	1 200.0	-	620.0	5 070.0
- estimated interest	32.4	95.5	125.8	200.5	92.3	60.7	29.2	94.4	730.8
Bonds									
- principal	-	1 108.0	-	670.0	1 425.0	-	325.0	1 100.0	4 628.0
- estimated interest	6.4	180.1	157.4	287.4	198.8	137.7	137.7	559.0	1 664.5
Commercial paper									
- principal	1 135.0	1 050.0	-	-	-	-	-	-	2 185.0
- estimated interest	40.4	31.5	-	-	-	-	-	-	71.9
Financial instruments									
- interest rate derivatives									
- estimated interest	99.5	117.9	223.3	408.6	290.5	192.5	94.0	-54.2	1 372.1
Trade payables	212.4	-	-	-	-	-	-	-	212.4
Other financial liabilities	90.5	-	-	-	-	-	-	-	90.5
Total	**1 616.5**	**2 733.0**	**1 006.5**	**4 166.5**	**2 006.5**	**1 591.0**	**585.9**	**2 319.3**	**16 025.1**

31.12.2008	REMAINING TERM								
	Under 3 months	4–12 months	1–2 years	2–4 years	4–6 years	6–8 years	8–10 years	Over 10 years	Total
Interest-bearing bank loans									
- principal	200.0	1 207.0	120.0	2 100.0	1 500.0	1 200.0	-	620.0	6 947.0
- estimated interest	115.2	326.8	360.1	581.3	324.7	219.1	74.2	281.5	2 282.9
Bonds									
- principal	-	-	1 600.0	670.0	-	-	-	1 100.0	3 370.0
- estimated interest	9.9	131.9	122.1	156.6	101.6	101.6	101.6	609.8	1 335.2
Commercial paper									
- principal	850.0	320.0	-	-	-	-	-	-	1 170.0
- estimated interest	46.8	22.9	-	-	-	-	-	-	69.7
Financial instruments									
- interest rate derivatives									
- estimated interest	-7.8	-19.0	-31.9	-27.1	3.2	21.5	24.1	120.5	83.6
Trade payables	172.3	-	-	-	-	-	-	-	172.3
Other financial liabilities	196.3	-	-	-	-	-	-	-	196.3
Total	**1 582.7**	**1 989.7**	**2 170.3**	**3 480.8**	**1 929.6**	**1 542.3**	**199.9**	**2 731.8**	**15 627.1**

The table is based on undiscounted contractual cash flows. The maturity analysis assumes that instruments for which the counterparty has a choice over the redemption date will be redeemed at the earliest possible date.

Estimated interest costs are based on the current interest rate on the individual loan/instrument on the balance sheet date.

To manage the Group's liquidity risk, the Group has committed, undrawn credit facilities with Norwegian and international banks, as well as available liquid financial instruments.

Undrawn credit facilities

31.12.2009	REMAINING TERM								
	Under 3 months	4–12 months	1–2 years	2–4 years	4–6 years	6–8 years	8–10 years	Over 10 years	Total
Entra Eiendom AS	-	-	1 400.0	2 035.0	-	500.0	1 000.0	-	4 935.0
Subsidiaries	-	-	-	-	-	-	-	30.0	30.0
Total undrawn credit facilities	**-**	**-**	**1 400.0**	**2 035.0**	**-**	**500.0**	**1 000.0**	**30.0**	**4 965.0**

31.12.2008	REMAINING TERM								
	Under 3 months	4–12 months	1–2 years	2–4 years	4–6 years	6–8 years	8–10 years	Over 10 years	Total
Entra Eiendom AS	-	-	-	500.0	1 250.0	-	1 300.0	-	3 050.0
Subsidiaries	-	-	-	103.0	-	-	-	30.0	133.0
Total undrawn credit facilities	**-**	**-**	**-**	**603.0**	**1 250.0**	**-**	**1 300.0**	**30.0**	**3 183.0**

At 31 December 2009 the Group had available liquid reserves of NOK 198.7 (196.0) million. See Note 15.

Interest rate risk

Interest rate risk arises from the value of the portfolio's fixed interest debt being affected by changes in the money market rates. Naturally, Entra Eiendom has significant financial risk associated with fluctuations in general NOK interest rate levels. The purpose of the Group's interest rate risk management is to reduce interest costs whilst also keeping the volatility of future interest payments within acceptable limits. A large proportion of the Group's debt is subject to fixed interest rates (69 percent) as shown in the table below. The Group uses a variety of derivatives to optimise its portfolio for its interest rate fixing structure. The Group's interest rate structure shall be chosen in accordance with the framework of the finance policy. The policy provides guidelines on the choice of interest rate structure based on an evaluation of the company's financial strength and ability to generate long-term, stable cash flow. Entra has established a dedicated interest rate council, the main purpose of which is to advise on the company's interest rate risk. Entra does not account for the hedge relationship as a hedge.

At 31 December 2009 the weighted average duration was 4.2 (4.5) years. The average interest rate on loans in the portfolio was at the same point in time 5.2 percent (5.8 percent).

The maturity structure of the company's interest rate exposure

At 31 Dec. 2009	31.12.2010	31.12.2011	31.12.2013	31.12.2015	31.12.2017	31.12.2019	31.12.2019+	Total
Term to maturity	**Up to 1 year**	**1–2 years**	**2–4 years**	**4–6 years**	**6-8 years**	**8–10 years**	**Over 10 years**	
Percentage	31 %	5 %	15 %	14 %	12 %	11 %	11 %	**100 %**
Amount	3 743.0	620.0	1 790.0	1 700.0	1 370.0	1 300.0	1 360.0	**11 883.0**

At 31 Dec. 2008	31.12.2009	31.12.2010	31.12.2012	31.12.2014	31.12.2016	31.12.2018	31.12.2018+	Total
Term to maturity	**Up to 1 year**	**1–2 years**	**2–4 years**	**4–6 years**	**6-8 years**	**8–10 years**	**Over 10 years**	
Percentage	29 %	9 %	12 %	12 %	23 %	7 %	8 %	**100 %**
Amount	3 287.0	1 070.0	1 410.0	1 390.0	2 620.0	750.0	960.0	**11 487.0**

Sensitivity analysis for changes in market interest rates

The table below shows the overall impact on the Group's financing costs of a parallel shift in market rates for NOK of +/- 1 percentage point, based on the Group's debt portfolio and interest rate derivatives on the balance sheet date. The figure quoted for the change in the fair value of loans and derivatives reflect what the market value of the portfolio would be on the balance sheet date if the yield curve were 1 percent higher or lower, based on discounted future cash flows from the various instruments.

31.12.2009	Total change in financing costs*	Change in the Group's interest cost (annual)	Change in fair value of loans and derivatives (before tax)
Market interest rates rise by 1 percentage point	388.5	-34.3	422.8
Market interest rates fall by 1 percentage point	-438.5	34.3	-472.8

31.12.2008	Total change in financing costs*	Change in the Group's interest cost (annual)	Change in fair value of loans and derivatives (before tax)
Market interest rates rise by 1 percentage point	570.0	-31.0	601.0
Market interest rates fall by 1 percentage point	-659.0	31.0	-690.0

* A positive number implies a reduction in financing costs, or an increase in the value of loans and derivatives.

Key figures relating to the Group's financial instruments	2009	2008
Nominal value of interest rate derivatives on the balance sheet date**	15 550.0	12 110.0
of which		
- Fixed to variable swaps**	3 710.0	2 410.0
- Floating to floating swaps	1 500.0	400.0
- Floating to fixed swaps	7 150.0	6 050.0
- Futures contracts (contracts that start in the future)	500.0	-
- Options or option-related products	2 690.0	3 250.0
Range of fixed interest rates	From 2.710 % to 6.195 %	From 2.975 % to 6.195 %
Floating rate reference	NIBOR	NIBOR
Average fixed rate excl. futures contracts	5.20 %	5.08 %
Average fixed rate incl. futures contracts	5.34 %	5.05 %
Fair value of derivatives on the balance sheet date	629.1	792.0
Change in fair value of bank loans over the year ***	-147.6	257.3
Change in fair value of bonds over the year	101.0	-162.8
Change in fair value of interest rate derivatives over the year	162.8	-471.9
Change in fair value of other items	-1.0	1.1
Loan arrangement fees	-25.2	-
Total change in fair value of financial instruments	**89.9**	**-376.3**

** NOK 3,710 million (NOK 2,410) of swaps linked to the fixed interest bonds issued by the Group are included in the volume of interest rate swaps. These bonds are swapped to a floating rate in order to ensure that the Group is in a position to manage its interest rate fixing independently of the bonds themselves. The real volume used for interest rate fixing is therefore NOK 11,840 (9,700) million. NOK 8,650 (6,450) million of this consists of pure interest rate swaps, whilst NOK 2,690 (3,250) million is interest rate options or option related products. Option related products are used either to put a ceiling on parts of the company's future interest rate expenses, or to reduce the current interest rate on the portfolio by issuing options that expose the company to a limited amount of risk. The majority of the Group's option-related agreements are standard interest rate swaps where the bank has an option to extend the maturity date of the contracts.

*** Spreads on bank loans are included in market value calculations for 2009. The interest rate spreads agreed on bank loans are considered to be below the assumed market rate for bank loans with equivalent remaining terms and credit risk on the balance sheet date. The difference between the agreed interest rate spreads and market spreads has been discounted over the loan's term to maturity using the swap rate. This reduces the market value of the debt. However, the positive value of favourable bank loans that reduced the market value of the company's debt in 2008 has diminished in 2009. The market value of the company's bank loans was NOK 147.6 million lower in 2008, which in isolation raised debt by NOK 147.6 million in 2009.

Currency risk
Currency risk is defined as the potential negative impact on the Group's financial liabilities or assets of changes in exchange rates. Entra Eiendom's business is only based on and exposed to Norwegian kroner (NOK). The Group shall therefore not take on direct currency risk. All potential loans and associated interest payments in foreign currency shall be fully hedged for profit, cash flow and balance sheet effects. At 31.12.09, Entra Eiendom AS was not exposed to exchange rate fluctuations.

Credit and counterparty risk
Credit and counterparty risk covers the risk that a counterparty fails to fulfil his obligations.

Financial counterparty risk arising from derivative contracts is limited through the use of ISDA agreements.

Lease contracts with new tenants are only signed after assessing the individual counterparty's creditworthiness. Any inadequate creditworthiness shall be compensated for by a demand for guarantees linked to the relevant situation. Revenues are to a large extent based on long-term contracts with reliable tenants. 80 percent of the tenants in the Group's property portfolio were from the public sector at 31 December 2009. This is a two percent reduction since 2008, caused by a combination of private sector tenants replacing public sector ones that have moved out of existing properties, and newly acquired properties having a larger proportion of private sector tenants.

Financial strength
The Group has a cautious finance policy and a relatively high equity ratio. The main objective of the Group's capital structure management is to ensure that the Group retains a good credit rating and thus good loan terms from lenders, consistent with the company's operations. Maintaining a strong equity ratio helps to support the Group's operations, and thereby to maximise the value of the Group's shares. The Group manages its capital structure and changes it as necessary based on a continuous assessment of the financial position of the business, and the short and medium term prospects.

The Group aims to have an equity ratio that gives it financial flexibility over the whole economic cycle.

The Group has covenants in its loan agreements that stipulate requirements relating to its financial strength.

NOTE 3-1 - CATEGORIES OF FINANCIAL INSTRUMENTS

31.12.2009	Loans and receivables	Financial assets available for sale	Financial assets measured at fair value through profit and loss	Total		Financial liabilities at fair value through profit or loss		Financial liabilities at amortised cost	Total
			Held for trading			Held for trading	Designated on initial recognition		
Assets					**Liabilities**				
Financial investments									
- shares		0.6		**0.6**	Non-current interest-bearing debt		8 171.6	26.3	**8 197.9**
- money market unit trusts				**-**	Current interest-bearing debt		3 446.3		**3 446.3**
- other financial assets	379.0			**379.0**	Derivatives	629.1			**629,1**
Trade receivables	21.5			**21.5**	Trade payables			212.4	**212.4**
Other current receivables	38.4			**38.4**	Other current liabilities			220.4	**220.4**
Cash and cash equivalents	229.8			**229.8**					
Total financial assets	668.7	0.6		**669.3**	**Total financial liabilities**	629.1	11 617.9	459.0	**12 706.0**

31.12.2008	Loans and receivables	Financial assets available for sale	Financial assets measured at fair value through profit and loss	Total		Financial liabilities at fair value through profit or loss		Financial liabilities at amortised cost	Total
			Held for trading			Held for trading	Designated on initial recognition		
Assets					**Liabilities**				
Financial investments									
- shares		6.0		**6.0**	Non-current interest-bearing debt		8 690.6	36.4	**8 727.0**
- money market unit trusts			23.6	**23.6**	Current interest-bearing debt		2 364.7		**2 364.7**
- other financial assets	167.7			**167.7**	Derivatives	792.0			**792.0**
Trade receivables	46.6			**46.6**	Trade payables			172.3	**172.3**
Other current receivables	-156.4			**-156.4**	Other current liabilities			364.5	**364.5**
Cash and cash equivalents	180.5			**180.5**					
Total financial assets	238.4	6.0	23.6	**268.0**	**Total financial liabilities**	792.0	11 055.2	573.1	**12 420.3**

NOTE 3-2 - FAIR VALUE DISCLOSURES

The fair value of bank loans is calculated based on the difference between contractual cash flows and cash flows calculated from market credit spreads on the balance sheet date. Estimated spreads are collected from three different banks.

The fair value of bond debt is the quoted price of listed bonds.

The fair value of commercial paper is its face value due to the short term to maturity.

The Group uses the following hierarchy based on valuation technique to determine and disclose the fair value of financial instruments:
Level 1: Quoted (unadjusted) prices in active markets for identical assets and liabilities.
Level 2: Other techniques where all of the parameters that significantly influence the fair value calculation are either directly or indirectly observable.
Level 3: Valuation techniques that use unobservable parameters that significantly influence the valuation.

Financial assets measured at fair value	31.12.2009	Level 1	Level 2	Level 3
Financial assets available for sale				
- Equity instruments	0.6			0.6
Total	**0.6**			**0.6**

Financial liabilities measured at fair value	31.12.2009	Level 1	Level 2	Level 3
Financial liabilities measured at fair value through profit or loss				
- Derivatives	621.4		621.4	
- Bank loans	4 960.4			4 960.4
- Bonds	4 472.5		4 472.5	
- Commercial paper	2 185.0		2 185.0	
Total	**12 239.2**		**7 278.9**	**4 960.4**

Reconciliation of opening and closing fair value of level 3 assets

	Financial assets available for sale	Financial liabilities measured at fair value through profit and loss	
		Held for trading	Designated on initial recognition
Opening balance	**6.0**		**6 369.7**
Change in financial liabilities			
- of which change in value of financial instruments recognised through profit or loss			147.6
Purchases/new loans			843.0
Disposals/repayments	-5.4		-2 400.0
Closing balance	**0.6**		**4 960.4**

Level 3 financial liabilities at fair value through profit or loss comprises bank loans. Changes in value are primarily due to changes in credit markets over the year. Market credit spreads on the Group's bank loans fell during 2009. This increases the value of the Group's liabilities.

NOTE 3-3 - FINANCIAL ITEMS

	2009	2008
Interest income	20.9	27. 7
Other financial income	1.3	5.5
Total interest and other financial income	**22.2**	**33.2**
Interest expenses	607.6	632.1
- of which capitalised loan costs	-30.9	-73.8
Other financial expenses	7.9	9.1
Total interest and other financial income	**584.6**	**567.4**

NOTE 4 - CRITICAL ACCOUNTING ESTIMATES AND SUBJECTIVE JUDGEMENTS

Fair value of investment properties

Investment properties are measured at their fair value based on external, independent valuations.

Each quarter, all of the company's properties are valued by two external valuers. The valuation at 31 December 2009 were carried out by Akershus Eiendom AS and DTZ Realkapital Verdivurdering AS. Properties are mainly valued using the cash flow method, which involves discounting future cash flows over an analysis period by an appropriate discount factor and adding the residual value at the end of the analysis period. Future cash flows are estimated from the cash flows from current leases and future cash flows based on expected market rents. The fair value of investment properties is therefore mainly affected by expected market rents, discount factors and inflation. The market rent for each individual property is estimated on the basis of the property's location, standard and comparable transactions in the area. The discount factor used in the cash flow model is mainly based on an assessment of the individual tenant's financial position and classification. Inflation assumptions are based on the consensus of banks and public statistics offices.

When carrying out their valuations, the valuers receive comprehensive details of the lease contracts at the properties, floor space and details of vacant premises at the property, as well as up-to-date information about all ongoing projects. Any uncertainties relating to the properties/projects and lease contracts are also clarified verbally and in writing as they arise. Before the final valuations are submitted, internal controls and carried out to check that all relevant information has been taken into account in the valuations.

The valuers perform their valuations on the basis of the information they have received, and estimate future market rents, yields, inflation and other relevant parameters. Each individual property is assessed in terms of its market position, rental income (contractual rents versus market rents) and ownership costs, with estimates being made for anticipated vacancy levels and the need for alterations and upgrades. The remaining term of the least contracts is also assessed for risk, and any special clauses in the contracts are looked at. Each property is also compared with recently sold properties in the same segment (location, type of property, mix of tenants, etc.).

The table below shows to what extent the value of the property portfolio is affected by inflation, market rents, discount rates (interest rates) and the exit yield (market yield), assuming that all other factors are equal.

Parameter	% change	Change in value* (NOK million)
Inflation	+ 0.1 %	203.0
Market rents	+ 10 %	1 417.0
Discount rates	+ 0.25 %	-414.0
Exit yield	+ 0.25 %	-282.0

* Estimates made by DTZ Realkapital Verdivurdering AS in conjunction with valuation performed at 31 December 2009.

NOTE 5 - SEGMENTAL INFORMATION

All amounts in NOK millions

The operating segments are identified based on the reporting used by group management when assessing performance and profitability at a strategic level. The management's monitoring is based on accounts that comply with the Norwegian Accounting Act and Norwegian generally accepted accounting principles.

Operating profit/loss by segment

01.01.2009 - 31.12.2009	Eastern Norway	Southern Norway	Western Norway	Central and Northern Norway	Group man./ project development	Total	IFRS impacts	Total IFRS
Rental income	1 035.7	137.8	137.1	142.0	-0.1	1 452.6	-	1 452.6
Other operating revenue	221.3	1.8	4.6	2.4	-	230.1	92.3	322.3
Total operating revenue	1 257.0	139.6	141.7	144.4	-0.1	1 682.6	92.3	1 774.9
Profit/loss on sale of property	62.7	1.2	-	-5.8	-0.2	57.9	-58.4	-0.5
Maintenance	52.4	8.5	11.9	4.2	-	77.0	-17.7	59.3
Other operating expenses	345.1	11.0	19.0	24.2	147.4	546.6	74.3	620.9
Ordinary depreciation	187.6	26.8	18.9	29.1	6.4	268.8	-259.1	9.7
Total operating expenses	585.1	46.4	49.7	57.5	153.8	892.5	-202.4	690.0
Operating profit	734.5	94.4	91.9	81.2	-154.0	848.1	236.3	1 084.3
Writedowns (projects under development)								
Interest and other financial income	-	-	-	-	22.2	22.2	-	22.2
Interest and other finance expense	-	-	-	-	-595.1	-595.1	12.4	-582.7
Net financial items	-	-	-	-	-572.9	-572.9	12.4	-560.5
Share of profit/loss from associates and joint ventures	-	-	-	-	30.4	30.4	-12.6	17.8
Management income	734.5	94.4	91.9	81.2	-696.5	305.6	234.2	541.6
Writedowns (projects under development)								
Adjustment to value of investment property	-	-	-	-	-	-	405.9	405.9
Adjustment to value of financial instruments	-	-	-	-	-	-	89.9	89.9
Profit before tax	734.5	94.4	91.9	81.2	-696.5	305.6	730.1	1 037.5
Other information:								
Investments during the period (historical cost)	519.3	18.2	204.6	139.8	-	881.8	-	881.8
Sale of properties during the period (sales price)	95.0	14.6	-	-	8.6	118.2	-	118.2

01.01.2008 - 31.12.2008	Eastern Norway	Southern Norway	Western Norway	Central and Northern Norway	Group man./ project development	Total	IFRS impacts	Total IFRS
Rental income	918.2	136.8	118.9	123.5	-	1 297.5	-	1 297.5
Other operating revenue	119.1	1.8	5.2	2.4	-	128.5	-75.2	53.4
Total operating revenue	1 037.3	138.6	124.1	125.9	-	1 426.0	-75.2	1 350.8
Profit/loss on sale of property	-	22.0	-	-	-	22.0	-19.7	2.3
Maintenance	44.1	6.6	10.9	6.4	0.3	68.3	-11.5	56.8
Other operating expenses	227.0	12.6	33.2	22.0	127.5	422.3	-81.0	341.3
Ordinary depreciation	163.3	26.3	11.7	44.0	7.1	252.4	-243.0	9.4
Total operating expenses	434.4	45.5	55.8	72.4	134.8	743.0	-335.5	407.5
Operating profit	603.0	115.1	68.3	53.5	-134.8	705.1	240.6	945.6
Writedowns (projects under development)								
Interest and other financial income	-	-	-	-	33.2	33.2	-	33.2
Interest and other finance expense	-	-	-	-	-567.2	-567.2	-0.2	-567.4
Net financial items	-	-	-	-	-534.0	-534.0	-0.2	-534.3
Share of profit/loss from associates and joint ventures	-	-	-	-	-8.3	-8.3	12.8	4.5
Management income	603.0	115.1	68.3	53.5	-677.2	162.7	253.2	415.9
Writedowns (projects under development)	-	-	-	-	-	-	-369.8	-369.8
Adjustment to value of investment property	-	-	-	-	-	-	-3 491.8	-3 491.8
Adjustment to value of financial instruments	-	-	-	-	-	-	-376-3	-376.3
Profit before tax	603.0	115.1	68.3	53.5	-677.2	162.7	-3 984.8	-3 822.0
Other information:								
Investments during the period (historical cost)	1 044.6	22.9	154.3	209.8	-	1 431.6	-	1 431.6
Sale of properties during the period (sales price)	-	102.7	-	-	-	102.7	-	102.7

Explanation of differences between NGAAP and IFRS in 2009 and 2008

NOK 92.3 (-75.2) million of the difference between NGAAP and IFRS under other operating revenue relates to income from the sale of housing units by the subsidiary Optimo. Under NGAAP, revenues are recognised on an arising basis. Under IFRS, revenues are only recognised on hand-over.

Under NGAAP, project-related maintenance costs for investment properties are recognised through the income statement. As these maintenance costs are taken into account in the fair value calculation under IFRS, the maintenance costs under IFRS are NOK 17.7 (11.5) million lower.

Under IFRS, neither investment properties nor development properties are depreciated. The reversal of NOK 259.1 (243.0) million relates to depreciation recognised under NGAAP for the abovementioned group of properties.

Segmental carrying amount of investment properties, projects under development and property used by the company

At 31 Dec. 2009	Eastern Norway	Southern Norway	Western Norway	Central and Northern Norway	Group man./ project development	Total
Investment property	14 425.4	1 438.0	1 808.6	2 079.0	-	19 751.0
Investment properties held for sale	120.0	280.0	-	4.6	-	404.7
Projects under development	-	-	-	-	-	-
Property used by owner	-	2.9	-	-	3.6	6.5
Total	**14 545.4**	**1 720.9**	**1 808.6**	**2 083.6**	**3.6**	**20 162.1**

At 31 Dec. 2008	Eastern Norway	Southern Norway	Western Norway	Central and Northern Norway	Group man./ project development	Total
Investment property	12 953.6	1 627.4	1 557.0	1 394.9	-	17 532.9
Projects under development	1 028.2	-	-	378.7	-	1 406.9
Property used by owner	-	3.0	-	-	13.5	16.5
Total	**13 981.8**	**1 630.4**	**1 557.0**	**1 773.6**	**13.5**	**18 956.3**

NOTE 6 - MAJOR TRANSACTIONS

There were no major transactions in 2009. However, see Note 26.

NOTE 7 - INTANGIBLE ASSETS

All amounts in NOK millions

2009	Goodwill	Options	Other intangible assets	Total intangible assets
Opening balance 1 Jan. 2009	15.7	3.8	17.8	37.3
Acquisitions	-	-	3.2	3.2
Disposals	-	-0.3	-	-0.3
Acquisition cost at 31 Dec. 2009	15.7	3.5	21.0	40.3
Opening balance 1 Jan. 2009	-	-	14.0	14.0
Depreciation	-	-	3.6	3.6
Accumulated deprecation at 31 Dec. 2009	-	-	17.6	17.6
Carrying amount at 31 Dec. 2009	**15.7**	**3.5**	**3.5**	**22.7**

All of the goodwill relates to the purchase of shares in Optimo AS. Other intangible assets relate to capitalised IT investments.

Anticipated economic life	5 years
Depreciation schedule	Linear

A reasonable possible change in the most important assumptions used for impairment testing of goodwill would not result in the recoverable amount being lower than the carrying amount of goodwill.

2008	Goodwill	Options	Other intangible assets	Total intangible assets
Opening balance 1 Jan. 2008	15.7	-	16.9	32. 6
Reclassification	-	3.8	2.3	6.1
Disposals	-	-	-1.4	-1.4
Acquisition cost at 31 Dec. 2008	15.7	3.8	17.8	37.3
Opening balance 1 Jan. 2008	-	-	11.1	11.1
Depreciation	-	-	4.2	4.2
Disposals	-	-	-1.4	-1.4
Accumulated deprecation at 31 Dec. 2008	-	-	14.0	14.0
Carrying amount at 31 Dec. 2008	**15.7**	**3.8**	**3.9**	**23.4**

Anticipated economic life	5 år
Depreciation schedule	Lineær

NOTE 8 - INVESTMENT PROPERTIES

All amounts in NOK millions

Value of investment properties	2009	2008
Opening balance 1 Jan.	17 532.9	19 503.0
Increase at 1 January 2009 as a result of amendment to IAS 40 principles	1 406.9	-
Projects under development at fair value	113.5	-
Net change in fair value through profit and loss	292.4	-3 491.8
Change in value of investment property	**405.9**	**-3 491.8**
Other changes		
New acquisitions	-	-
Improvements*	891.7	442.9
Capitalised borrowing costs	30.9	35.1
Disposals	-99.0	-97.0
Reclassification**	-13.6	-
Additions from projects under development	-	1 140.6
Closing balance at 31 Dec.* **	**20 155.6**	**17 532.9**
Of which investment properties held for sale	404.7	-
Investment property	**19 751.0**	**17 532.9**

* Improvements relating to investment properties under development totalled NOK 345.1 (174.9) million.
** Reclassification in 2009 of investment properties as housing projects being developed by the company for sale (inventory).
*** On the balance sheet date, the carrying amount of investment property under development was NOK 1,273.3 (514.3) million.

Investment property held for sale consists of 17 investment properties for which the sales process had started, but not been completed, by the balance sheet date. For six of the properties offers had been accepted at 31 December 2009, without risk having been transferred to the purchaser. Assuming that acceptable offers are received, it is expected that the properties will be sold within 12 months. No impairment was identified in conjunction with the reclassification of investment properties held for sale.

For information about valuations and fair value calculations for investment properties, see note 4.

NOTE 9 - HOUSING PROJECTS BEING DEVELOPED BY THE COMPANY FOR SALE

The subsidiary Optimo has started developing housing projects for sale. Until the units are completed and transferred to buyers, they are treated as inventory. Their total carrying amount was NOK 104.3 (236.9) million at 31 Dec. 2009.

NOTE 10 - OTHER TANGIBLE ASSETS

All amounts in NOK millions

2009	**Work in progress***	**Owner-used property**	**Other operating assets**	**Total other tangible fixed assets**
Acquisition cost at 1 Jan. 2009	1 776.7	17.4	39.2	1 833.2
Acquisitions	-	-	5.2	5.2
Capitalised borrowing costs	-	-	-	-
Disposals	-	-9.8	-0.3	-10.1
Amendment to IAS 40	-1 776.7	-	-	-1 776.7
Acquisition cost at 31 Dec. 2009	-	7.5	44.1	51.7
Accumulated depreciation and writedowns, 1 Jan. 2009	369.8	0.8	16.8	387.4
Depreciation	-	0.3	5.9	6.1
Writedowns	-	-	-	-
Disposals	-	-	-0.2	-0.2
Amendment to IAS 40	-369.8	-	-	-369.8
Accumulated depreciation and writedowns, 31 Dec. 2009	-	1.1	22.4	23.5
Carrying amount at 31 Dec. 2009	**-**	**6.5**	**21.7**	**28.1**
Anticipated economic life		20–50 years	1–5 years	
Depreciation schedule		Linear	Linear	

* All projects under development were reclassified as investment property in 2009 as a result of the amendment to the rules in IAS 40.

2008	**Work in progress***	**Owner-used property**	**Other operating assets**	**Total other tangible fixed assets**
Acquisition cost 1 Jan. 2008	1 933.4	17.4	38.4	1 989.1
Acquisitions	945.3	-	1.1	946.4
Capitalised borrowing costs	38.7	-	-	38.7
Disposals	-1 140.6	-	-0.4	-1 141.0
Acquisition cost at 31 Dec. 2008	1 776.7	17.4	39.2	1 833.2
Accumulated depreciation and writedowns, 1 Jan. 2008	-	0.6	12.2	12.7
Depreciation	-	0.3	4.6	4.9
Writedowns	369.8	-	-	369.8
Disposals	-	-	-	-
Accumulated depreciation and writedowns, 31 Dec. 2008	369.8	0.8	16.8	387.4
Carrying amount at 31 Dec. 2008	**1 406.9**	**16.5**	**22.4**	**1 445.8**
Anticipated economic life		20–50 years	1–5 years	
Depreciation schedule		Linear	Linear	

* In 2008 there was NOK 369.8 million writedown of projects under development, which was presented as a separate item in the income statement as Write-downs (projects under development).

NOTE 11 – SUBSIDIARIES

Subsidiary	Acquisition date	Business office	Shareholding/ voting rights
Oslo Z AS	20.09.2000	OSLO	100 %
Biskop Gunnerusgt. 14 AS	26.03.2001	OSLO	100 %
Universitetsgaten 2 AS	03.09.2001	OSLO	100 %
Kunnskapsveien 55 AS	17.12.2001	OSLO	100 %
Entra Kultur 1 AS	28.02.2002	OSLO	100 %
Kristian Augustsgate 23 AS	01.02.2003	OSLO	100 %
Nonnen Utbygging AS	10.02.2003	OSLO	100 %
Langkaia 1 AS	21.11.2003	OSLO	100 %
Kjørboparken AS	21.12.2005	OSLO	100 %
Bispen AS	24.10.2007	OSLO	100 %
Pilestredet 28 AS	07.05.2008	OSLO	100 %
Hagegaten 24 AS	01.10.2008	OSLO	100 %
Papirbredden Eiendom AS	10.01.2005	OSLO	60 %
Brattørkaia AS	31.01.2006	OSLO	52 %
Kristiansand Kunnskapspark Eiendom AS	04.07.2005	KRISTIANSAND	51 %
Optimo AS	02.10.2006	OSLO	51 %

NOTE 12 - JOINT VENTURES AND ASSOCIATES

All amounts in NOK millions

31.12.2009	Acquisition date	Business office	Shareholding/ voting power	Book value	Share of profit/loss
Jointly owned business					
UP Entra AS	31.12.2003	HAMAR	50 %	103.6	0.1
Oslo S. Utvikling AS	01.07.2004	OSLO	33.3 %	164.8	26.5
Associate					
Krambugata 3 AS	31.12.2003	TRONDHEIM	45.00 %	29.8	-8.6
Ullandhaug Energi AS	07.07.2009	STAVANGER	44.00 %	5.1	-0.1
Kunnskapsbyen Eiendom AS	31.12.2004	OSLO	33.75 %	4.6	0.4
Tverrforbindelsen AS	24.04.2009	TRONDHEIM	33.33 %	0.3	-
Youngstorget Parkeringshus AS	16.11.2005	OSLO	21.26 %	-0.1	-0.5
				308.1	**17.8**

31.12.2008	Acquisition date	Business office	Shareholding/ voting power	Book value	Share of profit/loss
Jointly owned business					
UP Entra AS	31.12.2003	HAMAR	50.00 %	86.0	-25.0
Oslo S. Utvikling AS	01.07.2004	OSLO	33.30 %	138.7	15.6
Associate					
Krambugata 3 AS	31.12.2003	TRONDHEIM	45.00 %	38.5	14.2
Kunnskapsbyen Eiendom AS	31.12.2004	OSLO	33.75 %	4.2	-0.1
Youngstorget Parkeringshus AS	16.11.2005	OSLO	21.26 %	0.4	-
Kongsvinger Kompetanse- og Næringssenter AS	06.07.2006	KONGSVINGER	20.00 %	3.1	0.3
Papirbredden Innovasjon AS	08.08.2006	DRAMMEN	9.97 %	-0.3	-0.5
				270.6	**4.5**

Investments in associates and joint ventures are recognised using the equity method.

Aggregate financial information about associates and joint ventures
(figures refer to Entra Eiendom's ownership interest)

	2009	2008
Operating revenue	207.7	61.4
Profit	17.8	4.5
Total assets	1 363.6	779.1
Equity	140.6	90.7
Total liabilities	1 223.0	688.4

DISCLOSURE RELATING TO MAJOR PROJECTS THROUGH OSLO S. UTVIKLING AS (OSU)

Oslo S. Utvikling AS (OSU) is a property development company established for the purpose of developing properties at Bjørvika, Oslo. OSU is a joint venture and is accounted for using the equity method. At 31 December 2009, OSU controls approx. 300,000 square metres of the 900,000 square metres in total that are to be developed at Bjørvika. OSU's most important projects are described below.

Completed projects

The PwC building was sold in February 2006 (forward contract), and was completed in December 2007. The gain on the sale has previously been recognised in the income statement. As of 31.12.09 negotiations were underway regarding a final payment relating to an additional contract associated with the construction of the building.

Current projects under development

The Visma building, which is due to be completed in 2011, was sold in February 2006 (forward contract) for a gross price of NOK 920 million (value of property). At 31.12.09 2/3 of the building was leased. The funds that are to be used to pay for its construction have been deposited in a separate bank account. Purchase contracts have been signed with a value equivalent to approx. 3/4 of the project costs. The construction of the Visma building is treated as a development contract covered by IAS 11, and anticipated profit is recognised in the income statement in proportion to the project's progress/degree of completion.

The offices in the KLP building are expected to be completed on 1 April 2010, the residential units on 1 May 2010 and the retail units in 2010-2011 depending on when tenants are found. The construction of the offices in the KLP building is treated as a development contract covered by IAS 11, and anticipated profit is recognised in the income statement in proportion to the project's progress/degree of completion.

At 31 December 2009 the Snøhetta building (designed to cover 16,000 square metres) had neither been leased nor sold, and no contracts have been signed for the construction of the building. The cellar areas under the building have been completed. Work above ground is contingent upon tenants being found for a significant proportion of the building, financing and approval from the authorities and Entra's Board. Work above ground may start in the fourth quarter of 2011, with completion in the second quarter of 2013.

Projects for lease

For the three commercial buildings known as the DnB NOR buildings, lease contracts for approx. 80,000 square metres had been signed at 31 December 2009, and the buildings are due for completion in 2012–2013. The lease term is 15 years, with options to extend the contract or purchase the buildings. Construction work has started.

Barcode Basement AS is a separate company that owns, and which is developing and building, all of the underground areas in the Barcode zone (gross volume approx. 70,000 square metres, just under 50 percent of which Basement will be responsible for), and the business will lease out storage, parking spaces and plant/plant rooms for the buildings above. In spring 2010 the areas from the west (under the PwC building) and east as far as the station area/access road will be completed. The remaining areas will be completed over the period 2011–2014.

Infrastructure projects

OSU owns 34 percent of Bjørvika Utvikling/Bjørvika Infrastruktur, which is mainly involved in building infrastructure at Bjørvika, with an estimated cost of NOK 2,000–2,500 million. The costs are covered by developers, who pay a fixed amount per square metre of development, as well as by a contribution of NOK 300 million from the City of Oslo. Payments are due at certain milestones, with 30 percent due when work above ground level starts, 50 percent on completion of the buildings' structures and 20 percent on their final completion. Infrastructure contributions are included in the cost estimates for the various buildings. All infrastructure is to be transferred to the City of Oslo free of charge.

Contractual obligations

All contractual obligations on the balance sheet date that have not been capitalised are included on the table below.

Contractual obligations	31.12.2009	31.12.2008
Investment property	-	-
Tangible assets	1 078	776
Total obligations contracted	**1 078**	**776**

NOTE 13 - OTHER NON-CURRENT RECEIVABLES

All amounts in NOK millions

	2009	2008
Loans to joint ventures and associates	375.1	164.5
Long-term loans to tenants	-	2.5
Other non-current receivables	3.9	0.6
Total other non-current receivables	**379.0**	**167.7**

NOTE 14 – CURRENT RECEIVABLES

All amounts in NOK millions

	2009	2008
Trade receivables	22.0	50.0
Provisions for losses on trade receivables	-0.5	-3.5
Net trade receivables	21.5	46.6
Other current receivables	93.5	157.4
Total current receivables	**114.9**	**204.0**

At 31 December 2009, NOK 7.7 (9.2) million in trade receivables were overdue, but had not been written down. These relate to various customers who historically have not had problems with meeting their obligations. The aged analysis of these trade receivables is as follows:

Trade receivables	2009	2008
Up to 3 months	3.0	7.7
Over 3 months	4.6	1.4
Total overdue	**7.7**	**9.2**

Other current receivables	2009	2008
Shared costs to be distributed amongst tenants	9.1	15.5
Advance payments and accruals	29.9	15.6
VAT owed	25.2	61.3
Interest earned	27.2	60.3
Other current receivables	2.1	4.7
Total other current receivables	**93.5**	**157.4**

NOTE 15 - BANK DEPOSITS

All amounts in NOK millions

	2009	2008
Bank deposits	198.7	172.4
Tied bank deposits	31.1	8.1
Total bank deposits	**229.8**	**180.5**

Tied bank deposits comprise a withholding tax account and collateral for loans.

NOTE 16 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital of NOK 142,194,000 consists of 142,194 shares with a face value of NOK 1,000. All shares enjoy equal rights. All of the shares are owned by the Norwegian Government through the Ministry of Trade and Industry.

The proposed general government budget for 2010 anticipates a dividend of NOK 114.5 million from Entra Eiendom AS. No provision is made for dividends in the consolidated balance sheet/accounts until the AGM has been held and the dividend has been decided.

NOTE 17 - PENSION LIABILITIES

All amounts in NOK millions

The company has pension schemes that cover a total of 135 current employees and 32 pensioners. The schemes provides an entitlement to defined future benefits. These benefits are mainly dependent on number of years of contributions, salary level on reaching retirement age and the level of benefits from the National Insurance Scheme. Commitments are covered through the Norwegian Public Service Pension Fund.

The company and the Group also have a contractual early-retirement scheme for the public sector (AFP) linked to the Norwegian Public Service Pension Fund.

The balance sheet liabilities have been calculated as follows	2009	2008
Present value of accrued pension liabilities in defined benefit schemes in unit trusts.	133.4	121.4
Fair value of pension scheme assets	-66.5	-59.8
Unrecognised costs relating to pension liabilities accrued in previous periods	1.1	-1.3
Employers' NICs accrued	9.0	8.6
Net pension liabilities on balance sheet at 31 Dec.	**77.0**	**68.8**

Change in defined benefit pension liabilities over the year	2009	2008
Pension liabilities 1 January	121.4	111.6
Present value of pensions earned this year	15.7	12.7
Interest paid	4.6	5.0
Actuarial losses/(gains)	-5.2	-4.7
Pension benefits paid	-3.0	-3.1
Pension liabilities at 31 Dec.	**133.4**	**121.4**

Change in fair value of pension scheme assets	2009	2008
Pension scheme assets at 1 January	59.8	53.2
Anticipated return on pension scheme assets	3.6	3.1
Actuarial gains/(losses)	-3.1	-1.9
Contributions from employer	9.2	8.5
Pension benefits paid	-3.0	-3.1
Pension scheme funds at 31 December	**66.5**	**59.8**

Total cost recorded through profit and loss	2009	2008
Cost of pension benefits accrued during current period	15.7	12.7
Interest paid	4.6	5.0
Anticipated return on pension scheme assets	-3.6	-3.1
Actuarial gains and losses, etc.	-	-
Administrative costs	0.2	0.2
Employers' National Insurance Contributions	2.0	2.0
Total	**18.8**	**16.7**
2 % employee pension contribution	-1.4	-1.3
Cost of separate defined contribution pension scheme for employees at subsidiaries	0.5	0.2
Total, included under personnel costs	**17.9**	**15.6**

The following economic assumptions have been used:

	2009	2008
Discount rate	4.40 %	3.80 %
Anticipated return on pension scheme assets	5.60 %	5.80 %
Annual wage growth	4.25 %	4.00 %
Annual adjustment to the National Insurance Scheme's basic amount (“G”)	4.00 %	3.75 %
Annual adjustment of pensions	4.00 %	3.75 %
Mortality rate	K2005	K2005
Incapacity	200 % K1963	200 % K1963
Proportion of workers taking early retirement under the government's AFP scheme	60 %	40 %

The actuarial assumptions are based on generally accepted assumptions in the insurance industry with regard to demographic factors.

Entra Eiendom AS's employees are members of the Norwegian Public Service Pension Fund. It is a defined benefit pension scheme that gives all employees a guaranteed level of pension in the future. As a member of the Norwegian Public Service Pension Fund, the guaranteed pension level ensures a defined pension benefit. The guarantee means that employees will receive at least 66 percent of their pension qualifying salary. Any income over and above 12 times the National Insurance Scheme's basic amount is not included in the qualifying salary. The pension benefit payable is based on the employee's salary, average working week as a percentage of a full-time position and length of service (30 years' service qualifies for a full pension).

Entra operates an early retirement pension scheme (AFP) from the age of 62. Employees can cut back on their working week or retire completely. If they choose to cut back, they must continue to work 60 percent of a full-time position. Between the ages of 62 and 65, pensions are calculated in accordance with the National Insurance Scheme's stipulations. On reaching the age of 65, the pension is calculated using either the National Insurance Scheme's rules or the Norwegian Public Service Pension Fund's rules, depending on which is better for the member.

Employees are also insured against incapacity and death.

The CEO has a separate pension plan that is discussed in Note 23. The company's obligations under that unfunded plan total NOK 2,376,952, and are included in the above tables.

Allocation of pension scheme assets by investment category at 31 December.

	2009	2008
Government bonds	100 %	100 %
Corporate bonds	0 %	0 %
Shares	0 %	0 %
Property	0 %	0 %
Other	0 %	0 %
Total	**100 %**	**100 %**

Figures for the past five years

	2009	2008	2007	2006	GRS 2005
Gross defined benefit pension liabilities	133.4	121.4	111.6	96.8	79.4
Fair value of pension scheme assets at 31 Dec.	-66.5	-59.8	-53.2	-50.4	-51.4
Net defined benefit pension liabilities	**66.9**	**61.6**	**58.4**	**46.4**	**28.0**

Sensitivity analysis for the assumptions on which the pension calculation is based

Discount rate		Impact on liability
0.5 percentage point decrease	3.90 %	11.0
Discount rate at 31 Dec. 2009	4.40 %	-
0.5 percentage point increase	4.90 %	-9.7

Wage growth		Impact on liability
1 percentage point decrease	3.25 %	-8.9
Expected wage growth at 31 Dec. 2009	4.25 %	-
1 percentage point increase	5.25 %	8.4

NOTE 18 – PROVISION FOR LIABILITIES

All amounts in NOK millions

	2009	2008
Provision for rent payments/loss-making contracts	31.2	31.4
Provision for guarantee	3.2	1.3
Other provisions	0.7	-
Total other provisions for liabilities	35.0	32.7

Change in provisions for liabilities	**2009**	**2008**
Opening balance	32.7	33.5
Additional provisions during the year	8.5	6.8
Provisions used during the year	-8.4	-8.4
Provisions reversed during the year	-	-
Unwinding of the discount	2.3	0.8
Closing balance	35.0	32.7

The Group's underfunding of rent payments at 31 December.

Rent maturity	**2009**	**2008**
≤ 1 year	8.5	8.5
1 year ≤ 5 years	20.4	21.1
5 years ≤ 10 years	2.2	1.8
Total	31.2	31.4

Provisions for properties leased by Entra

At 31.12.2009, Entra Eiendom had made provisions for rent payments for the following properties:

- Drammensveien 130, Oslo
- Akersgata 55, Oslo
- Apotekergata 8, Oslo
- Kristian Augustgate 19, Oslo
- Dronningensgate 10–14

An assessment is made of the relationship between the rent paid by Entra Eiendom and the rental income that can be achieved by leasing out these premises. This assessment is based on the rental cost and rental income specified in current leases, as well as an evaluation of future rental income for vacant premises and for contracts that are expiring.

For properties leased by Entra, the company calculates the net cash flow over the duration of the lease contract. The present value of future cash flows is calculated using a discount rate of six percent.

In the accounts, a provision is made at 31 Dec. equal to the estimated present value. Changes in the present value in relation to the previous year are recorded through profit and loss.

NOTE 19 - LIABILITIES

All amounts in NOK millions

Non-current liabilities	Nominal value 2009	Market value 2009	Nominal value 2008	Market value 2008
Bank loans	4 920.0	4 810.5	5 420.0	5 375.1
Bond loan	3 520.0	3 361.1	3 370.0	3 315.5
Other liabilities	26.3	26.3	36.4	36.4
Derivatives	-	621.4	-	792.0
Total non-current liabilities		**8 819.3**		**9 518.9**

Current liabilities	Nominal value 2009	Market value 2009	Nominal value 2008	Market value 2008
Bank loans	150.0	149.9	1 327.0	994.7
Bond loan	1 108.0	1 111.4	-	-
Commercial paper	2 185.0	2 185.0	1 370.0	1 370.0
Derivatives	-	7.8	-	-
Total current liabilities		**3 454.0**		**2 364.7**

The market value of the Group's non-current liabilities including derivatives is higher than the face value of the liabilities. This reflects the impact of market value calculations for derivatives, bonds and bank loans.

The average loan spread on all of the Group's existing loans at 31 December 2009 is 0.5 percent.

Derivatives are shown on the balance sheet under Other non-current liabilities and Other current liabilities.

The following terms apply to the bonds and commercial paper issued by the Group

The Group's bonds

ISIN	Borrowing limit	Coupon rate	Term to maturity	Issued*	Repurchased*	Net amount outstanding*
NO0010273378	2 000.0	3M NIBOR +0.26 %	23.06.2010	1 060.0	556.0	504.0
NO0010273386	1 500.0	4.10 %	22.06.2012	670.0	-	670.0
NO0010282031	1 100.0	4.62 %	29.05.2030	1 100.0	-	1 100.0
NO0010552441	1 500.0	3M NIBOR +0.80 %	25.11.2014	450.0	-	450.0
NO0010552458	1 500.0	4.95 %	25.11.2014	975.0	-	975.0
NO0010552466	1 500.0	5.55 %	25.11.2019	325.0	-	325.0
NO0010273360	1 500.0	3. 75 %	23.06.2010	640.0	36.0	604.0
						4 628.0

The Group's commercial paper

ISIN	Borrowing limit	Coupon rate	Term to maturity	Issued*	Repurchased*	Net amount outstanding*
NO0010498306	400.0	3.68 %	10.03.2010	300.0	-	300.0
NO0010520422	400.0	2.95 %	10.06.2010	300.0	-	300.0
NO0010526734	400.0	2.73 %	06.07.2010	250.0	-	250.0
NO0010548100	400.0	3.10 %	11.10.2010	250.0	-	250.0
NO0010549660	400.0	2.02 %	11.01.2010	200.0	-	200.0
NO0010552326	400.0	3.10 %	10.11.2010	250.0	-	250.0
NO0010491947	400.0	3.97 %	10.02.2010	300.0	-	300.0
NO0010489495	400.0	3.90 %	27.01.2010	400.0	65.0	335.0
						2 185.0

* face values

Mortgages

In general the Group's financing is based on negative pledge clauses. The exception is the long-term bond with a face value of NOK 1,100,000,000 that is secured by a mortgage on The National Library of Norway and associated buildings at Henrik Ibsens gate 110 in Oslo. The lender also has a mortgage on the rental income from the property. Loans have also been arranged with mortgages on properties in subsidiaries in which Entra Eiendom AS does not own all of the shares.

	2009	2008
Market value of liabilities secured through mortgages	2 066.1	2 027.2
Carrying amount of mortgaged assets		
Buildings and sites	2 832.9	2 677.1
Receivables calculated as a result of housing sales	-	92.3
Total	**2 832.9**	**2 769.3**

NOTE 20 - OTHER CURRENT LIABILITIES

All amounts in NOK millions

	2009	2008
Shared costs for buildings, owed to tenants	-	1.6
Advance payments by customers and other	9.5	96.7
Accrued costs	66.1	46.6
Wages and holiday pay owed	16.8	14.9
Interest accrued	122.1	168.1
Provision for Board fees	1.9	1.8
Construction loans	-	120.0
Other current liabilities	5.7	11.4
Current liabilities - derivatives	7.8	-
Total other current liabilities	**229.8**	**461.1**

NOTE 21 - LEASE CONTRACTS

All amounts in NOK millions

The Group's lease contracts at 31 December have the following maturity structure measured in annual rent*

Remaining term	No. contracts	At 31 Dec. 2009	%	No. contracts	At 31 Dec. 2008	%
≤ 1 year	124	139.0	9 %	146	113.5	8 %
1 year ≤ 5 years	247	432.8	29 %	281	427.6	29 %
5 years ≤ 10 years	111	456.2	31 %	105	403.7	27 %
≤ 10 years	58	453.5	31 %	71	539.2	36 %
Total	**540**	**1 481.4**	**100 %**	**603**	**1 484.0**	**100 %**

The table shows the remaining non-terminable contractual rent for current lease contracts without taking into account the impact of any options.
* The rent is stated as the annualised contractual rent, and is therefore not reconcilable with the rental income for the year for accounting purposes.

Other parameters relating to the Group's contract portfolio

	31.12.2009	31.12.2008
Occupancy rate *	96.1 %	97.5 %
Share of public sector tenants	80 %	82 %
Weighted average remaining contract term	9.8 years	10.1 years

* Excluding project and development properties.

On account of the high occupancy rate, the high proportion of public sector tenants and the relatively long average remaining contract term, the risk to the Group's cash flow is considered relatively low.

NOTE 22 - OTHER OPERATING INCOME

All amounts in NOK millions

	2009	2008
Internal maintenance	13.0	13.9
Administrative mark-ups	6.7	5.4
Sale of services*	83.4	33.6
Sale of housing units**	218.3	-
Other operating revenue	1.0	0.5
Total other operating revenue	322.3	53.4

* The sale of services relates to Optimo AS (subsidiary, 52 percent ownership interest), which engages in property development and project management.
** The sale of housing units developed by the company through its subsidiary Optimo AS.

NOTE 23 - PERSONNEL COST

Personnel costs (All amounts in NOK millions)	**2009**	**2008**
Wages, bonuses and other taxable benefits	106.7	92.1
Employers' National Insurance Contributions	12.5	12.1
Pension expenses	17.9	15.6
Other personnel costs	8.6	9.1
Total	**145.6**	**128.9**
Personnel costs reclassified as shared costs for buildings	-30.5	-27.9
Personnel costs reclassified as owner's costs for buildings	-9.9	-10.3
Total personnel costs	**105.3**	**90.7**

Number of employees/full-time equivalents	**2009**	**2008**
Number of employees at 31 Dec.	167	160
Number of full-time equivalents at 31 Dec.	166	159
Average number of employees	164	153

Payments to leading employees (All amounts in NOK thousands)	**Salaries**	**Profit dependent salary**	**Basic benefits**	**Estimated pension expenses**	**Total remuneration 2008**
Key employees					
Kyrre Olaf Johansen, CEO	2 876	285	261	2 485	1 828
Torodd Bøystad, Deputy CEO	2 333	94	149	108	3 547
Svein Hov Skjelle, CFO, started 2 March 2009	1 459	-	92	91	-
Rune Olsø, Dir. of Strategy and Bus. Dev.	1 936	74	70	108	2 085
Nils Fredrik Skau, Technical Director	1 275	42	142	108	1 446
Bjørn Holm, Director of Projects and Development	1 361	52	87	108	1 562
Anne Kathrine Slungård, Director of Marketing	1 364	52	80	108	1 627
Sverre Vågan, Director of Human Resources	1 052	40	134	108	1 426
Dag Ketil Grønnesby, Director of Mergers and Acquisitions, started 12 April 2009	786	-	95	82	-
Former employees	1 032	-	68	53	4 699
Total	**15 475**	**639**	**1 178**	**3 363**	**18 220**

	Directors' fees	**Profit dependent salary**	**Basic benefits**	**Estimated pension expenses**	**Total remuneration 2008**
The Board					
Grace Reksten Skaugen, Chairman of the Board	392	-	-	-	457
Martin Mæland, Vice Chairman of the Board	198	-	-	-	198
Finn Berg-Jacobsen, board member	228	-	-	-	228
Gerd Kjellaug Berge, board member	198	-	-	-	198
Ottar Brage Guttelvik, board member	213	-	-	-	213
Tore Bendiktsen, employee representative*	173	-	-	-	-
Mari Fjærbu Åmdal, employee representative*	173	-	-	-	173
Total	**1 575**	**-**	**-**	**-**	**1 467**

* Ordinary wages are not included.

The Group has a performance-related pay scheme that covers all employees. Awards are based on the results achieved by the Group, customer satisfaction and individual goals.

The CEO has an individual bonus scheme that is based on an assessment of goal achievement. Any bonus for 2009 is determined by the Board in 2010. The maximum bonus payment is limited to 50 percent of the CEO's annual salary. The CEO is entitled to receive his salary for 12 months after leaving his post, subject to certain restrictions.

Fees are not paid to employees of Entra Eiendom AS for being directors, etc. of subsidiaries or associates.

CEO's additional pension

The CEO's pension benefits on reaching the age of 65 shall be equivalent to 66 percent of his final salary less benefits from the National Insurance Scheme, the Norwegian Public Service Pension Fund and pension benefits earned at other companies. The qualifying period for the additional pension is 19 years. The CEO can retire at the age of 62, in which case he will receive 60 percent of his final salary until the age of 65. In the event of suffering from a more than 50 percent long-term disability, the CEO is entitled to a disability pension. The benefit payable is 66 percent of his final salary less benefits from the National Insurance Scheme, Norwegian Public Service Pension Fund and pension benefits earned at other companies.

Auditor's fees (All amounts in NOK thousands)	**2009**	**2008**
Legally required audit	1 800	1 800
Tax advice	430	45
Other services not related to auditing	337	289
Other auditing services	140	-
Accounting advice related to IFRS	-	408
Total auditor's fees (excl. VAT)	**2 708**	**2 542**

NOTE 24 - OTHER OPERATING EXPENSES

All amounts in NOK millions

	2009	2008
Management, operation and development of properties that generate rental income	172.9	144.6
Management, operation and development of properties that do not generate rental income	55.2	22.5
Cost of housing units sold	203.5	-
Payroll and personnel costs	105.3	90.7
Other administrative costs	84.1	83.5
Total other operating expenses	**620.9**	**341.3**

NOTE 25 – TAX

All amounts in NOK millions

Deferred tax is stated net if the Group has a legal right to offset deferred tax assets against the deferred tax on the balance sheet, and if the deferred tax is owed to the same tax authority. The following net value was recognised:

	2009	2008
Deferred tax	2 237,8	1 952.4
Deferred tax assets	353,2	346.4
Net deferred tax	**1 884,6**	**1 606.0**

Change in deferred tax on balance sheet	2009	2008
Carrying amount at 1 January.	1 606.0	2 852.2
Recorded through profit and loss for the period	273.0	-1 247.5
Tax deduction for losses	5.6	-
Acquisition of subsidiaries	-	1.4
Carrying amount at 31 December.	**1 884.6**	**1 606.0**

Change in deferred tax/deferred tax assets (not offset) Deferred tax	Fixed assets	Income statement	Total
31.12.2007	**2 935.1**	**33.4**	**2 968.5**
Recorded through profit and loss for the period	-1 015.9	-0.2	-1 016.0
Recorded through equity	-	-	-
Sale of subsidiaries	-	-	-
31.12.2008	**1 919.2**	**33.2**	**1 952.4**
Recorded through profit and loss for the period	277.4	8.0	285.4
Recorded through equity	-	-	-
Sale of subsidiaries	-	-	-
31.12.2009	**2 196.6**	**41.2**	**2 237.8**

Deferred tax assets	Provisions	Financial instruments	Receivable	Loss carry-forward/ profit adjustment	Total
31.12.2007	**31.3**	**17.8**	**4.0**	**63.2**	**116.3**
Recorded through profit and loss for the period	-0.7	105.4	0.6	124.7	230.1
Recorded through equity	-	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-
31.12.2008	**30.6**	**123.3**	**4.7**	**187.9**	**346.4**
Recorded through profit and loss for the period	3.6	-31.8	-4.5	45.1	12.4
Tax deduction for losses	-	-	-	-5.6	-5.6
Recorded through equity	-	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-
31.12.2009	**34.2**	**91.5**	**0.1**	**227.4**	**353.2**

Tax payable is calculated as follows	2009	2008
Profit before tax	1 037.5	-3 822.1
Profit from ownership interests in associates	-17.5	-4.5
Other permanent differences	17.7	5.0
Adjustment to previous years	4.0	-98.2
Correction for acquisition/disposal of subsidiaries	1.0	-0.9
Change in temporary differences	-1 136.1	4 036.5
Application of loss carryfoward	161.1	-
Profit for tax purposes	**67.6**	**115.8**

Tax payable on income statement	18.9	32.4
Excess/short tax provision for prior years	-	-28.1
Tax payable on the balance sheet	**18.9**	**4.3**

The tax expense for the year is calculated as follows	2009	2008
Tax payable	18.9	32.4
Excess tax provision for 2008	-1.1	-
Change in deferred tax	273.0	-1 254.9
Tax expense for the year	**290.8**	**-1 222.5**

Tax rate of 28 % applied

Reconciliation of tax expense with profit multiplied by nominal tax rate	2009	%	2008	%
Tax for accounting purposes multiplied by nominal tax rate	290.0	28.0 %	-1 070.2	28.0 %
Tax on profit from ownership interests in associates	-4.9	-0.5 %	-1.3	0.0 %
Tax on permanent differences	5.7	0.5 %	1.4	0.0 %
Tax on other changes	-	0.0 %	-152.5	4.0 %
Tax expense for the year	**290.8**	**28.1 %**	**-1 222.5**	**32.0 %**

NOTE 26 – RELATED PARTIES

Entra Eiendom is owned by the Norwegian government through the Ministry of Trade and Industry. The great majority of the Group's floor space is leased to public sector tenants. Lease contracts are signed on commercial terms.

In 2009 Entra Eiendom completed two transactions with the joint venture UP Entra AS, which is owned by Entra Eiendom AS (50 percent) and Utstillingsplassen Eiendom AS (50 percent). Statens hus in Hamar was transferred from Entra Eiendom AS to UP Entra AS in the first quarter of 2009 for a price of NOK 193.5 million. In the fourth quarter UP Entra AS also bought the shares in Kongsvinger Kompetanse- og Næringssenter AS from Entra Eiendom AS for NOK 0.4 million. The group internal trancactions have been subjected to board consideration. The management believes that the transactions were carried out on arm's length terms.

NOTE 27 – EVENTS AFTER THE BALANCE SHEET DATE

Events after the balance sheet date are those events, whether favourable or unfavourable, that occur between the balance sheet date and the date when the financial statements are presented. Such events may either be events that provide evidence of conditions that existed at the balance sheet date and therefore require changes to the financial statements or conditions that arose after the balance sheet date and therefore require no changes.

There have been no such events or circumstances after the balance sheet date.

NOTE 28 – MINORITY INTERESTS

All amounts in NOK millions

Company	Minority's shareholding	Minority share of profit/loss in 2009	Minority share of equity at 31 Dec. 2009	Minority share of profit/loss in 2008	Minority share of equity at 31 Dec. 2008
Papirbredden Eiendom AS	40 %	34.4	72.9	-14.5	38.5
The Brattørkaia AS Group	48 %	66.3	76.7	-12.7	-0.1
Kristiansand Kunnskapspark Eiendom AS	49 %	-0.9	-4.5	-4.1	-3.6
The Optimo AS Group	49 %	15.7	109.4	5.4	94.8
Total minority interests		**115.5**	**254.5**	**-25.9**	**129.7**

NOTE 29 – PROFIT PER SHARE

Basic earnings per share are calculated from the profit/loss for the year attributable to the shareholder of NOK 631.2 (-2,573.7) million and the weighted average number of outstanding shares over the course of the financial year, which was 142,194 (142,194).

There were no dilutive effects, so the diluted profit per share is the same as the profit per share.

	2009	2008
Comprehensive income for the year attributable to shareholder (NOK millions)	631.2	-2 573.7
Average number of outstanding shares (Note 16)	142 194	142 194
Earnings per share (NOK)	4 439	-18 100

NOTE 30 – THE GROUP'S INCOME STATEMENT AND BALANCE SHEET UNDER THE NORWEGIAN ACCOUNTING ACT AND NORWEGIAN GENERALLY ACCEPTED ACCOUNTING PRACTICES

All amounts in NOK millions

Consolidated income statement 1 Jan.-31 Dec.	**2009**	**2008**
Rental income	1 452.6	1 297.5
Other operating revenue	230.1	128.5
Profit on sale of property	57.9	22.0
Total operating revenue	**1 740.5**	**1 448.0**
Maintenance costs	59.4	56.8
Rehabilitation costs	17.7	11.5
Other operating expenses	546.6	422.3
Depreciation	268.8	252.4
Total operating expenses	**892.5**	**743.0**
Operating profit	**848.0**	**705.1**
Interest and other financial income	22.2	33.2
Interest and other finance expense	-564.7	-575.5
Net financial items	**-542.5**	**-542.3**
Profit before tax	**305.6**	**162.7**
Tax expense	82.3	-95.8
Profit before minority interests	**223.3**	**258.5**
Minority share of profit	19.0	11.2
Profit after minority interests	**204.3**	**247.3**

Consolidated balance sheet 31 Dec.	2009	2008
Assets		
FIXED ASSETS		
Intangible assets		
Goodwill	5.5	8.7
Other intangible assets	3.5	3.8
Total intangible assets	**9.0**	**12.4**
Tangible assets		
Sites, buildings and other real property	12 397.0	11 921.8
Plant and machinery	44.3	39.9
Projects under development	1 070.3	1 028.1
Total tangible fixed assets	**13 511.6**	**12 989.9**
Financial assets		
Investments in associates	216.7	166.3
Investments in shares/ownership interests	0.6	4.1
Other non-current receivables	401.6	182.2
Total financial fixed assets	**618.9**	**352.5**
Total fixed assets	**14 139.5**	**13 354.8**
CURRENT ASSETS		
Receivables		
Trade receivables	21.5	138.8
Other current receivables	208.9	284.4
Total current receivables	**230.4**	**423.2**
Bonds and commercial paper	-	22.6
Cash and bank balances	229.8	180.5
Total current assets	**460.2**	**626.3**
Total assets	**14 599.7**	**13 981.1**

Consolidated balance sheet 31 Dec.	2009	2008
Equity and liabilities		
EQUITY		
Paid-in capital		
Share capital	142.2	142.2
Share premium reserve	1 272.0	1 272.0
Total paid-in equity	**1 414.2**	**1 414.2**
Retained earnings		
Other reserves	298.9	209.1
Total retained earnings	**298.9**	**209.1**
Minority share of equity	181.7	153.3
Total equity	**1 894.8**	**1 776.5**
LIABILITIES		
Provisions		
Pension obligations	42.1	32.2
Deferred tax	130.3	60.2
Other provisions for liabilities	35.0	32.7
Total provisions	**207.4**	**125.1**
Other non-current liabilities		
Bond loan	3 520.0	3 370.0
Liabilities to financial institutions	5 070.0	5 627.0
Other non-current liabilities	35.3	49.8
Total other non-current liabilities	**8 625.3**	**9 046.8**
Current liabilities		
Commercial paper	2 185.0	1 370.0
Bond loan	1 108.0	-
Current liabilities to financial institutions	-	1 000.0
Trade payables	212.4	189.2
Tax payable	18.9	4.3
Unpaid government taxes and duties	11.4	8.0
Dividends	114.5	-
Other current liabilities	222.1	461.1
Total current liabilities	**3 872.3**	**3 032.6**
Total liabilities	**12 704.9**	**12 204.5**
Total equity and liabilities	**14 599.7**	**13 981.1**

ENTRA'S BUILDINGS SHALL BE SO ENVIRONMENTALLY FRIENDLY THAT THEY GIVE OUR TENANTS A COMPETITIVE ADVANTAGE.

NVE-building in Middelthunsgate 29, Oslo

ANNUAL FINANCIAL STATEMENTS FOR ENTRA EIENDOM AS

INCOME STATEMENT 1 JAN. - 31 DEC.

All amounts in NOK

	Note	2009	2008
Operating revenue			
Rental income	10	824 518 593	832 059 272
Profit on sale of fixed assets	2	53 006 706	349 603 558
Other operating revenue		17 407 515	17 037 344
Total operating revenue		**894 932 815**	**1 198 700 174**
Operating expenses			
Maintenance costs		48 012 029	44 663 161
Rehabilitation costs		17 533 821	2 827 904
Ordinary depreciation	2	133 782 122	135 826 814
Other operating expenses	8,11,13	297 770 766	272 339 174
Total operating expenses		**497 098 739**	**455 657 053**
Operating profit		**397 834 076**	**743 043 121**
Financial income and expenses			
Income from investments in subsidiaries		83 960 353	-
Interest income from Group companies		211 424 058	220 723 123
Other interest received		18 192 548	19 606 417
Other financial income		1 692 348	12 237 866
Impairment of financial assets	3	-67 989 000	-
Interest paid		-506 342 199	-540 223 663
Other financial expenses		-17 821 414	-7 720 629
Net financial items		**-276 883 306**	**-295 376 886**
Profit before tax		**120 950 770**	**447 666 235**
Tax on profit	9	52 553 149	876 562
Profit/loss for the year		**68 397 621**	**446 789 673**
Distribution of the profit for the year			
Dividends		114 500 000	-
Other reserves		-46 102 379	446 789 673

BALANCE SHEET AT 31 DEC.

All amounts in NOK

Assets	Note	2009	2008
FIXED ASSETS			
Tangible assets			
Sites, buildings and other real property	2	5 741 219 377	5 729 423 663
Plant and machinery	2	24 668 710	26 663 352
Projects under development	2	481 539 939	220 458 169
Total tangible fixed assets		**6 247 428 026**	**5 976 545 183**
Financial assets			
Loans to Group companies	4,5	23 094 382	407 417 726
Investments in subsidiaries	3	997 610 504	1 053 707 268
Investments in associates and joint ventures	3	190 180 916	169 250 366
Loans to associates and joint ventures		372 937 321	164 472 338
Investments in shares/ownership interests		290 000	4 065 000
Other non-current receivables	4	26 299 598	18 816 302
Total financial fixed assets		**1 610 412 721**	**1 817 729 000**
Total fixed assets		**7 857 840 747**	**7 794 274 183**
CURRENT ASSETS			
Receivables			
Trade receivables	5	6 777 212	16 169 093
Receivables from Group companies		4 302 336 154	3 715 876 891
Other current receivables		66 412 718	131 296 342
Total receivables		**4 375 526 084**	**3 863 342 326**
Market-based bonds and commercial paper	12	-	22 264 859
Cash and bank balances	6	17 458 940	61 734 464
Total current assets		**4 392 985 024**	**3 947 341 649**
Total assets		**12 250 825 771**	**11 741 615 832**

BALANCE SHEET AT 31 DEC.

All amounts in NOK

	Note	2009	2008
EQUITY			
Paid-in capital			
Share capital	1,7	142 194 000	142 194 000
Share premium reserve	1	1 271 983 762	1 271 983 762
Total paid-in equity		**1 414 177 762**	**1 414 177 762**
Retained earnings			
Other reserves	1	553 211 665	599 314 044
Total retained earnings		**553 211 665**	**599 314 044**
Total equity	1	**1 967 389 426**	**2 013 491 805**
LIABILITIES			
Provisions			
Pension obligations	8	42 053 003	32 190 087
Deferred tax	9	114 598 377	56 445 228
Other provisions for liabilities	14	31 514 141	31 393 066
Total provisions		**188 165 521**	**120 028 381**
Other non-current liabilities			
Bond loan	4	3 528 000 000	2 270 000 000
Liabilities to financial institutions	4	3 915 000 000	5 600 000 000
Other non-current liabilities	4	29 396 264	33 440 210
Total other non-current liabilities		**7 472 396 264**	**7 903 440 210**
Current liabilities			
Trade payables	5	146 460 852	72 797 805
Taxes due		7 373 652	6 699 342
Dividends		114 500 000	-
Commercial paper	4	2 185 000 000	1 370 000 000
Other current liabilities	5	169 540 056	255 158 289
Total current liabilities		**2 622 874 560**	**1 704 655 436**
Total liabilities		**10 283 436 345**	**9 728 124 027**
Total equity and liabilities		**12 250 825 771**	**11 741 615 832**

Oslo, 26.03.2010

The Board of Directors of Entra Eiendom AS

Grace Reksten Skaugen
Chairman of the Board

Martin Mæland
Vice-chairman of the Board

Gerd Kjellaug Berge
Board member

Finn Berg Jacobsen
Board member

Ottar Brage Guttelvik
Board member

Tore Benediktsen
Board member
(Employee representative)

Mari Fjærbu Åmdal
Board member
(Employee representative)

Kyrre Olaf Johansen
Chief Executive Officer

STATEMENT OF CASH FLOWS AT 31 DEC.

All amounts in NOK

	2009	2008
Cash flow from operating activities		
Profit before tax	120 950 770	447 666 235
Tax paid for the year	5 600 000	-28 230 328
Profit/loss on sale of fixed assets	-53 006 706	-349 603 558
Profit/loss on sale of shares	-1 353 800	-5 450 000
Interest expense on loans from financial institutions	513 414 303	565 091 677
Interest payments on loans from financial institutions	-500 068 211	-572 219 433
Writedowns of shares	67 989 000	-
Ordinary depreciation	133 782 122	137 311 029
Changes in trade receivables	9 391 880	27 827 951
Changes in trade payables	73 663 048	-37 409 928
Difference between pension expense and contributions to/payments by pension schemes	9 862 916	12 974 107
Change in other accruals	-18 841 415	87 894 311
Net cash flow from operating activities	**361 383 906**	**285 852 062**
Cash flow from investment activities		
Sales of tangible assets	89 980 000	1 153 667 150
Purchase of investment properties	-173 130	-3 955 000
Improvements to investment properties	-446 408 768	-465 169 912
Purchase of moveable assets, machinery and equipment	-9 500 261	-7 526 200
Sales of shares and ownership interests in other enterprises	6 533 000	5 450 000
Purchase of shares	-22 892 226	-15 512 381
Loans made to associates and joint ventures	-185 137 038	-77 891 770
Net change in subsidiaries' balances	-586 459 263	-694 742 435
Decrease in loans to subsidiaries	391 476 118	-
New loans to subsidiaries	-18 487 534	-26 540 434
Net cash flow from investment activities	**-781 069 101**	**-132 220 981**
Cash flow from financing activities		
New non-current liabilities	2 556 453 618	2 143 399 543
New current liabilities	2 800 000 000	672 039
Repayment of non-current liabilities	-1 996 043 946	-1 874 055 026
Repayment of current liabilities	-2 985 000 000	-445 426 292
Dividends paid	-	-144 000 000
Net cash flow from financing activities	**375 409 671**	**-319 409 736**
Net change in cash and cash equivalents	-44 275 524	-169 178 197
Cash and cash equivalents at the start of the year	61 734 464	230 912 660
Cash and cash equivalents at the end of the year	**17 458 940**	**61 734 463**

ACCOUNTING POLICIES

The financial statements have been prepared in compliance with the Norwegian Accounting Act and generally accepted accounting principles.

Main principles governing measurement and classification of assets and liabilities

Assets intended for long-term ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables that are repayable within a year are classified as current assets. When classifying current and non-current liabilities, equivalent criteria have been applied.

Current assets are valued as the lower of the acquisition cost and their actual value.

Fixed assets are measured at cost, but are written down to their recoverable value if the latter is lower than the carrying amount, and the impairment is expected to be other-than-temporary. Fixed assets with a limited useful life are depreciated according to a schedule.

Other non-current liabilities and current liabilities are measured at face value.

Subsidiaries/associates/joint ventures

Investments in subsidiaries, associated companies and joint ventures are included in the company accounts using the cost method. Investments are written down to fair value in the event of an other-than-temporary impairment and if required by generally accepted accounting principles. The same applies to investments in associates.

Dividends and group contributions from subsidiaries are recognised as income on the investments in the subsidiaries the year that they are allocated by the subsidiaries. Dividends and group contributions from subsidiaries that exceed the retained earnings during the ownership period are considered repayment of the initial investment.

Foreign currency

Foreign currency items on the balance sheet are translated at the exchange rate on the balance sheet date.

Rental income

Rental income is recognised when it is earned, i.e. over the course of the lease term.

Lease contracts that are terminated are valued on an individual basis. Payments relating to the termination of contracts are recognised as income to the extent that the company is able to re-let the premises to a new tenant at market rates. Such payments are accrued over the estimated vacancy period if the premises remain vacant.

Pensions

Pension costs and pension liabilities are calculated using a linear accumulation model based on assumptions relating to discountrates, projected salaries, the level of benefits from the National Insurance Scheme and future returns on pension funds, as well as actuarial calculations of mortality, voluntary early retirement, etc. The net pension liability is the difference between the present value of pension obligations and the value of pension scheme assets allocated to pay for those benefits. Pension scheme assets are measured at fair value. Changes in liabilities due to changes in pension plans are allocated over the expected remaining contribution period. Actuarial gains and losses, and the impact of changes to actuarial assumptions, are amortised over the remaining expected contribution period if they exceed 10 percent of whichever is greater of the pension liabilities and pension scheme assets (the “corridor”).

Employers' National Insurance Contributions are expensed on the basis of the pension contributions made for secured (company) pension schemes.

Tax

The tax charge on the income statement covers both tax payable for the period and changes to deferred tax. Deferred tax is calculated at 28 percent on the basis of the temporary differences that exist between accounting and tax values, as well as any losses carried forward for tax purposes at the year-end. Temporary differences which increase or reduce tax and are reversed or may be reversed in the same period have been eliminated. Net deferred tax assets are shown on the balance sheet in so far as they are likely to be utilised.

Tax on Group contributions that is recorded as raising the cost price of shares in other companies, and tax on received Group contributions that is recorded directly against equity, is entered directly against tax on the balance sheet (the entry is made under tax payable if the Group contribution affects tax payable, and under deferred tax if the Group contribution affects deferred tax).

Tangible assets, plant and machinery

Tangible assets are recognised on the balance sheet and are depreciated to a schedule over the anticipated economic life of the assets. The direct maintenance of assets is expensed as it arises. Additions or improvements are added to the asset's cost price and are depreciated in line with the asset.

Maintenance costs for large rehabilitation projects are described as rehabilitation costs in the accounts. This is done to distinguish them from ongoing, ordinary maintenance of the general management portfolio. The portion of the rehabilitation costs for these projects that represents additions or improvements is recognised on the balance sheet, whilst the remainder is charged as an expense. The accounting implications of this are described in note 2.

Expenses related to construction projects are capitalised as Projects under development. The financing costs for capital linked to the development of fixed assets are recognised on the balance sheet for accounting purposes, but are counted as an expense for tax purposes. Projects are recognised on the balance sheet and depreciated from the date of completion and when the asset enters service.

Receivables

Trade debtors and other receivables are shown at nominal value after provision for anticipated bad debts. Provisions for bad debts are made on the basis of individual assessments of the individual receivables.

Short-term investments

Short-term investments (bonds which are considered current assets) are valued at the lower of the average acquisition cost and fair value on the balance sheet date. Dividends and other distributions received from the companies are recognised as other financial income.

Cash and cash equivalents

Cash and cash equivalents consist of bank deposits and other short-term, highly liquid investments with an original term to maturity of no more than three months.

Uncertain liabilities

The company has a certain number of lease agreements where it is the tenant. These contracts are included in the letting activities. Under Norwegian Accounting Standards on uncertain liabilities and contingent assets, provision must be made for losses in the event that such premises remain vacant or partially vacant. The company has made such an assessment as of 31 December. The cost of leasing the premises, the duration of the lease and the sub-lease's value have been taken into account for the calculation of the present value. Assumptions have also been made about the letting of vacant properties using the estimated vacancy period. An estimated rental price has been set based on lease agreements achieved.

Non-current liabilities

Non-current liabilities are shown on the balance sheet at nominal value on the initial date. Premiums and discounts in connection with taking on non-current liabilities, as well as arrangement fees, are accrued over the period of the loan. Similarly, premiums and discounts are accrued through the repurchase of bonds over the remaining term to maturity for the relevant debt.

All of the company's debt is subject to variable rates (including fixed rate bonds, which are swapped to a variable rate). The company has then used interest-rate swaps to convert its debt to fix-rate loans with varying maturities. For information on maturities, please see note 4. The company accrues these interest-rate swaps in such a way that the fixed rate is expensed on the income statement. On the termination of interest-rate swap agreements, the profit or loss is accrued over the remaining term to maturity of the agreement in question.

NOTE 1 – EQUITY

All amounts in NOK thousands

	Share capital	Share premium reserve	Other reserves	Total
Equity at 1 Jan. 2009	142 194	1 271 984	599 314	2 013 492
Group contributions received			60 451	60 451
Profit/loss for the year			7 946	7 946
Dividend appropriation			-114 500	-114 500
Equity at 31 Dec. 2009	**142 194**	**1 271 984**	**553 212**	**1 967 389**

NOTE 2 – TANGIBLE ASSETS

All amounts in NOK thousands

	Sites *	Buildings	Machinery and equipment	Art*	Projects under development*	Total tangible fixed assets
Acquisition cost at 1 Jan. 2009	549 832	5 876 365	61 130	5 732	220 458	**6 713 517**
Acquisitions	176	181 061	9 497	-	438 638	**629 372**
Disposals	-3 929	-48 003	-1 923	-	-177 556	**-231 411**
Acquisition cost at 31 Dec. 2009	546 079	6 009 423	68 704	5 732	481 540	**7 111 477**
Accumulated deprecation at 1 Jan. 2009		696 773	40 198			**736 971**
Depreciation for the year**		125 024	10 191			**135 215**
Disposals		-7 516	-622			**-8 137**
Accumulated deprecation at 31 Dec. 2009		814 282	49 767			**864 049**
Carrying amount at 31 Dec. 2009	**546 079**	**5 195 141**	**18 937**	**5 732**	**481 540**	**6 247 428**
Anticipated economic life		50 years	3, 4, 10 years			
Depreciation schedule		Linear	Linear			

Acquisitions of buildings includes NOK 8,772,887 of interest on capitalised construction loans. Profits on the sale of fixed assets totalled NOK 58,641,945. Losses on the sale of fixed assets totalled NOK 5,635,238. The net profit was NOK 53,006,707. In 2009 four properties were sold. Capitalised rehabilitation costs for the year totalled NOK 25,499,660.

* No depreciation is charged against sites, projects under development and art.

** The difference between the depreciation for the year set out in the note and the total depreciation on the income statement is NOK 1,432,922. Moveable assets have been capitalised on the balance sheet if the depreciation is charged to joint tenant expenses on the balance sheet.

NOTE 3 – SUBSIDIARIES, ASSOCIATES, ETC.

All amounts in NOK thousands

Entra Eiendom AS

Investments in subsidiaries, associates and joint ventures are recognised using the cost method.

	Acquisition date	Business office	Shareholding and voting power	Book value
Subsidiary				
Oslo Z AS	20.09.2000	OSLO	100 %	-
Biskop Gunnerusgt. 14 AS	26.03.2001	OSLO	100 %	262 919
Universitetsgaten 2 AS	03.09.2001	OSLO	100 %	215 096
Kunnskapsveien 55 AS	17.12.2001	OSLO	100 %	58 714
Entra Kultur 1 AS	28.02.2002	OSLO	100 %	1 275
Kristian Augustsgate 23 AS	01.02.2003	OSLO	100 %	68 963
Nonnen Utbygging AS	10.02.2003	OSLO	100 %	7 601
Langkaia 1 AS	21.11.2003	OSLO	100 %	20 060
Kjørboparken AS*	21.12.2005	OSLO	100 %	62 025
Bispen AS	24.10.2007	OSLO	100 %	100 967
Pilestredet 28 AS	07.05.2008	OSLO	100 %	359
Hagegata 24 AS	01.10.2008	OSLO	100 %	14 563
Papirbredden Eiendom AS	10.01.2005	OSLO	60 %	60 446
Brattørkaia AS	31.01.2006	OSLO	52 %	24 087
Kristiansand Kunnskapspark Eiendom AS	04.07.2005	KRISTIANSAND	51 %	6 879
Optimo AS	02.10.2006	OSLO	51 %	93 657
				997 610

* The value of shares in Kjørboparken was written down by NOK 67,989,000.

	Acquisition date	Business office	Shareholding and voting power	Book value	Book equity at 31 Dec. 2009	Profit after tax for 2009
Jointly owned business						
UP Entra AS	31.12.2003	HAMAR	50.00 %	31 297	78 791	2 577
Oslo S. Utvikling AS	01.07.2004	OSLO	33.30 %	111 621	239 667	86 773
Associate						
Krambugata 3 AS	27.09.2007	TRONDHEIM	45.00 %	37 720	25 362	-208
Ullandhaug Energi AS	07.07.2009	STAVANGER	44.00 %	5 170	10 387	-1 115
Kunnskapsbyen Eiendom AS	31.12.2004	OSLO	33.75 %	3 746	14 857	2 118
Youngstorget Parkeringshus AS	16.11.2005	OSLO	21.26 %	463	534	-1 364
Tverrforbindelsen AS	24.04.2009	TRONDHEIM	16.67 %	165	843	-28
				190 181		

NOTE 4 – RECEIVABLES, LIABILITIES AND FINANCIAL INSTRUMENTS

Proportion of receivables which fall due after more than one year	2009 (NOK thousands)	2008 (NOK thousands)
Loans to Group companies	23 094	407 418
Options	3 500	3 750
Loans to associates	372 937	164 472
Loans to tenants	-	813
Accrual of fees on financial instruments	22 800	14 253
Total non-current receivables	**422 331**	**590 706**

Proportion of non-current liabilities with a term to maturity of more than five years	2009	2008
Bonds	325 000	-
Other non-current liabilities	1 200 000	1 200 000
Total	**1 525 000**	**1 200 000**

Maturity structure of non-current liabilities	Year	2009 Loan value (NOK million)	2008 Loan value (NOK million)
	2009		1 033
	2010	1 137	1 600
	2011	500	1 900
	2012	670	670
	2013	2 215	1 500
	2014	1 425	
	More than 5 years	1 525	1 200
Total		**7 472**	**7 903**

Undrawn credit facilities

At 31 Dec. 2009, the maturity structure of the company's new undrawn credit facilities was as follows:

Maturity structure of committed, undrawn credit facilities	Year	2009 Loan value (NOK million)	2008 Loan value (NOK million)
	2010	-	-
	2011	1 400	-
	2012	1 500	500
	2013	535	1 250
	2017	500	500
	2018	1 000	800
Total		**4 935**	**3 050**

Special terms and conditions in Entra Eiendom AS's loan agreements

In general the Group's financing is based on negative pledge clauses.

Loans and interest rate hedges

Entra Eiendom AS's interest rate hedges are part of the Group's overall positioning, and must be viewed in that context. Our interest-rate position should support the company's strategic development, and should reflect the company's risk profile and anticipated future market interest rates based on the company's interest rate view. The Group's framework for handling interest rate risk is expressed as a preferred interest rate structure (standard portfolio). The standard portfolio indicates the Group's requirements relating to weighted average duration and maturity segments. At 31 December 2009, the average duration of Entra Eiendom AS's portfolio was 4.06 years.

Entra Eiendom AS's portfolio of loans and interest rate hedges has the following maturity structure

		2009 Loan value (NOK thousands)	2008 Loan value (NOK thousands)
Up to one year	26 %	3 293 000	2 390 000
1–2 years	11 %	500 000	1 000 000
2–4 years	12 %	2 885 000	1 100 000
4–6 years	16 %	1 425 000	1 500 000
6-8 years	25 %	1 200 000	2 350 000
over 8 years	10 %	325 000	900 000
Total	**100 %**	**9 628 000**	**9 240 000**

The results of the company's interest rate hedging is reflected through financial items/interest expenses on the income statement.
The fair value of the company's portfolio of interest rate hedges is not reflected in the balance sheet.

NOTE 5 – INTRAGROUP BALANCES

All amounts in NOK thousands

Receivables	2009	2008
Trade receivables	1 480	1 498
Receivables and loans to Group companies	4 325 431	4 123 295
Total	**4 326 910**	**4 124 792**

Liabilities	2009	2008
Trade payables	36 629	3 269
Total	**36 629**	**3 269**

The company has established a Group account system. It is the net bank deposits that are presented as Entra Eiendom AS's cash at bank. Receivables from subsidiaries are classified as financial assets.

NOTE 6 – LOCKED-UP ASSETS

All amounts in NOK thousands

Cash at the period end is shown on the cash flow statement.

	2009	2008
Locked-up tax deductions total	**6 092**	**5 500**

NOTE 7 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital of NOK 142,194,000 consists of 142,194 shares with a face value of NOK 1,000. All shares enjoy equal rights. All of the shares are owned by the Norwegian Government through the Ministry of Trade and Industry.

Entra Eiendom AS is the parent company of the Entra Eiendom Group. The consolidated financial statements can be obtained by writing to Entra Eiendom AS, Postboks 52, Økern, 0508 Oslo. E-mail: post@entraeiendom.no.

NOTE 8 – PENSIONS

All amounts in NOK thousands

The company has pension schemes that cover a total of 143 people. The schemes provides an entitlement to defined future benefits. These benefits are mainly dependent on number of years of contributions, salary level on reaching retirement age and the level of benefits from the National Insurance Scheme. Commitments are covered through the Norwegian Public Service Pension Fund.

Entra Eiendom AS's employees are members of the Norwegian Public Service Pension Fund. It is a defined benefit pension scheme that gives all employees a guaranteed level of pension in the future. As a member of the Norwegian Public Service Pension Fund, the guaranteed pension level ensures a defined pension benefit. The guarantee means that employees will receive at least 66 percent of their pension qualifying salary. Any income over and above 12 times the National Insurance Scheme's basic amount is not included in the qualifying salary. The pension benefit payable is based on the employee's salary, average working week as a percentage of a full-time position and length of service (30 years' service qualifies for a full pension).

Entra operates an early retirement pension scheme (AFP) from the age of 62. Employees can cut back on their working week or retire completely. If they choose to cut back, they must continue to work 60 percent of a full-time position. Between the ages of 62 and 65, pensions are calculated in accordance with the National Insurance Scheme's stipulations. On reaching the age of 65, the pension is calculated using either the National Insurance Scheme's rules or the Norwegian Public Service Pension Fund's rules, depending on which is better for the member. Employees are also insured against incapacity and death.

The company's pension scheme fulfils the stipulations of the Act on mandatory occupational pensions. The company also has a contractual early-retirement scheme for the public sector (AFP) linked to the Norwegian Public Service Pension Fund.

	2009	2008
Present value of pensions earned this year	12 834	11 889
Interest expenses on the pension liability	5 174	4 953
- Return on pension funds	-3 461	-3 079
Change in estimate charged to income	2 160	3 508
Administrative expenses of SPK (Norwegian Public Service Pension Fund)	204	162
Employers' National Insurance Contributions	2 080	1 963
Net pension expense National Insurance Scheme	**18 991**	**19 396**
+ Employer's NICs for 2007 pension liabilities (not recognised in 2007)		2 709
- 2 % employee pension contribution	-1 473	-1 340
+ Change over the year in liabilities of CEO's unfunded pension scheme	1 577	800
Pension expense	**19 096**	**21 565**

	31.12.2009	31.12.2008
Estimated pension liabilities	112 024	116 512
Pension scheme assets	-66 315	-59 857
Effect of actuarial gains/losses not charged to income	-10 936	-29 143
Net pension liabilities on balance sheet before employer's NICs	34 773	27 511
Employers' National Insurance Contributions	4 903	3 879
Net pension liabilities after employer's NICs	**39 676**	**31 390**
Pension liability relating to CEO's unfunded pension scheme	2 377	800
Total net pension liabilities after employer's NICs	**42 053**	**32 190**

Assumptions	2009	2008
Discount rate	5.40 %	4.50 %
Anticipated salary increases	4.25 %	4.50 %
Anticipated pension increase/ adjustment of basic pension	4.00 %	4.25 %
Anticipated return on pension funds	5.60 %	5.50 %
Anticipated take-up percentage for early retirement scheme (AFP)	60.00 %	40.00 %
Disability	200 % K63	200 % K63
Mortality table used	K2005	K2005

The actuarial assumptions are based on generally accepted assumptions in the insurance industry with regard to demographic factors. The CEO has a separate pension plan that is discussed in Note 11. The scheme covers salary over and above 12G in addition to the scheme through the Norwegian Public Service Pension Fund.

NOTE 9 – TAX

All amounts in NOK thousands

Tax for the year breaks down as follows	**2009**	**2008**
Tax payable	-	-
Excess provision previous year (government fiscal stimulus package)	-5 600	28 230
Change in deferred tax	58 153	-27 354
Total tax	**52 553**	**877**

Calculation of the tax base for the year		
Profit before tax	36 990	447 666
Changes in differences that are not included in the base for deferred tax/tax assets	-	-436 502
Group contributions received	83 960	-
Permanent differences *	66 739	-10 633
Basis for tax for the year	187 690	532
Adjustment to deferred tax 2008 (government's fiscal stimulus package)	20 000	-98 224
Change in differences that are included in the calculation of deferred tax	-207 690	97 692
Tax base for the year	**-**	**-**

Overview of temporary differences	**Change**	**2009**	**2008**
Receivables	-2 770	-214	-2 984
Fixed assets	-181 778	619 945	438 167
Provisions in accordance with generally accepted accounting principles	919	-39 296	-38 377
Pensions	9 863	-42 053	-32 190
Income statement	-18 942	149 326	130 385
Net temporary differences	-192 707	687 708	495 001
Correction income carried forward	-	-	-
Loss carried forward	-14 983	-278 428	-293 411
Basis for deferred tax on the balance sheet	**-207 690**	**409 280**	**201 590**
28 % deferred tax	-58 153	114 598	56 445
Deferred tax/Deferred tax assets on the balance sheet	**-58 153**	**114 598**	**56 445**

Explanation of why the tax for the year does not equal 28 % of the profit before tax	**2009**	**2008**
28 % tax on profit before tax	33 866	125 347
Excess provision for tax in previous year	-	28 230
Correction of deferred tax	-	-27 503
Permanent differences (28 %) *	18 687	-125 198
Calculated tax	**52 553**	**877**
Nominal tax rate	28 %	28 %

* Includes: non-deductible expenses, such as representation, gains on the sale of shares and writedowns of the value of shares.

NOTE 10 – RENTAL INCOME

All amounts in NOK thousands

Geographical distribution	2009	2008
Eastern Norway	547 105	564 652
Southern Norway	83 096	85 750
Western Norway	113 265	109 306
Central and Northern Norway	81 053	72 352
Total	**824 519**	**832 059**

NOTE 11 – PAYROLL EXPENSES, NUMBER OF EMPLOYEES, REMUNERATION, ETC.

All amounts in NOK thousands

Payroll and personnel costs	**2009**	**2008**
Salaries/wages, fees, etc.	78 817	66 832
Employers' National Insurance Contributions	12 050	11 647
Pension expenses	19 096	21 565
Other payments	555	412
Other personnel costs	8 495	9 212
Total	**119 011**	**109 668**
Personnel costs reclassified as shared costs for buildings	-30 455	-27 412
Personnel costs reclassified as owner costs for buildings	-9 224	-10 141
Total payroll and personnel costs	**79 332**	**72 114**

Over the year, on average 132.2 full-time equivalent staff worked at the company.

Compensation of key employees and Board of Directors	**Salaries**	**Profit related pay**	**Benefits in kind**	**Estimated pension expense**
Key employees				
Kyrre Olaf Johansen, CEO	2 876	285	261	2 485
Torodd Bøystad, Deputy CEO	2 333	94	149	108
Svein Hov Skjelle, CFO, started 2 March 2009	1 459	-	92	91
Rune Olsø, Dir. of Strategy and Business Development	1 936	74	70	108
Nils Fredrik Skau, Technical Director	1 275	42	142	108
Bjørn Holm, Director of Projects and Development	1 361	52	87	108
Anne Kathrine Slungård, Director of Marketing	1 364	52	80	108
Sverre Vågan, Director of Human Resources	1 052	40	134	108
Dag Ketil Grønnesby, Director of Mergers and Acquisitions, started 12 April 2009	786	-	95	82
Former employees	1 032	-	68	53
Total	**15 475**	**639**	**1 178**	**3 362**

	Directors' fees	**Profit related pay**	**Benefits in kind**	**Estimated pension expense**
The Board				
Grace Reksten Skaugen, Chairman of the Board	392	-	-	-
Martin Mæland, Vice Chairman of the Board	198	-	-	-
Finn Berg-Jacobsen, board member	228	-	-	-
Gerd Kjellaug Berge, board member	198	-	-	-
Ottar Brage Guttelvik, board member	213	-	-	-
Tore Bendiktsen, employee representative*	173	-	-	-
Mari Fjærbu Åmdal, employee representative*	173	-	-	-
Total	**1 575**	**-**	**-**	**-**

* Ordinary wages are not included.

The company has a performance-related pay scheme that covers all employees. Awards are based on the results achieved by the company (IPD), customer satisfaction and individual goals.

The CEO has an individual bonus scheme that is based on an assessment of goal achievement. Any bonus for 2009 is determined by the Board in 2010. The maximum bonus payment is limited to 50 percent of the CEO's annual salary. The CEO is entitled to receive his salary for 12 months leaving his post, subject to certain restrictions.

Fees are not paid to employees of Entra Eiendom AS for being directors of subsidiaries, etc.

CEO's additional pension

The CEO's pension benefits on reaching the age of 65 shall be equivalent to 66 percent of his final salary less benefits from the National Insurance Scheme, the Norwegian Public Service Pension Fund and pension benefits earned at other companies. The qualifying period for the additional pension is 19 years. The CEO can retire at the age of 62, in which case he will receive 60 percent of his final salary until the age of 65. In the event of suffering from a more than 50 percent long-term disability, the CEO is entitled to a disability pension. The benefit payable is 66 percent of his final salary less benefits from the National Insurance Scheme, Norwegian Public Service Pension Fund and pension benefits earned at other companies.

Auditor's fees	2009	2008
Legally required audit	1 110	1 440
Tax advice	430	45
Other services not related to auditing	332	246
Advice on accounting issues related to the transition to IFRS	-	408
Total auditor's fees (excl. VAT)	**1 873**	**2 139**

NOTE 12 – MARKET BASED SHARES, BONDS AND COMMERCIAL PAPER

All amounts in NOK thousands

Issuer	Foreign currency	2009 Carrying amount	2009 Market value	2008 Carrying amount	2008 Market value
Money market unit trust, Orkla Finans Likviditet	NOK	-	-	22 265	23 320
Total in money market unit trusts		**-**	**-**	**22 265**	**23 320**

Money market unit trusts are valued as the lower of the acquisition cost and actual value.

NOTE 13 – OTHER OPERATING EXPENSES

All amounts in NOK thousands

	2009	2008
Management, operation and development of properties	124 573	121 212
Payroll and personnel costs	79 332	72 114
Other administrative costs	93 866	79 014
Total other operating expenses	**297 771**	**272 339**

NOTE 14 – OTHER PROVISIONS AND LIABILITIES

All amounts in NOK thousands

	2009	2008
Provision for rent payments	31 169	31 393
Other provisions for liabilities	345	-
Total other provisions for liabilities	**31 514**	**31 393**

NOTE 15 – RELATED PARTY TRANSACTIONS

Entra Eiendom is owned by the Norwegian government through the Ministry of Trade and Industry. The great majority of the Group's floor space is leased to public sector tenants. Lease contracts are signed on commercial terms.

In 2009 Entra Eiendom completed two transactions with the joint venture UP Entra AS, which is owned by Entra Eiendom AS (50 percent) and Utstillingsplassen Eiendom AS (50 percent). Statens hus in Hamar was transferred from Entra Eiendom AS to UP Entra AS in the first quarter of 2009 for a price of NOK 193.5 million. In the fourth quarter UP Entra AS also bought the shares in Kongsvinger Kompetanse- og Næringssenter AS from Entra Eiendom AS for NOK 0.4 million. The management believes that the transactions were carried out on arm's length terms.

DECLARATION BY THE BOARD OF DIRECTORS AND CEO

We declare that, to the best of our knowledge, the consolidated financial statements for the year 2009 have been prepared in accordance with the IFRS accounting standards stipulated by the EU, including the additional information required by the Norwegian Accounting Act, and that the parent company's financial statements for 2009 have been prepared in accordance with the Norwegian Accounting Act and Norwegian generally accepted accounting principles, and that the information contained therein provides a true picture of the assets, liabilities, financial position and results of the company and the Group. We also declare that, to the best of our knowledge, the annual report gives a true picture of the performance, results and financial position of the company and the Group, as well as describing the most important areas of risk and uncertainty faced by the business.

Oslo, 26.03.2010

Grace Reksten Skaugen Chairman of the Board	**Martin Mæland** Vice-chairman of the Board	**Gerd Kjellaug Berge** Board member	**Finn Berg Jacobsen** Board member
Ottar Brage Guttelvik Board member	**Tore Benediktsen** Board member (Employee representative)	**Mari Fjærbu Åmdal** Board member (Employee representative)	**Kyrre Olaf Johansen** Chief Executive Officer

ENTRA EIENDOM AS'S BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD

Grace Reksten Skaugen

Chairman since: 2004

Year of birth: 1953

Position: Self-employed consultant

Educational background: PhD in laser physics from Imperial College of Science and Technology, University of London and MBA from BI Norwegian School of Management.

Other directorships: Chairman of Ferd AS, member of the Boards of Directors of Statoil ASA, Investor AB

VICE-CHAIRMAN OF THE BOARD

Martin Mæland

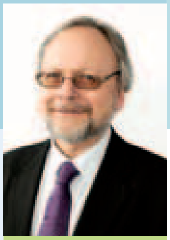
Member of the Board since: 2007

Year of birth: 1949

Position: President and CEO of OBOS

Educational background: Cand. mag. and cand. oecon. from University of Oslo

Other directorships: Chairman of Veidekke ASA, member of the Boards of Directors of Fornebu Utvikling ASA 09 and Terra Boligkreditt AS, as well as several internal directorships within the OBOS Group



BOARD MEMBER

Ottar Brage Guttelvik

Member of the Board since: 2006

Year of birth: 1953

Position: Chief County Executive for Møre og Romsdal

Educational background: «Siviløkonom» from the Norwegian School of Economics and Business Administration, including political science and public administration, and studied at the Norwegian Municipal and Social College

Other directorships: Chairman of Fylkeshuset AS and Fylkeshuskantina AS, Deputy Chairman of A/S Fastlandsfinans and AS Regionteatret i Møre og Romsdal, and member of the Boards of Directors of the Norwegian Institute for Urban and Regional Research (NIBR) and alternate member of the Board of Folketrygdfondet

BOARD MEMBER

Finn Berg Jacobsen

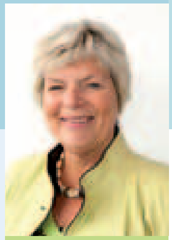
Member of the Board since: 2004

Year of birth: 1940

Position: Consultant (own company)

Educational background: government authorised auditor, «Siviløkonom» from the Norwegian School of Economics and Business Administration and MBA from Harvard Business School

Other directorships: member of the Boards of Directors of Arctic Securities ASA, Eneas Holding AS and ScanArcc ASA



BOARD MEMBER

Gerd Kjellaug Berge

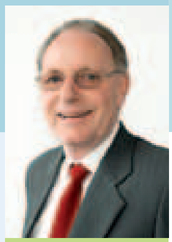
Member of the Board since: 2000

Year of birth: 1943

Position: Manger of Selje Hotel

Educational background: Hotel management

Other directorships: member of the Boards of Directors of Sparebanken vest, NHO Sogn og Fjordane and Selje Hotel (owner)



EMPLOYEE REPRESENTATIVE

Tore Benediktsen

Member of the Board since: 2008

Year of birth: 1948

Position: Operations Manager at Entra Eiendom, Southern Norway Region

Other directorships: Chairman of housing cooperative, representative of the Norwegian Civil Service Union (NTL)

EMPLOYEE REPRESENTATIVE

Mari Fjærbu Åmdal

Member of the Board since: 2006

Year of birth: 1967

Position: Technical Manager at Entra Eiendom, Southern Norway Region

Educational background: Civil Engineer

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers AS
Postboks 748 Sentrum
NO-0106 Oslo
Telefon 02316
Telefaks 23 16 10 00

Til generalforsamlingen i Entra Eiendom AS

Revisjonsberetning for 2009

Vi har revidert årsregnskapet for Entra Eiendom AS for regnskapsåret 2009, som viser et overskudd på kr 68 397 621 for morselskapet og et overskudd på MNOK 746,7 for konsernet. Vi har også revidert opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til anvendelse av overskuddet. Årsregnskapet består av selskapsregnskap og konsernregnskap. Selskapsregnskapet består av resultatregnskap, balanse, kontantstrømoppstilling og noteopplysninger. Konsernregnskapet består av oppstilling totalresultat, balanse, kontantstrømoppstilling, oppstilling over endringer i egenkapitalen og noteopplysninger. Morselskapets regnskap er utarbeidet i samsvar med regnskapslovens regler og norsk god regnskapskikk. International Financial Reporting Standards som fastsatt av EU er anvendt ved utarbeidelsen av konsernregnskapet. Årsregnskapet og årsberetningen er avgitt av selskapets styre og daglig leder. Vår oppgave er å uttale oss om årsregnskapet og øvrige forhold i henhold til revisorlovens krav.

Vi har utført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder revisjonsstandarder vedtatt av Den norske Revisorforening. Revisjonsstandardene krever at vi planlegger og utfører revisjonen for å oppnå betryggende sikkerhet for at årsregnskapet ikke inneholder vesentlig feilinformasjon. Revisjon omfatter kontroll av utvalgte deler av materialet som underbygger informasjonen i årsregnskapet, vurdering av de benyttede regnskapsprinsipper og vesentlige regnskapsestimater, samt vurdering av innholdet i og presentasjonen av årsregnskapet. I den grad det følger av god revisjonsskikk, omfatter revisjon også en gjennomgåelse av selskapets formuesforvaltning og regnskaps- og intern kontroll-systemer. Vi mener at vår revisjon gir et forsvarlig grunnlag for vår uttalelse.

Vi mener at
- selskapsregnskapet er avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av selskapets økonomiske stilling 31. desember 2009 og av resultatet og kontantstrømmene i regnskapsåret i overensstemmelse med norsk god regnskapsskikk
- konsernregnskapet er avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av konsernets økonomiske stilling 31. desember 2009 og for resultatet og kontantstrømmene og endringene i egenkapitalen i regnskapsåret i overensstemmelse med International Financial Reporting Standards som fastsatt av EU
- ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med norsk lov og god bokføringsskikk
- opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til anvendelse av overskuddet er konsistente med årsregnskapet og er i samsvar med lov og forskrifter.

Oslo, 26. mars 2010
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