

Norwegian Property ASA

Interim report First quarter 2025



Highlights in the first quarter

- **Rental income** of NOK 360 million in the first quarter showed a growth of 16 per cent after the takeover of the property Martin Linges vei 33 in March 2024.
- **Operating profit before value adjustments** of NOK 280 million, which is an improvement from NOK 251 million for the same period last year.
- **The fair-value adjustment of investment properties** was positive by NOK 156 million (0.6 per cent).
- **Annual rental income (run rate)** from the property portfolio was NOK 1,496 million and increased by NOK 9 million from the beginning of the quarter.
- During the quarter, new and renegotiated leases were signed with a total annual rental income of NOK 16 million. Leases that expired during the same period amounted to NOK 19 million. Consequently, **the net letting** resulted in a negative amount of NOK 3 million.
- **Retail and restaurant turnover** for Aker Brygge and Hasle increased by 7 and 27 per cent, respectively, compared to the corresponding period last year.
- **The joint venture residential company Nordr** had 781 residential units under construction at the end of the quarter.
- The company is engaged with **refinancing** activities.
 - Issued NOK 2 billion in senior secured bilateral bonds for Martin Linges vei 33 and secured a new bank loan of NOK 608 million for Sandakerveien 138-140 in the first quarter.
 - Advanced discussions with relationship banks regarding the refinancing of 2025 maturities in bonds and bank facilities.
- **Earnings per share (EPS)** was NOK 0.28.
- **EPRA NRV** was NOK 21.44 per share.
- **Dividend** of NOK 0.14 per share.

Key financial figures and APMs

The financial information for Norwegian Property is prepared in accordance with IFRS. The company also reports on the supplementary financial alternative performance measures (APMs). The table below shows a summary of the key IFRS figures from the group accounts as well as the alternative performance measures (APMs).

Profit and loss		1Q-25	1Q-24	31.12.24
Revenues ¹	NOK mill.	359.6	310.4	1,386.4
Operating profit before administrative expenses ²	NOK mill.	315.6	267.5	1,208.2
Operating profit before value adjustments ¹	NOK mill.	279.5	250.7	1,141.3
Profit before income tax and value adjustments ²	NOK mill.	90.0	134.9	462.4
Profit before income tax, value adjustments and joint ventures ²	NOK mill.	106.3	132.5	461.4
Change in fair value of investment property and rental guarantee ¹	NOK mill.	155.5	245.0	909.8
Profit before income tax ¹	NOK mill.	234.9	412.2	1,405.2
Profit after income tax ¹	NOK mill.	185.9	304.5	1,025.9
Balance sheet		1Q-25	1Q-24	31.12.24
Market value of property portfolio ²	NOK mill.	28,220.9	26,935.2	27,925.1
Market value of joint ventures ²	NOK mill.	1,875.0	1,992.0	1,976.3
Gross interest-bearing debt ²	NOK mill.	15,979.3	16,239.9	16,120.7
Net interest-bearing debt ²	NOK mill.	15,470.7	15,616.3	15,488.4
Net LTV ²	Per cent	51.4	54.0	51.8
Total equity ¹	NOK mill.	11,696.0	10,634.8	11,598.2
Equity ratio ²	Per cent	38.9	36.7	38.8
Pre-tax return on equity ²	Per cent	8.1	15.7	12.8
Cash flow		1Q-25	1Q-24	31.12.24
Net cash flow from operating activities ¹	NOK mill.	211.2	185.5	490.8
Cash and cash equivalents ¹	NOK mill.	343.7	460.7	471.3
Key figures; per share		1Q-25	1Q-24	31.12.24
Number of shares outstanding, end of the period	Mill. shares	668.0	643.6	668.0
Average number of shares in the period	Mill. shares	668.0	643.6	645.8
Profit before income tax ³	NOK	0.35	0.64	2.18
Earnings per share (EPS) ³	NOK	0.28	0.47	1.59
Net cash flow from operating activities ³	NOK	0.32	0.29	0.76
Interest-bearing debt ³	NOK	23.92	25.23	24.13
NAV, book value ³	NOK	17.51	16.52	17.36

EPRA performance measures		1Q-25	1Q-24	31.12.24
EPRA Earnings				
EPRA earnings, per share ⁴	NOK	0.12	0.16	0.60
EPRA NAV metrics				
Net Reinstatement Value (NRV), per share ⁴	NOK	21.44	20.39	21.34
Net Tangible Assets (NTA), per share ⁴	NOK	21.09	20.02	21.01
Net Disposal Value (NDV), per share ⁴	NOK	18.89	18.16	18.85
EPRA net initial yield				
EPRA Net Initial Yield (NIY) ⁴	Per cent	4.86	5.00	4.88
EPRA "Topped-up" NIY ⁴	Per cent	4.89	5.06	4.97
EPRA vacancy rate				
EPRA vacancy rate ⁴	Per cent	6.46	5.55	5.51
EPRA cost ratio				
EPRA cost ratio, including direct vacancy cost ⁴	Per cent	17.80	20.12	17.87
EPRA cost ratio, excluding direct vacancy cost ⁴	Per cent	15.21	17.80	15.42
EPRA LTV				
EPRA LTV ratio ⁴	Per cent	55.4	59.8	56.6

¹ IFRS figures: The IFRS figures which appear in the group accounts.

² APMs: These APMs do not directly derive from the IFRS group accounts and have been explained in the overview of the definitions at the end of this report.

³ IFRS figures and APMs per share: When calculating the APMs and IFRS measures per share, the figures related to the profit and cash flow have been divided by the average number of shares for the period, and those related to the balance sheet have been divided by the number of shares at the end of the period. The number of shares excludes treasury shares.

⁴ EPRA APMs: The calculation of the EPRA APMs is specified in the separate EPRA performance measures section of this report.

Financial developments

Results

Operating revenue

The rental income from commercial properties amounted to NOK 360 million in the first quarter (NOK 310 million¹). Adjusted for the acquisition of properties (like-for-like revenue), this represented an increase of NOK 11 million from the same period of 2024.

The total ongoing annual rental income (run rate) was NOK 1,496 million as of April 1. This represented an increase of NOK 9 million since January 1.

Retail and restaurant turnover for Aker Brygge and Hasle increased by 7 and 27 per cent for the first quarter compared to the corresponding period last year, respectively. High turnover for new tenants is driving the positive change at Hasle.

Operating costs

Property-related operational expenses totalled NOK 21 million (NOK 22 million). Other property-related expenses came to NOK 23 million (NOK 21 million) and administrative expenses amounted to NOK 20 million (NOK 19 million).

Operating profit before fair-value adjustments

The share of the results from joint ventures represented a loss of NOK 16 million (profit of NOK 2 million).

Thereby, operating profit before fair-value adjustments amounted to NOK 280 million (NOK 251 million).

Fair-value adjustments for investment property

The valuation of the property portfolio yielded a positive unrealised fair-value adjustment of NOK 156 million (NOK 245 million). This represented a 0.6 per cent change from the value as of December 31 and the cost of investments for the period. The total market value of the property portfolio as of March 31, 2025 amounted to NOK 28,221 million.

Net financial items

Net realised financial expenses amounted to NOK 190 million (NOK 116 million).

There were no material changes in the long-term market interest rates during the first quarter. The negative fair-value adjustment for financial derivatives was NOK 11 million (positive change of NOK 32 million).

Profit for the period

The pre-tax profit amounted to NOK 235 million (NOK 412 million).

The increase in the provision for deferred tax was NOK 49 million (NOK 108 million).

Net profit in the first quarter was NOK 186 million (NOK 305 million).

Joint ventures

The table below presents a summary of Norwegian Property's share of the profit and loss from joint ventures.

¹ The figures shown in brackets refer to the corresponding period of the previous year.

Amounts in NOK million	1Q-25	1Q-24	31.12.24
Nordr	(16.3)	2.7	19.4
Forusbeen 35	-	(0.2)	(18.3)
Total share of profit	(16.3)	2.4	1.0

Norwegian Property owns Nordr together with Fredensborg and Union Real Estate Fund III. Nordr had 781 flats under construction and a substantial land bank of 12,500 units in Norway and Sweden at the end of the period.

Norwegian Property's share of net assets for Nordr in the balance sheet as of March 31 was NOK 943 million (NOK 936 million)².

Balance sheet

Total assets in the balance sheet as of March 31 were NOK 30,098 million (NOK 28,959 million) with investment properties accounting for NOK 27,959 million (NOK 26,551 million) and the properties used by the owner accounting for NOK 109 million (NOK 142 million). Non-current receivables amounted to NOK 153 million, which were related to the rental guarantee provided by the seller of the property at Snarøyveien 30 (NOK 242 million).

Investment in joint ventures was NOK 943 million (NOK 938 million).

Norwegian Property held NOK 344 million in cash and cash equivalents (NOK 461 million).

Total interest-bearing liabilities in the balance sheet came to NOK 15,979 million (NOK 16,240 million) with non-current interest-bearing liabilities totalling NOK 12,238 million (NOK 10,792 million) and current interest-bearing liabilities amounting to NOK 3,741 million (NOK 5,448 million).

Financial derivatives accounted for a net asset of NOK 164 million (NOK 174 million) with NOK 186 million classified as assets (NOK 179 million) and NOK 22 million as liabilities (NOK 5 million).

Equity totalled NOK 11,696 million (NOK 10,635 million), representing an equity ratio of 39 per cent (37 per cent). The book value of equity per share was NOK 17.51 (NOK 16.52). Outstanding shares totalled 674,263,524 (649,825,596). Treasury shares totalled 6,250,000, and 668,013,524 shares were held by the external shareholder.

Cash flow

Net operational cash flow was positive at NOK 211 million. Cash earnings amounted to NOK 107 million. The change in the rental guarantee receivables and other short-term items amounted to a negative amount of NOK 5 million and a positive amount of NOK 109 million, respectively.

Net cash flow from investing activities was negative at NOK 102 million (positive at NOK 14 million). Investments related to the adjustments for lessees associated with new and renegotiated leases as well as ongoing operational investments amounted to NOK 96 million. Other investing activities totalled NOK 6 million.

Net cash flow from financing activities was negative at NOK 237 million (NOK 65 million), following a reduction in interest-bearing debt of NOK 144 million and a dividend payment of NOK 93 million.

Cash and cash equivalents showed a reduction of NOK 128 million (increase of NOK 135 million).

Dividend

The board has resolved to pay a dividend of NOK 0.14 per share for the first quarter of 2025.

² See note 6 to the interim accounts for the financial and operational information related to Nordr.

Financing

Key figures

The table below presents the key figures related to interest-bearing debt and hedges as of March 31.

Interest bearing debt and hedging		31.03.25	31.03.24	31.12.24
Interest-bearing debt	NOK mill	15,979.3	16,239.9	16,120.7
Cash and cash equivalents	NOK mill	343.7	460.7	471.3
Interest-bearing receivables ¹	NOK mill	164.9	162.9	160.9
Interest-hedging ratio	Per cent	55.3	67.7	54.0
Unutilised credit facilities	NOK mill	1,041.9	3,173.4	623.3
Remaining time to maturity for interest hedge agreements	Years	4.4	3.7	4.5
Average interest rate	Per cent	4.79	4.72	4.84
Average interest margin	Per cent	1.55	1.72	1.76
Remaining time to maturity for interest-bearing debt	Years	2.9	2.3	2.4
Market value of the property portfolio	NOK mill	28,220.9	26,935.2	27,925.1
Market value of investment in joint ventures ²	NOK mill	1,875.0	1,992.0	1,976.3
Gross debt to asset ratio (gross LTV)	Per cent	53.1	56.1	53.9
Net debt to asset ratio (net LTV) ³	Per cent	51.4	54.0	51.8

¹ Interest-bearing receivables include loans in relation to joint ventures.

² Applies to the book value of the investment in Nordr (joint venture), adjusted for the EPRA-revaluation of the investment.

³ Interest-bearing debt less the liquid assets and interest-bearing receivables in relation to the market value of the property portfolio and the real value of the shares in Nordr.

Interest-bearing liabilities

Interest-bearing liabilities totalled NOK 15,979 million as of March 31 (NOK 16,240 million). In addition, the company had undrawn credit and overdraft facilities of NOK 1,042 million (NOK 3,173 million).

The company is actively engaged in refinancing its upcoming loan maturities.

In January 2025, Norwegian Property issued NOK 2 billion in new senior secured bilateral bonds secured with a mortgage on the property at Martin Linges vei 33 maturing in January 2025. In March the property Sandakerveien 138-140 was refinanced with a new bank loan of NOK 608 million.

NOK 1.7 billion in bonds mature in October and November 2025. Advanced discussions with relationship banks are ongoing regarding credit facilities to refinance the bonds at maturity. Bank facilities maturing in June 2025 amount to NOK 1.9 billion and will be prolonged. Another bank loan of NOK 500 million maturing in December will be refinanced during the second half of the year.

Interest hedges

The table below presents the maturity structure of interest-rate hedges for the company's interest-bearing debt as of March 31, 2025.

Maturity profile of interest hedges	Amount (NOK mill.)	Interest ¹ (per cent)	Share of total liabilities (per cent)
< 1 year	7,468	4.6	47
1 > 2 year	2,329	2.7	15
2 > 3 year	-	-	-
3 > 4 year	300	2.2	2
4 > 5 year	1,340	2.4	8
> 5 year	4,542	1.4	28
Total	15,979	3.2	100

¹ Average base interest rate for the matured amount.

Market and operations

Commercial property market

Norwegian Property estimates the office vacancy rates in Oslo to be 6.7 per cent overall, 5.1 per cent in the city centre and 8.9 per cent in Nydalen. Moderate vacancy rates in the past few years have contributed to positive trends for rents. Office vacancy at Fornebu is 18.4 per cent. The prime yield for the Oslo CBD is estimated by various analysts to be approximately 4.5 per cent.

There was good liquidity in the bond market for property related transactions in the first quarter. Margins for the sector came down a few bp.

The 10-year swap interest rate started at 4.0 per cent at the beginning of the quarter and increased to 4.1 per cent at the end of the quarter. Internationally, there is concern about how increased tariffs will affect the economy. It appears that growth may become weaker, but inflation will remain high.

Due to the high inflation, Norges Bank kept the interest rate unchanged at 4.5 per cent after its meeting in March. The Central Bank is signalling two interest rate cuts in 2025.

The property portfolio

Key figures

Norwegian Property owned 31 investment properties as of March 31. They are located in the central areas of the Oslo region. The company's properties mainly comprise office premises as well as retail and restaurant space along with the associated warehousing and parking for the office areas.

Total ongoing annual rental income (run rate) from the company's whole property portfolio was NOK

1,496 million as of April 1, 2025. That represented an increase of NOK 9 million since January 1. NOK 67 million of the run rate is related to the rental guarantee provided by the seller of the property at Snarøyveien 30. The overall financial vacancy in the property portfolio totalled 6.8 per cent, which is related to the properties in all three core areas. The weighted average remaining duration of the leases was 5.8 years. The average rent adjustment factor for the consumer price index was 100.0 per cent for the total portfolio as of March 31, 2025.

The key figures hereinabove do not include the space which is under construction as of March 31. The ongoing projects at the end of the quarter are specified in the table hereunder.

Area	Property	Tenant	Area (sqm)	Compl. date
Aker Brygge	Kaibygning I	CMS Kluge	5,780	Q2 2025
Aker Brygge	Kaibygning II	Los Tacos	275	Q2 2025
Aker Brygge	Tingvalla	Stranden 30	950	Q2 2025
Aker Brygge	Verkstedhallene	Nestlé Norge	685	Q2 2025
Aker Brygge	Verkstedhallene	Alonzo	385	Q2 2025
Fornebu	Snarøyveien 30	Telenor Cyberdefence	1,200	Q2 2025
Fornebu	Snarøyveien 30	Ericsson	775	Q4 2025
Nydalen	Gjerdrums vei 17	Rockwool	820	Q2 2025
Nydalen	Sandakerveien 138	Mycoteam	1,230	Q2 2025
Nydalen	Sandakerveien 140	ITV	1,000	Q2 2025
Nydalen	Gullhaug Torg 3	Padel Nydalen	1,470	Q3 2025

New leases

During the first quarter, new and renegotiated leases were signed with a total annual rental income of NOK 16 million. Leases that expired during the same period amounted to NOK 19 million. Consequently, the net letting resulted in a negative amount of NOK 3 million.

Valuation of the property portfolio

An independent appraiser has valued the properties in the company's portfolio based on the same methods and principles applied in the previous periods. In addition, the company has prepared a valuation based on similar principles. The accounting valuation as of March 31, 2025 is based on an average of the two valuations.

As of March 31, the company's portfolio of investment properties was valued at NOK 28,221 million (NOK 26,935 million). The rent guarantee receivables and properties used by the owner were carried separately in the balance sheet at NOK 153 million and NOK 109 million, respectively, and were recognised at fair value. Fair-value adjustments recognised in the profit and loss for the investment properties was NOK 156 million for the first quarter. This represents a 0.6 per cent change from the value as of December 31 and the cost of investments for the period.

Shareholder information

As of March 31, 2025, Norwegian Property ASA has a share capital of NOK 343,874,397.24 divided into 674,263,524 shares, each with a par value of NOK 0.51. Norwegian Property ASA owns 6,250,000 treasury shares. Realty Holdings (NOR) Ltd. owns the remaining 668,013,524 shares in the company.

The environment and social responsibility (ESG)

Environment and climate

Climate report 2024

Norwegian Property has published its climate report for 2024 and it is available on the company's webpage.

Norwegian Property has set some quantitative targets for 2019-2025:

a 30-50 per cent reduction in energy consumption for renovated buildings

The property Gjerdrums vei 17 is being renovated, and the Primary Energy Demand (PED) is being reduced by 34 per cent.

a five to 10 per cent reduction in energy consumption for the existing portfolio

This is an intensity target, measured as energy consumption per square metre. Since 2019, the energy consumption per square metre has decreased from 278 kWh to 199 kWh, i.e. by 28 per cent.

a 10-20 per cent reduction in CO2 equivalents (CO2e) emissions

When considering comparable emissions, CO2e emissions per sqm have decreased from 14 kg per sqm in 2019 to 6 kg per sqm in 2024, i.e. 58 per cent in the strategy period. This is due to more renewable energy in the buildings and reduced emissions from energy sources such as electricity.

a 60-65 per cent proportion for sorted waste

The proportion of sorted waste from operations is 59 per cent, slightly below the target. If we include waste from waste water and projects, the waste sorting reaches 67 per cent.

Sustainability reporting

Norwegian Property was planning to report according to the CSRD framework for 2024, but as changes came from the EU in March, NPRO has decided to publish a downsized version of the report.

Outlook

Norwegian Property has a strategy for growth in its core commercial property business as well as an ambition to consider opportunities in other property segments.

Norwegian Property will continue its efforts to expand and develop its business through additional acquisitions as well as by pursuing several interesting long-term development opportunities in the existing property portfolio.

Currently, the supply of new properties is limited in the Oslo market, with the exception of Construction City and parts of the new “Regjeringskvartalet”. In order to increase new build offices, either the yields must decrease, building costs must decrease or the rents must increase substantially, or a combination of these factors. The shortage of new supply will contribute to an increase in the demand for available

high quality office space and the rent levels will most likely continue to rise.

Property values have shown a positive development for five consecutive quarters. Capital is now available from several different funding sources.

Norwegian Property’s financial position is sound with a high equity ratio and a relatively low loan-to-value ratio. The company has a highly diversified portfolio of tenants in the public sector and various private business segments. This contributes to the company being well positioned in order to handle any possible uncertainty and having a continued focus on the strategy of further expanding and developing the business.

Interim accounts

Consolidated condensed income statement and statement of comprehensive income

Amounts in NOK million	Note	1Q-25	1Q-24	31.12.24
Rental income	3	359.6	310.4	1,386.4
Revenues		359.6	310.4	1,386.4
Property-related operational expenses		(21.0)	(22.1)	(88.6)
Other property-related expenses		(22.9)	(20.8)	(89.5)
Total property-related expenses		(43.9)	(42.9)	(178.2)
Administrative expenses		(19.8)	(19.2)	(68.0)
Total operating expenses		(63.7)	(62.1)	(246.2)
Share of profit in joint ventures	6	(16.3)	2.4	1.0
Operating profit before fair-value adjustments		279.5	250.7	1,141.3
Change in market value of investment property and rental guarantee	4	155.5	245.0	909.8
Operating profit		435.1	495.7	2,051.0
Financial income	10	5.3	57.8	95.9
Financial cost	10	(194.8)	(173.5)	(774.8)
Realised net financial items		(189.5)	(115.7)	(678.8)
Change in market value of financial derivative instruments	7, 10	(10.6)	32.2	33.0
Net financial items		(200.1)	(83.5)	(645.8)
Profit before income tax		234.9	412.2	1,405.2
Income tax	11	(49.0)	(107.7)	(379.3)
Profit for the period		185.9	304.5	1,025.9
Profit attributable to non-controlling interests		-	-	-
Profit attributable to shareholders of the parent company		185.9	304.5	1,025.9

Amounts in NOK million	Note	1Q-25	1Q-24	31.03.24
Value adjustment of owner-occupied property, net of tax	4	2.0	(1.3)	1.8
Other comprehensive income that will not be reclassified to profit or loss, net of tax		2.0	(1.3)	1.8
Currency changes on translation of foreign joint venture operations	6	3.4	3.7	6.7
Other comprehensive income that subsequently may be reclassified to profit or loss, net of tax		3.4	3.7	6.7
Total comprehensive income		191.3	306.8	1,034.4
Total comprehensive income attributable to shareholders of the parent company		191.3	306.8	1,034.4
Total comprehensive income attributable to non-controlling interests		-	-	-

Consolidated condensed balance sheet

Amounts in NOK million	Note	31.03.2025	31.03.2024	31.12.2024
Financial derivative instruments	7	185.3	174.4	186.4
Investment property	4	27,959.4	26,551.0	27,666.8
Owner-occupied property	4	108.5	142.4	106.4
Other fixed assets	5	27.9	29.8	28.6
Investment in joint ventures	6	942.8	938.0	955.8
Rental guarantee receivables	4	153.0	241.8	151.8
Total non-current assets		29,377.0	28,077.3	29,095.8
Financial derivative instruments	7	0.3	4.8	1.2
Receivables	9	377.1	416.1	315.9
Cash and cash equivalents	9	343.7	460.7	471.3
Total current assets		721.1	881.6	788.4
Total assets		30,098.0	28,958.9	29,884.3
Share capital		340.8	328.3	340.8
Share premium		4,260.5	3,773.3	4,260.5
Other paid in equity		7,094.8	6,533.2	6,997.0
Total equity		11,696.0	10,634.8	11,598.2
Deferred tax	11	1,789.8	1,467.8	1,740.3
Financial derivative instruments	7	21.7	-	13.2
Interest bearing liabilities	9	12,237.7	10,792.3	10,105.7
Other liabilities		2.0	2.5	2.0
Total non-current liabilities		14,051.2	12,262.6	11,861.2
Financial derivative instruments	7	-	5.5	-
Interest bearing liabilities	9	3,741.6	5,447.6	6,015.0
Other liabilities		609.2	608.5	409.9
Total current liabilities		4,350.8	6,061.5	6,424.9
Total liabilities		18,402.0	18,324.1	18,286.1
Total equity and liabilities		30,098.0	28,958.9	29,884.3

Oslo, April 10, 2025

The board of directors and the CEO of Norwegian Property ASA

Bjørn Henningsen
(Chair)

Cecilie Astrup
Fredriksen (Director)

Kathrine Astrup
Fredriksen (Director)

Lars Erich Nilsen
(Director)

Bent Oustad
(CEO)

Consolidated condensed statement of changes in equity

Amounts in NOK million		Share capital	Treasury shares ¹	Share premium	Other paid in equity	Retained earnings	Total equity
Total equity	31.12.23	331.4	(3.1)	3,773.3	6,310.0	-	10,411.6
Total comprehensive income		-	-	-	306.8	-	306.8
Paid dividend		-	-	-	(83.7)	-	(83.7)
Total equity	31.03.24	331.4	(3.1)	3,773.3	6,533.2	-	10,634.8
Total comprehensive income		-	-	-	727.6	-	727.6
Share issue		12.5	-	487.2	-	-	499.7
Paid dividend		-	-	-	(263.8)	-	(263.8)
Total equity	31.12.24	343.9	(3.1)	4,260.5	6,997.0	-	11,598.2
Total comprehensive income		-	-	-	191.3	-	191.3
Paid dividend		-	-	-	(93.5)	-	(93.5)
Total equity	31.03.25	343.9	(3.1)	4,260.5	7,094.8	-	11,696.0

¹ The company owns 6,250,000 treasury shares.

Consolidated condensed statement of cash flow

Amounts in NOK million	Note	1Q-25	1Q-24	31.12.24
Profit before income tax		234.9	412.2	1,405.2
Depreciation of tangible assets		1.9	1.7	6.2
Interest income on guarantee receivables		(1.3)	(1.8)	(5.8)
Fair value adj. of investment property and rental guarantee	3	(155.5)	(245.0)	(909.8)
Fair value adjustment of financial derivative instruments	4	10.6	(32.2)	(33.0)
Profit for joint venture	6	16.3	(2.4)	(1.0)
Change in rental guarantee receivables	4	(5.1)	(5.4)	62.1
Change in short-term items		109.4	58.4	(33.1)
Net cash flow from operating activities		211.2	185.5	490.8
Investments related to the takeover of investment properties		-	125.9	125.9
Investment in and upgrading of investment properties		(95.8)	(107.0)	(495.0)
Net other investing activities		(5.8)	(4.7)	(24.1)
Net cash flow from investing activities		(101.6)	14.2	(393.2)
Net change in interest-bearing debt	6	(143.7)	19.0	(104.0)
Capital increase		-	-	499.7
Paid dividend		(93.5)	(83.7)	(347.5)
Net cash flow from financial activities		(237.2)	(64.7)	48.2
Net change in cash and cash equivalents		(127.7)	135.1	145.7
Cash and cash equivalents at the beginning of the period		471.3	325.6	325.6
Cash and cash equivalents at the end of the period		343.7	460.7	471.3

Notes to the condensed financial statements

NOTE 1: General information

The Norwegian Property ASA real estate group primarily owns commercial properties in the Oslo region. Norwegian Property also owns a share (joint venture) in the residential development company Nordr. Nordr has residential units under construction and a land bank in the largest Norwegian and Swedish cities. In Stavanger, Norwegian Property has a joint venture for the development of a property with a combined residential and commercial purpose.

The holding company, Norwegian Property ASA, is a public limited company with its headquarters located at Bryggegate 3, Oslo (Norway). Realty Holdings (NOR) Ltd. is the shareholder of Norwegian Property ASA.

The interim report of Norwegian Property ASA was approved at a board meeting on April 10, 2025. The report has not been audited.

NOTE 2: Accounting policies

The financial statements include Norwegian Property ASA and subsidiaries. Sold properties are included in the accounts until the completion of the transactions. Acquired properties are included in the financial statements from the date of acquisition.

Management makes estimates and assumptions concerning the future. The accounting estimates will by definition seldom be fully in accordance with the final outcome. Estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities primarily relate to the valuation of investment property.

This interim report is prepared in accordance with IAS 34 Interim Financial Reporting. The interim

financial statements are prepared in accordance with the applicable IFRS standards and interpretations. The accounting policies used in preparing the interim report are in accordance with the principles applied in preparing the annual accounts for 2024. The interim report presents condensed financial statements and does not contain all the information required for full annual financial statements. The report should, therefore, be read in conjunction with the financial statements for 2024.

No significant changes have been made to accounting policies compared with the principles used in the preparation of the financial statements for 2024. Norwegian Property has not implemented any new standards or changes of standards in the 2025 interim financial statement which has had a significant impact on the accounts. There are no material new standards and interpretations not yet implemented.

NOTE 3: Segment information

Commercial properties

Norwegian Property's primary business is the ownership and management of commercial properties in the Oslo region.

Residential properties

The company has an investment in the residential development company Nordr. In Stavanger, Norwegian Property has a joint venture for the development of a property with a combined residential and commercial purpose (Forusbeen 35).

Financial segment information

The segmentation of operating profit, excluding the administrative owner costs, reflects the division into commercial property and residential property segments. A similar division has also been made for all balance sheet items apart from those related to group functions, financing of the group and tax positions.

The segment information relating to income statement items in the first quarter of 2025 is specified in the table below.

Amounts in NOK million	Commercial properties	Residential properties	Group	Total
Revenue	359.6	-	-	359.6
Total property-related expenses	(43.9)	-	-	(43.9)
Administrative expenses	-	-	(19.8)	(19.8)
Share of profit in joint ventures	-	(16.3)	-	(16.3)
Change in market value of investment property	155.5	-	-	155.5
Operating profit	471.2	(16.3)	(19.8)	435.1
Net financial items			(200.1)	(200.1)
Profit before income tax			(219.9)	234.9
Income tax			(49.0)	(49.0)
Profit for the period			(268.9)	185.9

The segment information relating to income statement items in the first quarter of 2024 is specified in the table below.

Amounts in NOK million	Commercial properties	Residential properties	Group	Total
Revenue	310.4	-	-	310.4
Total property-related expenses	(42.9)	-	-	(42.9)
Administrative expenses	-	-	(19.2)	(19.2)
Share of profit in joint ventures	(0.1)	2.6	-	2.5
Change in market value of investment property	245.0	-	-	245.0
Operating profit	512.4	2.6	(19.2)	495.8
Net financial items			(83.5)	(83.5)
Profit before income tax			(102.7)	412.3
Income tax			(107.7)	(107.7)
Profit for the period			(210.4)	304.5

The segment information relating to income statement items for the full year of 2024 is specified in the table below.

Amounts in NOK million	Commercial properties	Residential properties	Group	Total
Revenue	1,386.4	-	-	1,386.4
Total property-related expenses	(178.2)	-	-	(178.2)
Administrative expenses	-	-	(68.0)	(68.0)
Share of profit in joint ventures	(14.2)	15.2	-	1.0
Change in market value of investment property	909.8	-	-	909.8
Operating profit	2,103.9	15.2	(68.0)	2,051.0
Net financial items			(645.8)	(645.8)
Profit before income tax			(713.9)	1,405.2
Income tax			(379.3)	(379.3)
Profit for the period			(1,093.2)	1,025.9

The segment information related to balance sheet items as of March 31, 2025 is specified in the table below.

Amounts in NOK million	Commercial properties	Residential properties	Group	Total
Investment property	28,067.9	-	-	28,067.9
Other fixed assets	23.4	-	4.5	27.9
Investment in joint ventures	-	942.8	-	942.8
Receivables	530.2	-	-	530.2
Cash and cash equivalents	-	-	343.7	343.7
Deferred tax	-	-	(1,789.8)	(1,789.8)
Financial derivative instruments	-	-	163.8	163.8
Interest bearing liabilities	-	-	(15,979.3)	(15,979.3)
Other liabilities	(337.4)	-	(273.7)	(611.2)
Total equity			(11,696.0)	(11,696.0)

The segment information related to balance sheet items as of March 31, 2024 is specified in the table below.

Amounts in NOK million	Commercial properties	Residential properties	Group	Total
Investment property	26,693.4	-	-	26,693.4
Other fixed assets	25.7	-	4.0	29.8
Investment in joint ventures	-	938.0	-	938.0
Receivables	657.9	-	-	657.9
Cash and cash equivalents	-	-	460.7	460.7
Deferred tax	-	-	(1,467.8)	(1,467.8)
Financial derivative instruments	-	-	173.7	173.7
Interest bearing liabilities	-	-	(16,239.9)	(16,239.9)
Other liabilities	(359.2)	-	(251.8)	(610.9)
Total equity			(10,634.8)	(10,634.8)

The segment information related to balance sheet items as of December 31, 2024 is specified in the table below.

Amounts in NOK million	Commercial properties	Residential properties	Group	Total
Investment property	27,773.2	-	-	27,773.2
Other fixed assets	24.0	-	4.6	28.6
Investment in joint ventures	-	955.8	-	955.8
Receivables	467.7	-	-	467.7
Cash and cash equivalents	-	-	471.3	471.3
Deferred tax	-	-	(1,740.3)	(1,740.3)
Financial derivative instruments	-	-	174.4	174.4
Interest bearing liabilities	-	-	(16,120.7)	(16,120.7)
Other liabilities	(208.5)	-	(203.4)	(411.9)
Total equity			(11,598.2)	(11,598.2)

NOTE 4: Investment property and rental guarantees

Changes in the carrying amount of investment property and rental guarantees are specified in the table below.

Amounts in NOK million	Note	1Q-25	1Q-24	31.12.24
Total value of investment property and rental guarantees, opening balance		27,925.1	23,893.7	23,893.7
Fair value adjustments of investment property		160.7	241.5	932.7
Fair value adjustments of rental guarantees	1	(5.2)	3.5	(23.0)
Total fair value adjustments of investment property and rental guarantees		155.5	245.0	909.8
Fair value adjustments of owner-occupied investment property, recognised in other comprehensive income	2	2.0	(2.5)	-
Interest income on rental guarantee receivables	1	1.3	1.8	5.8
Investment in properties		131.9	2,791.8	3,177.9
Payments related to the rental guarantee	1	5.1	5.4	(62.1)
Total value of investment property and rental guarantees, closing balance		28,220.9	26,935.2	27,925.1
Of which is book value of investment property		27,959.4	26,551.0	27,666.8
Of which is book value of owner-occupied inv. property	2	108.5	142.4	106.4
Of which is book value of rental guarantee receivables	1	153.0	241.8	151.8

¹ An estimated value related to the rental guarantee provided by the seller of the property at Snarøyveien 30 is presented as a receivable in the balance sheet. The seller guarantees an agreed level for the rent and common costs of vacant premises from the takeover in 2020 until mid-2027.

² Owner-occupied property is accounted for at fair value and revaluation is included in other comprehensive income.

Investment property and rental guarantees at fair value through profit or loss is specified in the following table broken down by the valuation method.

Amounts in NOK million	Level 1 ¹	Level 2 ¹	Level 3 ¹	Total
31.03.25				
Investment property	-	-	27,959.4	27,959.4
Owner-occupied property	-	-	108.5	108.5
Rental guarantee receivables	-	-	153.0	153.0
Total	-	-	28,220.8	28,220.9
31.03.24				
Investment property	-	-	26,551.0	26,551.0
Owner-occupied property	-	-	142.4	142.4
Rental guarantee receivables	-	-	241.8	241.8
Total	-	-	26,935.2	26,935.2
31.12.24				
Investment property	-	-	27,666.8	27,666.8
Owner-occupied property	-	-	106.4	106.4
Rental guarantee receivables	-	-	151.8	151.8
Total	-	-	27,925.1	27,925.1

¹ Level 1: Observable market value for similar assets or liabilities, Level 2: Significant other observable inputs for similar assets, Level 3: Significant other unobservable inputs

The company's policy is to make transfers between levels at the time of the incident or circumstance which caused the transfer. No movements between the levels have occurred in 2024 and 2025.

NOTE 5: Other fixed assets

Other tangible fixed assets in the balance sheet are specified in the table below.

Amounts in NOK million	31.03.25	31.03.24	31.12.24
Energy production and distribution system at Aker Brygge in Oslo	23.1	25.4	23.7
Other assets	4.8	4.4	4.9
Other fixed assets	27.9	29.8	28.6

NOTE 6: Joint ventures

Nordr

Nordr has flats under construction and a substantial land bank in Norway and Sweden. The land bank is largely located in the largest Norwegian and Swedish cities, with an emphasis on eastern Norway and the extended Stockholm capital region in Sweden.

Norwegian Property owns Nordr together with Fredensborg and Union Real Estate Fund III. While Norwegian Property and Fredensborg are equal partners with a share of 42.5 per cent of preference shares each Union own 15 per cent. Norwegian Property owns 42.4 per cent of all shares in the company.

The table below presents the quarterly development of the project portfolio for Nordr over the past five quarters.

Project portfolio Nordr	1Q-24	2Q-24	3Q-24	4Q-24	1Q-25
Units sold	151	237	215	240	226
Construction starts	13	137	-	268	24
Units completed	268	264	313	220	125
Units delivered	214	365	143	187	143
Units under construction	1,273	1,147	834	882	781
Units under construction incl. tenant owned units (hyresrätter)	1,581	1,379	1,066	1,114	781
Sales ratio, units under construction (per cent)	66	70	74	79	78
Completed unsold units	76	83	87	85	61
Sales value, units sold in the period	805	1,382	1,361	1,412	1,424
Sales value, units under constr. (NOK mill.)	7,396	6,721	5,030	5,692	5,236

Financial information for joint ventures

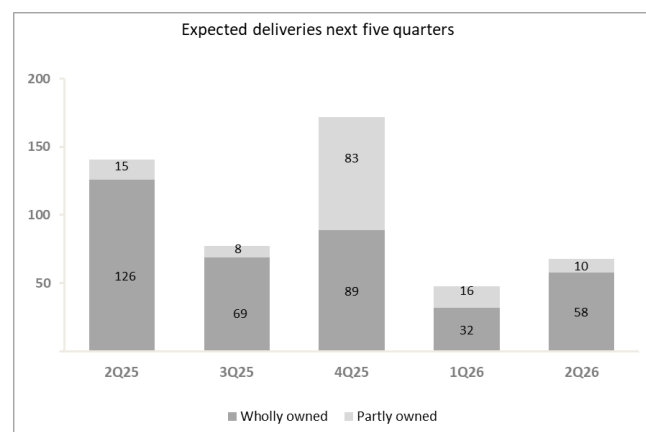
The change in the carrying amount of investments in joint ventures are specified in the table below.

Amounts in NOK million	Nordr	Forusbeen 35	Total 31.03.25	Total 31.03.24	Total 31.12.24
Book value, opening balance	955.8	-	955.8	933.2	933.2
Share of profit for the period	(16.3)	-	(16.3)	2.5	1.0
Currency changes ¹	3.4	-	3.4	3.7	6.7
Intercompany transactions	(0.1)	(1.1)	(1.2)	(1.3)	(4.9)
Negative book value against receivables ²	-	1.1	1.1	-	19.7
Book value, closing balance	942.8	-	942.8	938.0	955.8

¹ The currency risk associated with the Nordr business in Sweden is not hedged.

² The share of negative equity for a joint venture is accounted for as a reduction of receivables.

The figure below shows the expected completions during the next five quarters based on the best estimate for the timing of the projects. A total of 506 residential units are expected to be completed during the next five quarters in both wholly and partly owned projects in Norway and Sweden.



Independent appraisers have valued the company's plots higher than at acquisition, raising Norwegian Property's NAV metrics without affecting the investment's book value.

Forusbeen 35

The property at Forusbeen 35 in Stavanger has been rezoned from a commercial building to a combined residential and commercial property. Until the construction begins, the operation of the property will continue as a commercial property. Norwegian Property owns the project as a joint venture together with Base Bolig. The shareholders each have a share of 50 per cent.

Norwegian Property's share of profit in joint ventures is specified in the table below.

Amounts in NOK million	Nordr	Forusbeen 35	Total 31.03.25	Total 31.03.24 ¹	Total 31.12.24 ²
Revenue	715.7	0.6	716.3	903.9	3,595.5
Project cost from the sale of residential units	(701.4)	-	(701.4)	(884.7)	(3,501.1)
Other operating expenses	(59.7)	(0.6)	(60.3)	(36.6)	(197.5)
Share of profit in joint ventures	(1.9)	-	(1.9)	24.3	143.6
Change in market value of investment property	-	-	-	-	(25.6)
Operating profit	(47.3)	-	(47.3)	7.0	15.0
Net financial items	(9.1)	-	(9.1)	(10.0)	(31.1)
Profit before income tax	(56.4)	-	(56.4)	(3.0)	(16.0)
Income tax	18.0	-	18.0	8.9	25.1
Profit for the period	(38.4)	-	(38.4)	5.9	9.1
Share of profit for the period	(16.3)	-	(16.3)	2.5	1.0
The groups total share of profit for the period	(16.3)	-	(16.3)	2.4	1.0

¹ The groups share of net profit for the first quarter of 2024 is related to Nordr (profit of NOK 2.6 million) and Forusbeen 35 (loss of NOK 0.2 million).

² The groups share of the net loss for the full year 2024 is related to Nordr (profit of NOK 19.3 million) and Forusbeen 35 (loss of NOK 18.3 million).

Norwegian Property's share of equity in joint ventures is specified in the table below.

Amounts in NOK million	Nordr	Forusbeen 35	Total 31.03.25	Total 31.03.24	Total 31.12.24
Investment property	-	2.8	2.8	23.7	2.0
Other fixed assets	26.6	-	26.6	36.2	26.8
Investment in joint ventures	682.0	-	682.0	1,177.0	705.1
Property related inventory	7,901.0	122.5	8,023.5	8,290.6	7,573.2
Receivables	631.1	0.5	631.6	780.1	590.3
Cash and cash equivalents	234.7	0.0	234.7	164.4	376.0
Deferred tax	(190.5)	-	(190.5)	(349.9)	(355.2)
Interest bearing liabilities	(4,978.7)	(140.2)	(5,118.9)	(5,876.6)	(4,727.2)
Other liabilities	(2,091.2)	(0.8)	(2,092.0)	(1,961.2)	(1,981.1)
Total equity	(2,215.0)	15.2	(2,199.8)	(2,284.3)	(2,210.0)
The groups share of total equity ¹	(942.8)	-	(942.8)	(938.0)	(955.8)

¹ The share of negative equity for a joint venture is accounted for as a reduction of receivables.

NOTE 7: Financial derivatives

Change in net derivatives in the balance sheet (interest-rate derivatives) is specified in the table below¹.

Amounts in NOK million	1Q-25	1Q-24	31.12.24
Net book value of derivatives, opening balance	174.4	141.4	141.4
Fair value adjustments of derivatives	(10.6)	32.2	33.0
Net book value of derivatives, closing balance	163.8	173.7	174.4
Of which classified as non-current assets	185.3	174.4	186.4
Of which classified as current assets	0.3	4.8	1.2
Of which classified as non-current liabilities	(21.7)	-	(13.2)
Of which classified as current liabilities	-	(5.5)	-

¹ All interest-rate derivatives are cash flow hedges, and Norwegian Property does not use hedge accounting for these derivatives.

NOTE 8: Financial instruments

The book value and fair value of the financial instruments are specified in the table below.

Amounts in NOK million	31.03.2025		31.03.2024		31.12.2024	
	Book value	Fair value	Book value	Fair value	Book value	Fair value
Non-current derivatives	185.3	185.3	174.4	174.4	186.4	186.4
Non-current receivables	153.0	153.0	241.8	241.8	151.8	151.8
Current derivatives	0.3	0.3	4.8	4.8	1.2	1.2
Current receivables	245.1	245.1	289.2	289.2	211.2	211.2
Cash and cash equivalents	343.7	343.7	460.7	460.7	471.3	471.3
Total financial assets	927.4	927.4	1,170.8	1,170.8	1,022.0	1,022.0
Non-current derivatives	21.7	21.7	-	-	13.2	13.2
Non-current interest-bearing liabilities	12,237.7	12,245.9	10,792.3	10,796.1	10,105.7	10,133.9
Other non-current liabilities	1.8	1.8	1.8	1.8	1.8	1.8
Current derivatives	-	-	5.5	5.5	-	-
Current interest-bearing liabilities	3,741.6	3,744.1	5,447.6	5,451.4	6,015.0	6,017.2
Other current liabilities	433.9	433.9	496.2	496.2	340.8	340.8
Total financial liabilities	16,436.8	16,447.5	16,743.4	16,751.0	16,476.5	16,506.9

The estimated fair value of financial instruments is based on market prices and valuation methods. For cash and cash equivalents, fair value is assumed to be equal to the book value.

Interest-bearing receivables and liabilities are measured at the present value of future cash flows. Account is taken of the estimated difference between the current margin and market conditions (market value higher than the book value of debt in

the listing indicates a negative equity effect when the applicable borrowing margin is less favourable than current market conditions).

The fair value of financial derivatives (interest-rate and currency derivatives) is the estimated present value of future cash flows which is calculated by using quoted swap curves and exchange rates as at the balance sheet date. The technical calculations are performed by the banks.

Other receivables and other current liabilities are carried principally at fair value and subsequently measured at amortised cost. However, discounting

is not usually considered to have any significant effect on these types of assets and liabilities.

Financial instruments at fair value through profit or loss are specified in the table below by the valuation method.

Amounts in NOK million	Level 1 ¹	Level 2 ¹	Level 3 ¹	Total
31.03.25				
Non-current derivatives (assets)	-	185.3	153.0	338.4
Current derivatives (assets)	-	0.3	-	0.3
Non-current derivatives (liabilities)	-	(21.7)	-	(21.7)
Total	-	163.8	153.0	316.9
31.03.24				
Non-current derivatives (assets)	-	174.4	241.8	416.2
Current derivatives (assets)	-	4.8	-	4.8
Current derivatives (liabilities)	-	(5.5)	-	(5.5)
Total	-	173.7	241.8	415.4
31.12.24				
Non-current derivatives (assets)	-	186.4	151.8	338.2
Current derivatives (assets)	-	1.2	-	1.2
Current derivatives (liabilities)	-	-	-	-
Total	-	174.4	151.8	326.3

¹ Level 1: Observable market value for similar assets or liabilities, Level 2: Significant other observable inputs for similar assets, Level 3: Significant other unobservable inputs

The company's policy is to make transfers between levels at the time of the incident or circumstance which caused the transfer. No movements between the levels have occurred in 2024 and 2025.

NOTE 9: Net interest-bearing position

The change in the net interest-bearing position is specified in the table below.

Amounts in NOK million	Note	1Q-25	1Q-24	31.12.24
Loan facilities at par value, opening balance		16,143.0	14,007.0	14,007.0
Net change of loan facilities		(143.7)	2,259.0	2,136.0
Loan facilities at par value, closing balance	1	15,999.3	16,266.0	16,143.0
Accrued financial items		(20.0)	(26.1)	(22.3)
Book value of interest-bearing debt		15,979.3	16,239.9	16,120.7
Of which classified as non-current liabilities		12,237.7	10,792.3	10,105.7
Of which classified as current liabilities		3,741.6	5,447.6	6,015.0
Of which are bonds		11,623.1	10,297.4	11,461.3
Of which are bank facilities		4,356.1	5,942.4	4,659.4
Interest-bearing debt		(15,979.3)	(16,239.9)	(16,120.7)
Interest-bearing receivable	2	164.9	162.9	160.9
Cash and cash equivalents		343.7	460.7	471.3
Net interest-bearing position		(15,470.7)	(15,616.3)	(15,488.4)

¹ Unutilised credit facilities were NOK 1,041.9 million as of March 31, 2025, NOK 3,173.4 million as of March 31, 2024 and NOK 623.3 million as of December 31, 2024.

² Interest-bearing receivables are related to loans to joint ventures and other interest-bearing investments.

Norwegian Property is exposed to interest rate risk on floating-rate borrowings. The general policy in accordance with the applicable loan agreements is that at least 50 per cent of the company's interest-bearing debt at any time will be hedged. As of March 31, 2025, 55.3 per cent of such loans was secured (March 31, 2024: 67.7 per cent). The remaining time

to maturity for interest hedging agreements was 4.4 years (3.7 years).

The total average interest margin on loans was 155 basis points (172 basis points). The loan portfolio has an average interest rate of 4.79 per cent (4.72 per cent), and the remaining time to maturity for interest-bearing debt was 2.9 years (2.3 years).

The group's loan facilities as of March 31, 2025 are specified in the table below.

(Amounts in NOK million)	Security (property)	Due (year)	Drawn amount	Short-term loan	Long-term loan	Undrawn amount
Bond NPRO27	9/Støperiet	2027	545.0	-	545.0	-
Bond NPRO25	Fondbygget	2029	635.0	-	635.0	-
Bond NPRO24	Fondbygget	2029	340.0	-	340.0	-
Bond NPRO26	Drammensveien 60	2027	420.0	-	420.0	-
Bond NPRO14	Kaibygning I	2026	350.0	-	350.0	-
Bond NPRO19	Verkstedhallene	2025	975.0	975.0	-	-
Bond NPRO20	Terminalbygget	2025	700.0	700.0	-	-
Bond NPRO21	Snarøyveien 36	2026	779.0	-	779.0	-
Bond NPRO22	Kaibygning I	2026	150.0	-	150.0	-
Bond NPRO23	Terminalbygget	2026	200.0	-	200.0	-
Bond unlisted	Snarøyveien 30	2030	3,542.0	-	3,542.0	-
Bond unlisted	Telegrafan	2026	1,000.0	-	1,000.0	-
Bond unlisted	Martin Linges vei 33	2028	800.0	-	800.0	-
Bond unlisted	Martin Linges vei 33	2032	1,200.0	-	1,200.0	-
RCF SEB	Property portfolio 1	2025	500.0	500.0	-	27.8
RCF Swedbank	Property portfolio 2	2025	525.0	525.0	-	19.5
RCF DNB	Property portfolio 3	2025	550.0	550.0	-	24.0
RCF DNB	Verkstedhallene	2026	550.0	-	550.0	133.7
RCF DNB	Terminalbygget	2026	300.0	-	300.0	450.0
RCF DNB	Lille Grensen 7	2026	-	-	-	386.9
Term loan SEB	Kaibygning I	2026	530.0	-	530.0	-
Term loan SEB	Kaibygning I	2025	500.0	500.0	-	-
RCF SEB	Kaibygning I	2026	300.0	-	300.0	-
Term loan Swedbank	138/140	2028	608.3	-	608.3	-
Total interest-bearing debt, 31 March 2025			15,999.3	3,750.0	12,249.3	1,041.9
Accrued financial items			(20.0)	(8.4)	(11.6)	
Book value of interest-bearing debt, 31 March 2025			15,979.3	3,741.6	12,237.7	

NOTE 10: Net financial items

A breakdown of the net financial items in the income statement is presented below.

Amounts in NOK million	1Q-25	1Q-24	31.12.24
Interest income on bank deposits and receivables	4.0	56.0	90.1
Other financial income ¹	1.3	1.8	5.8
Total financial income	5.3	57.8	96.0
Interest expense on borrowings	(194.8)	(173.5)	(774.8)
Total financial cost	(194.8)	(173.5)	(774.8)
Realised net financial items	(189.5)	(115.7)	(678.8)
Change in the market value of financial derivative instruments	(10.6)	32.2	33.0
Net financial items	(200.1)	(83.5)	(645.8)

¹ Interest calculated in relation to the rental guarantee receivable for the property at Snarøyveien 30 (see note 4).

NOTE 11: Deferred tax and income tax

The change in deferred tax and tax expense is presented in the table below.

Amounts in NOK million	1Q-25	1Q-24	31.12.24
Profit before income tax	234.9	412.2	1,405.2
Income tax calculated at 22 per cent	51.7	90.7	309.1
Differences between financial accounts and tax accounts	(2.7)	17.0	70.2
Income tax	49.0	107.7	379.3
Deferred tax, opening balance	1,740.3	1,360.5	1,360.5
Recognised through profit and loss	49.0	107.7	379.3
Payable tax through profit and loss	-	-	-
Recognised through comprehensive income	0.6	(0.4)	0.5
Deferred tax, closing balance	1,789.9	1,467.8	1,740.3

NOTE 12: Related-party disclosures

A management fee of NOK 0.5 million has been expensed in 2025 from a company related to the shareholder Realty Holdings (NOR) Ltd.

No other agreements or significant transactions with related parties have been carried out in 2025.

Intercompany balances and transactions with subsidiaries (which are related parties of Norwegian Property ASA) are eliminated in the consolidated financial statements and are not covered by the information given in this note. Financial matters

related to directors and senior management are described in the annual financial statements (see note 19 and 20 to the financial statements for 2024).

NOTE 13: Events after the balance sheet date

In accordance with the mandate from the last annual general meeting the board decided on April 10, 2025 that a dividend of NOK 0.14 per share will be paid for the first quarter of 2025. No other significant events have occurred after the balance sheet date as of March 31, 2025.

EPRA Performance Measures

EPRA (European Public Real Estate Association) is an association for the publicly traded European real estate sector. EPRA was founded in 1999 as a not-for-profit association. It has several hundred members, covering the whole spectrum of the listed real estate industry (companies, investors and their suppliers). EPRA's mission is to promote, develop and represent the European public real estate sector through the provision of better information to investors and stakeholders, active involvement in the public and political debate, promotion of best practices as well as the cohesion and strengthening of the industry. For further information, see www.epra.com.

EPRA has issued Best Practices Recommendations Guidelines on areas of reporting that are the most relevant to investors and where more consistent reporting across Europe would bring the greatest benefits in the overall transparency of the sector.

Norwegian Property report on the following EPRA Performance Measures.

EPRA Earnings

EPRA Earnings is a key measure of the underlying operating performance of the property portfolio and an indication of the extent to which current dividend payments are supported by earnings. EPRA Earnings is calculated based on the IFRS Earnings for the commercial property portfolio adjusted for changes in the market value of investment properties, changes in the market value of financial derivative instruments and the related tax effects.

EPRA earnings		1Q-25	1Q-24	31.12.2024
IFRS earnings	NOK mill.	184.9	304.5	1,025.8
Adjustments to calculate EPRA Earnings:				
Change in market value of inv. property and rental guarantee	NOK mill.	(155.5)	(245.0)	(909.8)
Change in market value of financial derivative instruments	NOK mill.	10.6	(32.2)	(33.0)
Share of profit from JVs ¹	NOK mill.	16.3	(2.6)	13.5
Income tax	NOK mill.	26.1	80.2	293.3
EPRA earnings	NOK mill.	82.3	104.8	389.9
Average outstanding shares	Mill. shares	668.0	643.6	645.8
EPRA Earnings per share	NOK	0.12	0.16	0.60

¹ Earnings from the Nordr joint venture (JV) are adjusted for as it is related to the development of residential properties for sale, and they are not relevant for the measurement of the performance of the commercial property portfolio. Adjustments are also made in relation to changes in the market value of the JV project at Forusbeen 35.

EPRA NAV Metrics

The EPRA NAV set of metrics make adjustments to the NAV per the IFRS financial statements to provide stakeholders with the most relevant information on the fair value of the assets and liabilities of a real estate investment company, under different scenarios.

EPRA Net Reinstatement Value (NRV)

The EPRA NRV metric assumes that entities never sell assets and it aims to represent the value required to rebuild the entity.

Investments in JVs are revalued based on an estimated fair value of such investments. The fair value on financial derivatives and deferred taxes on investment properties are excluded. Property transfer taxes do not normally apply to Norwegian transactions, and therefore such taxes are not included in the NRV calculation. The fair value of financial instruments, which are used for hedging purposes where the company has the intention of keeping the hedge position until the end of the contractual duration, is excluded. Under normal circumstances, the financial derivatives that companies use to provide an economic hedge are held until maturity and so any fair value movements will not crystallise.

EPRA Net Reinstatement Value (NRV)		31.03.2025	31.03.2024	31.12.2024
IFRS equity	NOK mill.	11,696.0	10,634.8	11,598.2
Revaluation of investments made in JVs	NOK mill.	932.2	1,055.7	1,020.5
Net Asset Value (NAV) at fair value	NOK mill.	12,628.2	11,690.5	12,618.7
Deferred tax on properties and financial instruments	NOK mill.	1,856.0	1,606.7	1,811.4
Net fair value on financial derivatives	NOK mill.	(163.8)	(173.7)	(174.4)
Net Reinstatement Value (NRV)	NOK mill.	14,320.3	13,123.5	14,255.6
Outstanding shares at period end	Mill. shares	668.0	643.6	668.0
NRV per share (NOK)	NOK	21.44	20.39	21.34

EPRA Net Tangible Assets (NTA)

The EPRA NTA metric assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

Investments in JVs are revalued based on an estimated fair value of such investments. Norwegian Property has adopted the second option in the EPRA BPR guidelines to adjust for deferred tax, estimating the real tax assets and liabilities based on how the company has previously carried out transactions and otherwise utilised existing tax positions. The fair value of financial instruments that are used for hedging purposes are excluded.

EPRA Net Tangible Assets (NTA)		31.03.2025	31.03.2024	31.12.2024
IFRS equity	NOK mill.	11,696.0	10,634.8	11,598.2
Revaluation of investments made in JVs	NOK mill.	932.2	1,055.7	1,020.5
Net Asset Value (NAV) at fair value	NOK mill.	12,628.2	11,690.5	12,618.7
Reversal deferred tax liability as per balance sheet	NOK mill.	1,789.8	1,467.8	1,740.3
Adjustment for estimated fair value of deferred tax ²	NOK mill.	(163.9)	(102.4)	(151.6)
Net fair value on financial derivatives	NOK mill.	(163.8)	(173.7)	(174.4)
Net Tangible Assets (NTA)	NOK mill.	14,090.2	12,882.2	14,032.9
Outstanding shares at period end	Mill. shares	668.0	643.6	668.0
NTA per share (NOK)	NOK	21.09	20.02	21.01

² Estimated fair value of deferred taxes where the estimated fair value of the tax asset related to carry-forward losses are greater than the estimated fair value of relevant tax liabilities. The calculations assume that carry-forward losses can be utilised over the next 5 years with a discount rate of 5 per cent. The real tax liability related to the gains/losses accounts is estimated on the basis of the annually depreciation rates in the Norwegian tax legislation and a discount rate of 5 per cent. The estimated fair value of the deferred tax liability related to the temporary differences of properties as of March 31, 2025 has been calculated to 3.6 per cent based on a discount rate of 5 per cent and the assumption that properties outside Aker Brygge are realised over the next 50 years period in transactions structured as sale of companies in which the tax discount is 5.4 per cent.

EPRA Net Disposal Value (NDV)

The EPRA NDV metric represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

Investments in JVs are revalued based on an estimated fair value of such investments. Financial liabilities are valued at the estimated fair value, net of deferred tax.

EPRA Net Disposal Value (NDV)		31.03.2025	31.03.2024	31.12.2024
IFRS equity	NOK mill.	11,696.0	10,634.8	11,598.2
Revaluation of investments made in JVs	NOK mill.	932.2	1,055.7	1,020.5
Net Asset Value (NAV) at fair value	NOK mill.	12,628.2	11,690.5	12,618.7
Fair value adjustment of financial liabilities, net of tax ³	NOK mill.	(8.3)	(5.9)	(23.7)
Net Disposal Value (NDV)	NOK mill.	12,619.8	11,684.6	12,595.0
Outstanding shares at period end	Mill. shares	668.0	643.6	668.0
NDV per share (NOK)	NOK	18.89	18.16	18.85

³ The fair value adjustment related to financial liabilities is related to the valuation as shown in note 8 to the interim financial statement, where the estimated difference between the current margins and the market conditions are taken into account as well as changes in the fair value of listed bonds. Tax is taken into account with 22 per cent.

EPRA Net Initial Yield

EPRA Net Initial Yield (NIY) and EPRA "Topped-up" NIY

The EPRA Net Initial Yield metrics presents annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property and increased with estimated purchasers' costs. The EPRA NIY is a comparable measure for portfolio valuations.

The EPRA "Topped-up" NIY metric incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods or other unexpired lease incentives such as discounted rent periods and step rents.

EPRA Net Initial Yield		31.03.2025	31.03.2024	31.12.2024
Investment property, wholly owned	NOK mill.	28,220.9	26,935.2	27,925.1
Investment property, share of JVs	NOK mill.	1.4	12.6	1.0
Total property portfolio	NOK mill.	28,222.3	26,947.9	27,926.1
Less projects and land and developments ⁴	NOK mill.	(23.4)	(4.7)	(12.1)
Completed management portfolio	NOK mill.	28,198.9	26,943.2	27,914.0
Allowance for estimated purchasers' cost	NOK mill.	110.0	108.5	108.5
Gross up completed management portfolio valuation	NOK mill.	28,308.9	27,051.7	28,022.5
12 months rolling rent, including share of JVs	NOK mill.	1,496.8	1,470.4	1,487.7
Estimated ownership cost	NOK mill.	(121.7)	(117.0)	(120.4)
Annualised net rents	NOK mill.	1,375.1	1,353.4	1,367.3
Rent free periods or other lease incentives	NOK mill.	10.3	15.8	24.3
Topped up net annualised net rents	NOK mill.	1,385.4	1,369.2	1,391.6
EPRA NIY (net initial yield)	Per cent	4.86	5.00	4.88
EPRA "topped-up" NIY (net initial yield)	Per cent	4.89	5.06	4.97

⁴ Applies to the property at Gjerdrums vei 17.

EPRA Vacancy Rate

The EPRA Vacancy Rate is calculated based on the Estimated Market Rental Value (ERV) of vacant space divided by the ERV of the whole portfolio, and it is a per cent measure of investment property space that is vacant, based on ERV.

EPRA Vacancy Rate		31.03.2025	31.03.2024	31.12.2024
Market rent vacant areas ⁵	NOK mill.	115.0	96.0	95.3
Total market rent ⁵	NOK mill.	1,780.6	1,730.0	1,730.1
EPRA vacancy rate	Per cent	6.46	5.55	5.51

⁵ Assumptions based on the external valuations for the periods.

EPRA Cost Ratio

The EPRA Cost Ratio is calculated based on the administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income. It is a key measure to enable the meaningful measurement of the changes in a company's operating costs.

EPRA Cost Ratios		1Q-25	1Q-24	31.12.2024
Operating costs	NOK mill.	(63.7)	(62.1)	(246.2)
Share of joint venture expenses	NOK mill.	(0.3)	(0.3)	(1.6)
EPRA cost (including direct vacancy cost)	NOK mill.	(64.0)	(62.5)	(247.8)
Direct vacancy cost	NOK mill.	9.3	7.2	33.9
EPRA cost (excluding direct vacancy cost)	NOK mill.	(54.7)	(55.3)	(213.8)
Gross rental income less ground rent	NOK mill.	359.6	310.4	1,386.4
Share of joint ventures	NOK mill.	0.3	0.1	0.5
Total gross rental income less ground rent	NOK mill.	359.9	310.5	1,386.9
EPRA cost ratio (including direct vacancy cost)	Per cent	17.80	20.12	17.87
EPRA cost ratio (excluding direct vacancy cost)	Per cent	15.21	17.80	15.42

EPRA LTV

The EPRA LTV's aim is to assess the gearing of the shareholder equity within a real estate company. The EPRA LTV is calculated based on the IFRS reporting with certain defined adjustments. The adjustments include, among other things, that the EPRA LTV is calculated based on proportional consolidation. This implies that the EPRA LTV include the group's share in the net debt and net assets of joint venture and material associates. Assets are included at fair value and net debt at nominal value.

EPRA LTV Metric		31.03.2025			31.03.2024			31.12.2024		
		Group as reported	Share of JV ⁶	Combined	Group as reported	Share of JV ⁶	Combined	Group as reported	Share of JV ⁶	Combined
Bond loans	NOK mill.	11,623.1	-	11,623.1	10,297.4	-	10,297.4	11,461.3	-	11,461.3
Bank/Other loans	NOK mill.	4,356.1	2,461.2	6,817.3	5,942.4	3,136.4	9,078.9	4,659.4	2,385.5	7,044.9
Net payables	NOK mill.	(235.3)	689.3	454.0	194.8	602.1	796.9	96.0	657.7	753.7
Cash and bank deposits	NOK mill.	(343.7)	(99.5)	(443.2)	(460.7)	(226.8)	(687.5)	(471.3)	(159.4)	(630.8)
Net debt	NOK mill.	15,400.3	3,051.0	18,451.3	15,974.0	3,511.8	19,485.7	15,745.4	2,883.8	18,629.1
Investment properties	NOK mill.	28,220.9	1.4	28,222.3	26,935.2	12.7	26,947.9	27,925.1	1.0	27,926.1
Properties held for sale ⁷	NOK mill.	-	5,083.2	5,083.2	-	5,637.1	5,637.1	-	4,977.5	4,977.5
Net receivables	NOK mill.	-	-	-	-	-	-	-	-	-
Total property value	NOK mill.	28,220.9	5,084.6	33,305.5	26,935.2	5,649.8	32,585.0	27,925.1	4,978.5	32,903.6
EPRA LTV	Per cent	54.6		55.4	59.3		59.8	56.4		56.6

⁶ Related to the joint ventures (JV) investments in Nordr and Forusbeen 35.

⁷ Properties held for sale is related to properties classified as inventory. The property inventory includes land, residential projects under development and completed units for sale.

Definitions

Below is an explanation of figures and notions mentioned in the interim report, which are not derived directly from the accounts.

Definition of financial APMs

Operating profit before administrative expenses	Revenues net of property expenses.
Profit before income tax and value adjustments	Profit before tax, adjusted for fair value adjustments to investment properties and financial derivatives.
Profit before income tax, value adjustments and joint ventures	Profit before tax, adjusted for share of profit in joint ventures as well as fair value adjustments to investment properties and financial derivatives.
Market value of property portfolio	The market value of all the group's properties regardless of accounting classification.
Market value of joint ventures	The book value of the investment in joint ventures, adjusted for the EPRA-revaluation of such investments.
Gross interest-bearing debt	Book value totals for long-term and short-term interest-bearing debt, less the holdings of own bonds.
Net interest-bearing debt	Gross interest-bearing debt, less interest bearing receivables and cash/cash equivalents.
LTV	Debt to asset ratio (Loan-To-Value).
Gross debt to asset ratio (gross LTV)	Interest-bearing debt divided by the fair market value of the property portfolio at the balance-sheet date.
Net debt to asset ratio (net LTV)	Net interest-bearing debt divided by the fair market value of the property portfolio at the balance-sheet date.
Equity ratio	Total equity divided by total equity and liabilities.
Pre-tax return on equity	Annualised pre-tax profit in the period divided by average total equity for the period in the balance sheet.
Earnings per share (EPS)	Net earnings for the period divided by the average number of common shares during the period. Diluted earnings per share takes into account the dilution effect of share options.
NAV, book value	Net asset value, the book value of total equity in the balance sheet.

Definition of other financial and operational measures and terms

Run rate for annual rent	Contracted annualised rental income for the property portfolio at the balance sheet date.
Weighted remaining duration of leases	Remaining contractual rent of current leases at the balance sheet date divided by the total contractual rent for the entire lease term.
Space vacancy/Office vacancy	Space vacancy is the total number of square metres available for rent divided by the total number of square metres in the market. Similarly, office vacancy is the number of office square metres available for rent divided by the total number of office square metres in the market.
Financial vacancy rate	Annualised market rent for space which generated no rental income at the balance sheet date, divided by total annualised rent for total space (contract rent for leased space and market rent for vacant space).
Gross yield	Gross yield on the balance sheet date for a property or portfolio of properties is calculated as contractual annualised rental income divided by market value.
Net yield	When calculating net yield, maintenance and property-related costs are deducted from contractual annualised rental income, which is then divided by the market value.
Prime yield	Yield for a fully leased property of best structural quality, with tenants in the best category and in the best location.
Unutilised credit facilities	The difference between the total available credit facilities, based on the current loan agreements, and the amounts at the balance sheet date which are deducted and accounted for as interest-bearing debt in the balance sheet.
Interest hedging ratio	The share of interest-bearing liabilities hedged at the balance sheet date.
Base interest rate	A weighted average of the fixed and floating average interest rates at the balance-sheet date. The fixed average interest rate is calculated as the weighted average of the fixed interest rate paid by the company in relation to outstanding interest-rate contracts and loans. The floating average interest rate is calculated as the weighted average of the Nibor rate paid on interest-bearing debt. The interest-rate base does not include accrued finance charges or margin.
Average interest rate	Weighted average interest rate on interest-bearing debt and fixed-rate interest agreements at the balance-sheet date.
Average interest margin	The weighted average of the interest margin on the outstanding interest-bearing debt at the balance-sheet date.
Remaining time to maturity for interest-bearing debt	Weighted remaining period until maturity for interest-bearing debt at the balance-sheet date.
Remaining time to maturity for interest hedge agreements	The weighted remaining period until maturity for interest hedge agreements at the balance-sheet date.
Like for like	Change in rental income from one period to another based on the same income-generating property portfolio, with rental income adjusted for purchases and sales of properties.
Independent appraisers	Akershus Eiendom and Cushman & Wakefield.
Oslo CBD	The central business district is considered the most attractive area for office space in Oslo. It is usually restricted to the districts of Aker Brygge, Tjuvholmen and Vika.

Other information

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Further information

For further information on Norwegian Property, including presentation material relating to this interim report and financial information, please visit www.npro.no.

Disclaimer

The information included in this Report contains certain forward-looking statements that address activities, events or developments that Norwegian Property ASA (hereinafter referred to as the Company) expects, projects, believes or anticipates will or may occur in the future. These statements are based on various assumptions made by the Company which are beyond its control and are subject to certain additional risks and uncertainties. The Company is subject to a large number of risk factors including but not limited to economic and market conditions in the geographic areas and markets in which Norwegian Property is or will be operating, counterparty risk, interest rates, access to financing, fluctuations in the currency exchange rates, and changes in governmental regulations. For a further description of other relevant risk factors we refer to Norwegian Property's Annual Report for 2024. As a result of these and other risk factors, actual events and our actual results may differ materially from those indicated in or implied by such forward-looking statements. The reservation is also made that inaccuracies or mistakes may occur in the information given hereinabove about the current status of the Company or its business. Any reliance on the above-mentioned information is at the risk of the reader, and Norwegian Property disclaims any and all liability in this respect.