

OLAV THON EIENDOMSSELSKAP

Report for the third quarter 2014



3/2014



KEY FIGURES

Amounts in NOK million	As at 30.09.2014	As at 30.09.2013	2013
Net rental income	1 406	1 340	1 759
Fair value adjustments of investment properties and interest rate derivatives ¹	69	890	957
Profit before taxes	1 046	1 758	2 085
Profit before taxes and fair value adjustments ¹⁾	977	868	1 128
Equity per share (NOK)	126	117	121
Equity ratio	36 %	38 %	39 %
Non-current net asset value per share (NOK) (EPRA NNAV) ²⁾	157	147	151
Liquidity reserves ³⁾	4 180	4 612	4 042
Amortisation next 12 months	4 679	6 515	5 131
Net cash flow from operations ⁴⁾	710	676	918
Interest-bearing debt	16 604	13 890	13 733
Interest rate as at 30.09 / 31.12	4,06 %	4,56 %	4,62 %
Net loan to value ⁵⁾	48 %	46 %	46 %
Net investments	3 401	913	1 000
Book value of investment property	33 529	28 942	29 327
Annual rental income	2 270	1 980	2 010
Net yield	6,0 %	6,1 %	6,1 %
Turnover owned shopping centres	28 116	26 609	38 580
Turnover managed shopping centres	7 827	6 913	9 927
Share price as at 30.09 / 31.12 (NOK)	116	97	107

A change in accounting policies, etc. has caused a difference in some figures from those given in previous interim and annual reports.

1) Including value adjustments in joint ventures and associated companies.

2) EPRA, European Public Real Estate Association, is an organisation for listed property companies and investors in Europe, which prepares recommendations for financial reporting. This report uses EPRA NNAV, which indicates the net asset value (the majority's share of equity) per share (the majority's share of equity + deferred tax - rated debt obligation (deferred tax 8%)).

3) Bank deposits, etc. + Unutilised borrowing facilities.

4) Net cash flow from operating activities - Change in operations-related accruals - Difference between expensed and paid interest.

5) (Interest bearing debt - Cash and cash equivalents) / Book value of Investment property



OLAV THON EIENDOMSSSELKAP ASA

Report for the third quarter 2014

Olav Thon Eiendomsselskap was able to report a good operating profit in third quarter, characterised by growth in rental income.

An increase in the value of the Group's investment properties contributed to a higher comprehensive income than in the same quarter of the previous year.

The highlights of the interim report are as follows: ¹

- The Group's rental income amounted to NOK 539 (481) million. At the end of the quarter, annual rental income had increased to NOK 2,270 (1,980) million, while the vacancy rate in the property portfolio was 2.7% (2.4%).
- Profit before taxes amounted to NOK 622 (455) million.
- Net cash flow from operations amounted to NOK 235 (230) million.
- The Group's equity ratio ended the quarter at 36% (38%), while equity per share increased to NOK 126 (117).
- The Group's cash and cash equivalents at 30 September 2014 were NOK 4,180 (4,612) million.
- Sales in the shopping centre portfolio owned by the Group totalled NOK 10.6 (9.2) billion.

¹⁾ The figures in parantheses concern the corresponding period/date last year.

Sartor Storsenter



Consolidated statement of financial position, 30 September 2014

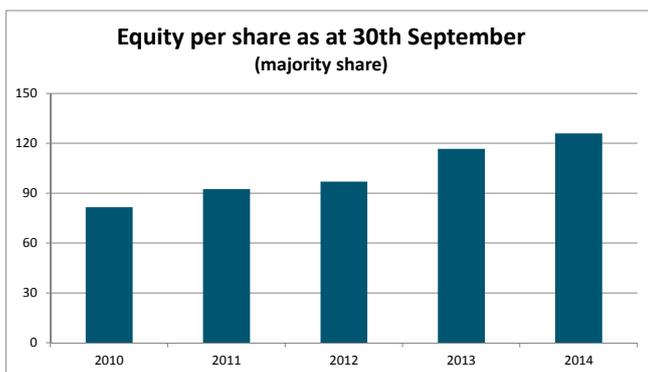
The Group's total assets were NOK 37,442 (33,381) million, of which NOK 33,529 (28,942) million related to investment properties.

The Group's share of the book equity of joint ventures and associated companies amounted to NOK 2,522 (2,518) million. A list of these companies can be found on page 33 of the 2013 annual report (In Norwegian).

Total equity was NOK 13,522 (12,712) million and the equity ratio was 36% (38%).

Equity per share (majority share) was NOK 126 (117). The triple net asset value per share was calculated at NOK 157 (147) (EPRA NNAV).²

Interest-bearing debt amounted to NOK 16,604 (13,890) million.



Equity per share increased by 54 % during the period.

The loan to value ratio, which shows net interest-bearing debt in relation to property values, was 48% (46).

Results for the third quarter

The Group's operating profit amounted to NOK 922 (498) million.

The increase is largely due to an increase of NOK 454 million in the fair value of the property portfolio, compared with NOK 86 million in the same period the previous year.

Profit before tax for the quarter was NOK 622 (455) million, while profit after tax was NOK 454 (314) million.

²⁾ See page 2 for a definition.

Profit before tax and fair value adjustment of investment properties and interest rate derivatives (including joint ventures and associated companies) was NOK 336 (326) million.

Rental income and property-related expenses

Rental income was NOK 539 (481) million.

The increase in rental income compared with the same period the previous year was due to new properties and completed property projects.

Other property-related income amounted to NOK 198 (175) million and consisted largely of payments from the Group's tenants to cover property service charges and operation of shopping centre associations.

Property-related expenses amounted to NOK 235 (197) million, including the above-mentioned service charges of NOK 176 (146) million, which meant that net rental income was NOK 502 (459) million.

Fair value adjustments on investment properties

A net upward adjustment of NOK 454 (86) million to the fair value of investment properties was made in the third quarter.

The adjustment reflects both an increased market value for some of the Group's largest properties and the completion of property projects.

Share of results of joint ventures and associated companies

The Group's share of results of joint ventures and associated companies amounted to NOK 2 (-29) million.

The increase is due to a negative fair value adjustment on some properties in this part of the portfolio in the same period the previous year. Condensed income statements and balance sheets for joint ventures and associated companies can be found in notes 11 and 12 of this interim report.

Other operating income and expenses

Other operating income amounted to NOK 32 (41) million, the majority of which was income from property management for external owners and sales revenue from other activities.

Other operating and administrative expenses and scheduled depreciation amounted to NOK 67 (59) million.

Financial income and expenses

Net financial expenses amounted to NOK 175 (163) million.

The average interest rate for the third quarter was 4.25% (4.55%).

Long-term market interest rates continued to decline in the third quarter, and the Norwegian 10-year swap rate fell by 0.23 percentage point.

The lower interest rates were instrumental in the market value of the Group's financial instruments falling by NOK 126 (+120) million in the third quarter.

Cash flow and liquidity

Third quarter

Net cash flow from operations was NOK 235 (230) million for the third quarter. Changes in working capital amounted to NOK 368 (-29) million, resulting in net cash flow from operating activities of NOK 603 (201) million.

Net cash flow from investing activities was NOK -3,033 (-106) million, while financing activities generated NOK 1,346 million (25).

Consequently, the Group's cash and cash equivalents declined by NOK 1,084 (+121) million in the third quarter.

First nine months

Net cash flow from operations was NOK 710 (676) million for the first nine months. Changes in working



capital amounted to NOK 295 (-77) million, resulting in net cash flow from operating activities of NOK 1,005 (599) million.

Net cash flow from investing activities was NOK -3,401 (-913) million, while financing activities generated NOK 2,460 (482) million.

Consequently, the Group's cash and cash equivalents for the year to date increased by NOK 64 (168) million.

The Group's cash and cash equivalents ended the quarter at NOK 4,180 million (4,612).

Cash and cash equivalents consisted of short-term investments of NOK 354 (662) million and undrawn long-term credit facilities of NOK 3,826 (3,950) million.

Investments

The Group's investments for the third quarter were NOK 3,033 (106) million.

Total investments for the year to date were NOK 3,401 (913) million.

The upgraded east part of Torggata



Major property projects

Completed

- **Sartor Storsenter, Fjell**
The Group's share of the centre has been extended by 3,200 sq. m. of retail space. This is the first stage of a large development. The next stage will bring the Group a further 5,000 sq. m. of retail space and is scheduled for completion in summer 2016.

Under construction

- **Amfi Voss**
Expansion of the centre by approx. 3.200 sq. m. of retail space will be completed in the fourth quarter of 2014.
- **Hausmannsgate 31, Oslo**
Combined commercial and residential property of 1,900 sq. m. On completion in 2015, the property will consist of 15 apartments and a small retail area.
- **Oskar Braatens gate 31, Oslo**
The property, covering 4,900 sq. m., is being refurbished and converted for residential use. Once converted, the property will consist of 55 apartments and 19 outdoor parking spaces. The project will be completed in the first half of 2015.
- **Brofestebygget, Amfi Moa, Ålesund.**
A building with retail space of approx. 2,500 sq. m. is being constructed in the Moa area. The new building is an extension of the existing centre, and is scheduled for completion in the second and third quarters of 2015.

Properties owned by joint ventures and associated companies

- **Amfi Orkanger (25%)**
The centre is being extended by approx. 9,500 sq. m. of retail space, and the first stage will be completed in the fourth quarter of 2014. Final completion of the project is scheduled for spring 2015.

- **Amfi Mandal (50%)**
The shopping centre is being extended by a total of approx. 26,000 sq. m. and will include shops, offices, residential units and a new parking facility. The retail and parking areas will be completed in the fourth quarter of 2014, while the office and residential areas are scheduled for completion in the second quarter of 2015.

More information about the Group's property projects, can be found on pages 87-90 of the 2013 annual report (in Norwegian).

Property portfolio at 30 September 2014

The property portfolio was valued at NOK 33,529 (28,942) million at the end of the quarter.

Investment property is carried at fair value. Information on the valuation model and the variables used in the valuation can be found on pages 25, 27 and 41-43 of the 2013 annual report (in Norwegian).

The valuation at 30 September 2014 was based on an average yield of 6.02% (6.10).

Average yields by property segment were as follows:

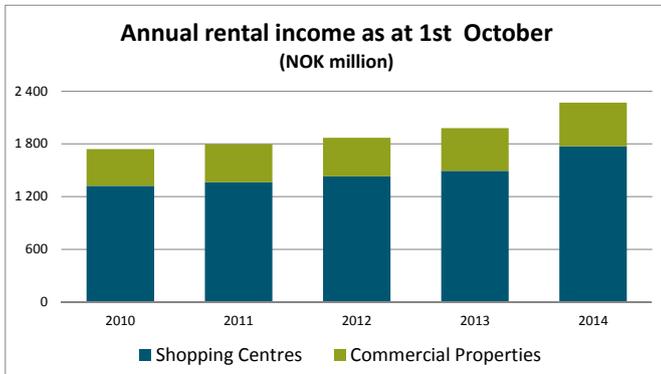
- Shopping centre property 5.96%
- Other commercial property 6.27%

Annual rental income was NOK 2,270 (1,980) million, with the following segment distribution:

- Shopping centre property 78 %
- Other commercial property 22%

The increase in rental income compared with the previous year was due to new properties and completed property projects.

In addition, the Group's share of the rental income of joint ventures and associated companies was NOK 305 million, while the value of the property portfolio was NOK 3,765 (3,671) million.



The annual rental income of the property portfolio increased by 30 % during the period.

Shopping centres

At the end of the third quarter, shopping centre property comprised 92 shopping centres, 27 of which are managed for external owners.

The market position in the Norwegian shopping centre market is solid, and the portfolio includes Norway's two largest shopping centres, and as many as six of the country's ten largest shopping centres in 2014.

Shopping centres owned by the Group

Norway

The Group's Norwegian shopping centres reported retail sales of NOK 9.9 (9.0) billion for the third quarter. Retail sales for the first nine months totalled NOK 28.1 (26.7) billion.

Organic sales growth from the previous year has shown an increasing trend during the year and is estimated at 3% for both the quarter and the first nine months.

Sweden

Total retail sales for the Group's five shopping centres in Sweden were SEK 0.8 (0.8) billion for the third quarter. Sales for the year to date were SEK 2.6 (2.5) billion.

Shopping centres managed for other owners

Retail sales for the third quarter were NOK 2.8 (2.0) billion. Sales for the first nine months totalled NOK 7.8 (6.9) billion.

The increase in sales in this part of the portfolio is largely due to new property management contracts.

Risk factors

The main risk factors to which Olav Thon Eiendomsselskap is exposed are market and financial risks associated with the property and financial markets.

The property market

Trends in the property market in Norway and Sweden are affected by macroeconomic factors and general demand for commercial property as an investment object.

Changes to the yield rate used in commercial property sales have a direct effect on the value of the property portfolio.

The valuation at 30 September 2014 was based on an average net yield of 6.02%. The yield has varied between 6.0% and 6.4% over the last three years.

Changes to the yield and/or market rents have a direct effect on the property values. Calculations of these effects can be found on pages 43 and 78 of the 2013 annual report (in Norwegian).

Financial risk

The largest financial risk for Olav Thon Eiendomsselskap concerns the Group's access to financing in the banking and capital markets. The Group's financing is described in more detail in the next section, and information about financial risk management can be found on pages 26, 27 and 74-78 of the 2013 annual report (in Norwegian).

The Group's financial instruments (interest rate swaps) are recognised at fair value at the reporting date. Interest rate swaps are primarily used to hedge the Group's long-term fixed interest rates and ensure a predictable cash flow.

At the end of the quarter, the Group's portfolio of interest rate swaps entered into for this purpose totalled NOK 10,150 (9,900) million, with a fair value NOK -1,604 million.

It is estimated that a change of 1 percentage point in long-term interest rates would change the fair value of the interest rate swaps by approx. NOK 700-750 million.

An increase of 1 percentage point in short-term interest rates would increase the Group's average interest rate by approx. 0.40 percentage point. Net annual interest expenses would then increase by approx. NOK 60 million.

Financing

The Group's debt portfolio consists of long-term credit facilities with Nordic banks and direct borrowing in the Norwegian capital market.

Access to financing is still considered extremely good, with credit spreads in both the capital and banking markets continuing their declining trend in the third quarter.

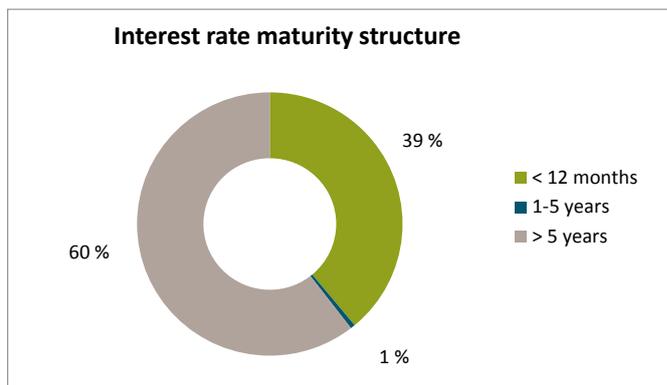
Total credit facilities were NOK 20,430 (17,840) million at the end of the third quarter, with the unused portion amounting to NOK 3,826 (3,950) million.

The Norwegian capital market has become an increasingly important source of financing, and an increasing proportion of the Group's financing comes directly from the capital market.

Outstanding commercial paper and bonded debt totalled NOK 7,335 (4,265) million at the end of the quarter.

The debt had an average remaining term of 3.4 (3.3) years, with 28% (47%) of the debt due for repayment within 1 year.

At the same point in time, the Group had a fixed-interest ratio of 61% (72%), with an average fixed-interest period of 4.1 (5.1) years.

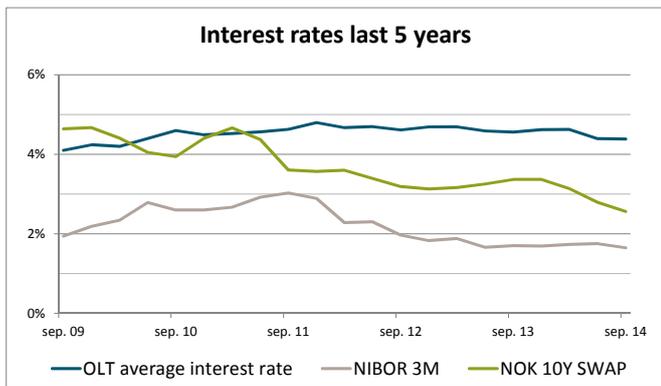


60 % of interest-bearing debt has a fixed-interest period of over five years. The average fixed-interest period is 4.1 years.

The Group's average interest rate was 4.06% (4.54%), divided into the following currencies:

Currencies	Share of debt	Average interest rate
NOK	88 %	4,38 %
SEK	12 %	1,63 %





The average interest rate for Olav Thon Eiendomsselskap's NOK loans over the last five years has varied between 4.1 % and 4.8 %

The company had a market capitalisation of NOK 12.4 billion at the end of the quarter, making Olav Thon Eiendomsselskap one of the Nordic region's largest listed property companies.

The company's shareholders at 30 September 2014:

Olav Thon Gruppen AS and subsidiaries	71.9%
Folketrygdfondet	8.3%
Otto Olsen Eiendom and associates	2.6%
MP Pensjon	1.9%
Skandinaviska Enskilda (nom)	1.1%
Other shareholders	14.2%
TOTAL	100.0%

Shares and shareholders

The price of the Olav Thon Eiendomsselskap share was NOK 116 at the end of the third quarter, having started the quarter at NOK 114.

The highest and lowest prices in the third quarter were NOK 120 and NOK 107.

Olav Thon Eiendomsselskap's shares have generated a total return (including dividend) of 10% in the year to date, which is in line with the performance of the main index of the Oslo Stock Exchange.

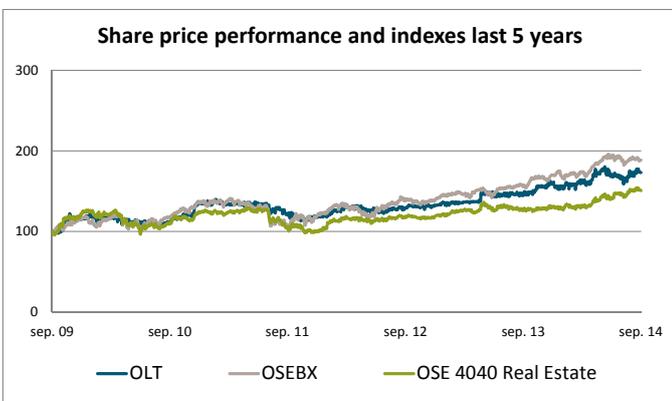
Outlook

Growth in the Norwegian economy is moderate, and the recent fall in oil prices means that growth is expected to remain low in the coming years. Norges Bank has announced that it is keeping the key policy rate unchanged for a long period, although there are growing market expectations that the central bank will lower the rate.

The Norwegian retail sector is showing moderate growth, but has been increasing throughout 2014.

With growth in private consumption in Norway expected to increase in the period ahead, the framework conditions for the Group's shopping centres are considered positive.

The vacancy rate and rental prices in the Oslo area office market are showing a stable trend. There is also reason to expect that the trend will continue for this property segment too.



The price of the Olav Thon Eiendomsselskap share has risen by 80 % over the last five years.

Amfi Orkanger



The Board considers that the Group's solid market position in the property market and its strong financial position will contribute to a satisfactory financial performance in the period ahead.

Oslo, 12 November 2014

The Board of Directors,
Olav Thon Eiendomsselskap ASA

Every effort has been made to ensure that this translation of the Norwegian text and the report for the third quarter of 2014 is true translation. However, in case of any discrepancy, the Norwegian version takes place.



Mitt i City, Karlstad

CONSOLIDATED INCOME STATEMENT

NOK millions	Note	Q3 2014	Q3 2013	As at 30.09.2014	As at 30.09.2013	As at 31.12.2013
Gross rental income	5, 8	539	481	1 531	1 436	1 922
Other property operating income	8	198	175	554	506	688
Property related expenses	8	-235	-197	-679	-602	-851
Net rental income	8	502	459	1 406	1 340	1 759
Fair value adjustments investment properties	9	454	86	623	674	698
Share of results of joint ventures and associated companies	11	2	-29	53	84	155
Other operating income	8	32	41	113	117	172
Other operating expenses	8	-35	-32	-104	-95	-128
Administrative expenses	5, 8	-28	-24	-75	-69	-95
Depreciation property plant and equipment		-4	-3	-9	-9	-12
Net operating profit	8	922	498	2 006	2 042	2 548
Financial income		3	6	33	13	22
Fair value adjustments of interest rate derivatives		-126	120	-501	195	177
Financial expenses		-178	-169	-493	-492	-661
Profit before taxes	8	622	455	1 046	1 758	2 085
Taxes		-167	-141	-267	-476	-402
Profit for the period	8	454	314	778	1 282	1 683
Profit for the period attributable to:						
Owners of the parent		464	297	784	1 254	1 650
Non-controlling interests		-10	17	-6	28	33
Earnings per share (basic) (NOK)		4	3	7	12	16
Earnings per share (diluted) (NOK)		4	3	7	12	16

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK millions	Note	Q3 2014	Q3 2013	As at 30.09.2014	As at 30.09.2013	As at 31.12.2013
Profit for the period before other comprehensive income		454	314	778	1 282	1 683
Exchange losses/gains on translation foreign operations		-23		-23		
Other changes						
Total comprehensive income		431	314	755	1 282	1 683
Totale comprehensive attributable to:						
Owners of the parent		441	297	761	1 254	1 650
Non-controlling interests		-10	17	-6	28	33

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK millions	Note	As at 30.09.2014	As at 30.09.2013	As at 31.12.2013
ASSETS				
Deferred tax asset		320	381	319
Investment properties	3, 9	33 529	28 942	29 327
Other fixed assets		75	72	64
Investments in joint ventures and associated companies	11, 12	2 522	2 518	2 556
Other investments		181	149	212
Total non-current assets		36 627	32 062	32 479
Trade receivables and other current assets		462	657	395
Cash and cash equivalents		354	662	291
Total current assets		815	1 319	686
Total assets		37 442	33 381	33 165
EQUITY AND LIABILITIES				
Non-controlling interests		107	292	132
Majority's share of shareholders' equity		13 415	12 420	12 874
Total equity		13 522	12 712	13 006
Deferred tax liabilities		4 621	4 552	4 529
Loans and borrowings	6	13 897	8 151	8 494
Current liabilities	7	5 402	7 966	7 135
Total liabilities		23 920	20 669	20 159
Total equity and liabilities		37 442	33 381	33 165

STATEMENT OF CASH FLOW

NOK millions	Note	As at 30.09.2014	As at 30.09.2013	As at 31.12.2013
Net cash flow from operations		710	676	918
Change in working capital		295	-77	-429
Net cash flows from operating activities		1 005	599	489
Acquisition of investment properties	3	-3 401	-913	-1 090
Payments linked to other investments				90
Net cash flows from investing activities		-3 401	-913	-1 000
Proceeds from issue of borrowings		8 708	3 796	5 123
Repayment of borrowings		-6 099	-3 184	-4 685
Dividends paid		-149	-130	-130
Net cash flow from financing activities	6,7	2 460	482	308
Net change in cash and cash equivalents		64	168	-203
Cash and cash equivalents at start of period		291	494	494
Cash and cash equivalents at end of period		354	662	291

STATEMENT OF CHANGES IN EQUITY

(Shows transactions with owners)

NOK millions	Note	Share capital	Reserves	Retained earnings	Non- controlling interests	Total equity
As at 31.12.2012		106	318	10 874	253	11 552
Total comprehensive income				1 247	28	1 275
Acquisitions of other companies				16	2	18
Dividends paid				-131		-131
As at 30.09.2013		106	318	12 006	283	12 714
Total comprehensive income				403	5	408
Acquisitions of other companies/mergers				40	-156	-116
As at 31.12.2013		106	318	12 449	132	13 006
Total comprehensive income				761	-6	755
Change in stake in other companies	3			-70	-19	-89
Dividends paid				-149		-149
As at 30.09.2014		106	318	12 991	107	13 522

NOTES TO THE ACCOUNTS AS AT 30 SEPTEMBER 2014

Beløp i MNOK

Note 1 General information

Olav Thon Eiendomsselskap ASA is based in Norway and is listed on Oslo Stock Exchange. The head office is situated in Oslo.

The enterprise's consolidated accounts encompass Olav Thon Eiendomsselskap ASA and subsidiaries, as well as the Group's shares in jointly controlled and associated companies.

Note 2 Accounting policies, etc.

The financial statements have been drawn up in accordance with International Standards for Financial Reporting (IFRS). The consolidated accounts for the third quarter were compiled in accordance with IAS 34 - Interim Financial Reporting. The interim financial statements represent an update concerning new circumstances since submission of the most recent annual report and are therefore intended to be read in conjunction with the 2013 annual report. From 01.01.2014 the accounts are prepared in accordance with IFRS 11, Joint ventures, and comparative figures have been adjusted accordingly.

The interim financial statements were adopted by the Board of Directors on 12 November 2014.

The interim accounts have not been audited.

Note 3 Changes in corporate structure

The following significant changes have taken place in the third quarter:

<u>Company name</u>	<u>Ownership</u>
Detaljhandelshuset i Hyllinge AB	100 %
Fastighets AB Hageby Centrum	100 %
Fastighets AB Lantmäteribacken	100 %
Fastighets AB Sollentuna Centrum	100 %
Fastighets AB Överby Centrum	100 %
Mitticity i Karlstad Fastighets AB	100 %
Breivika Næringspark AS	100 %
Sentrum Breivika AS	100 %
Postvegen 12 AS	50 %
Viking Eiendom AS	25 %

Note 4 Estimates

The preparation of interim financial statements involves the use of valuations, estimates and assumptions which impact on the application of accounting policies and recognised amounts linked to assets and liabilities, income and expenses.

During the preparation of these interim financial statements, the management used the same valuations relating to the application of accounting policies as those used for the consolidated accounts for 2013, with the exception of the application of IFRS 11, Joint ventures, effective from 01.01.2014 with the change of comparative figures.

Note 5 Transactions with related parties

The following transactions with related parties were executed/agreed as at 30 September 2014:

<u>Transaksjoner</u>	<u>Counterparty</u>	<u>Counterparty associate of</u>	<u>Amount</u>
Current lease agreements	Companies in Olav Thon Gruppen AS	Olav Thon Stiftelsen	42
Current operating and administration agreements	Thon Eiendomsdrift AS	Olav Thon Stiftelsen	44

Note 6 Loans and borrowings

	30.09.2014	30.09.2013	31.12.2013
Bond loans	3 895	2 515	3 072
Credit institutions	8 329	4 479	4 250
Other debt	69	44	70
Non interest-bearing debt (fair value interest rate swaps)	1 603	1 113	1 102
Total	13 897	8 151	8 494

Note 7 Current liabilities

	30.09.2014	30.09.2013	31.12.2013
Commercial paper loans	1 950	1 750	1 400
Bond loans	1 490	0	540
Interest-bearing current liabilities	1 139	5 109	4 294
Trade creditors	95	108	118
Current taxes	140	157	107
Other current liabilities	588	842	676
Total	5 402	7 966	7 135

Note 8 Segment information

As at 30 September 2014, the Group has activities within two strategic operating segments.

From third quarter the Group also has activities in Sweden.

The two primary segments are:

- * Shopping centres
- * Commercial property

The two secondary segments are:

- * Norway
- * Sweden

This is based on the same reporting as the internal management reporting.

Primary segment results as at 30 September 2014

	Shopping centres	Commercial property	Other activity	Not allocated	Group
Gross rental income	1 157	374			1 531
Other property operating income	499	55			554
Property related expenses	-577	-102			-679
Net rental income	1 079	327	0	0	1 406
Fair value adjustments investment properties	551	72			623
Share of result of joint ventures and associated companies	53	0			53
Other operating income	56		57		113
Other operating expenses	-54		-50		-104
Administrative expenses	-63	-12			-75
Depreciation property, plant and equipment	-9	0			-9
Net operating profit	1 612	387	7	0	2 006
Financial income				33	33
Change in value of financial instruments				-501	-501
Fair value adjustments of interest rate derivatives				-493	-493
Profit before taxes	1 612	387	7	-961	1 046
Taxes				-267	-267
Profit for the period					778

Note 8 Primary segment results as at 30 September 2013
continued

	Shopping centres	Commercial property	Other activity	Not allocated	Group
Gross rental income	1 113	323			1 436
Other property operating income	454	52			506
Property related expenses	-496	-106			-602
Net rental income	1 070	270	0	0	1 340
Fair value adjustments investment properties	511	163			674
Share of result of joint ventures and associated companies	84	0			84
Other operating income	66		51		117
Other operating expenses	-54		-41		-95
Administrative expenses	-57	-12			-69
Depreciation property, plant and equipment	-9	0			-9
Net operating profit	1 611	421	10	0	2 042
Financial income				13	13
Change in value of financial instruments				195	195
Fair value adjustments of interest rate derivatives				-492	-492
Profit before taxes	1 611	421	10	-284	1 758
Taxes				-476	-476
Profit for the period					1 282

Primary segment results as at 31 December 2013

	Shopping centres	Commercial property	Other activity	Not allocated	Group
Gross rental income	1 441	481			1 922
Other property operating income	609	79			688
Property related expenses	-706	-145			-851
Net rental income	1 344	415	0	0	1 759
Fair value adjustments investment properties	430	268			698
Share of result of joint ventures and associated companies	155	0			155
Other operating income	97		76		172
Other operating expenses	-64		-64		-128
Administrative expenses	-79	-16			-95
Depreciation property, plant and equipment	-12	0			-12
Net operating profit	1 871	667	11	0	2 548
Financial income				22	22
Change in value of financial instruments				177	177
Fair value adjustments of interest rate derivatives				-661	-661
Profit before taxes	1 871	667	11	-463	2 085
Taxes				-402	-402
Profit for the period					1 683

Note 8 Secondary segment results as at 30 September 2014
continued

	Norway	Sweden	Not allocated	Group
Gross rental income	1 482	49		1 531
Other property operating income	525	29		554
Property related expenses	-641	-38		-679
Net rental income	1 367	39		1 406
Fair value adjustments investment properties	608	15		623
Share of result of joint ventures and associated companies	53			53
Other operating income	113			113
Other operating expenses	-104			-104
Administrative expenses	-73	-2		-75
Depreciation property, plant and equipment	-8	-1		-9
Net operating profit	1 956	50		2 006
Financial income			33	33
Change in value of financial instruments			-501	-501
Fair value adjustments of interest rate derivatives			-493	-493
Profit before taxes	1 956	50	0	1 046
Taxes				-267
Profit for the period				778

Note 9 Investment property

	30.09.2014	30.09.2013	31.12.2013
Opening balance	29 327	28 024	28 024
Additions through acquisitions/expenditure	3 580	245	606
Change in fair value, recognised as profit (loss) during the period	623	674	698
Other changes	-1	-1	-1
Closing balance	33 529	28 942	29 327

Note 10 Events since the balance sheet date

No events have occurred since the balance sheet date of significance to an assessment of the Group's position and results.

Note 11 Joint ventures and associated companies

The table below shows the underlying figures in the income statement and balance setup for joint ventures and associated companies.

	30.09.2014	30.09.2013	31.12.2013
Investment properties	3 765	3 671	3 698
Assets	144	154	132
Liabilities	1 752	1 647	1 618
Carrying amount value joint ventures	2 157	2 177	2 212
Carrying amount associated companies	365	341	345
Carrying amount joint ventures and associated companies	2 522	2 518	2 556
Net rental income	147	120	171
Fair value adjustments investment properties	-50	16	74
Other operating income/ -expenses	-8	-3	-4
Fair value adjustments of interest rate derivatives	-15	0	4
Financial income/ -expenses	-44	-42	-55
Taxes	1	-18	-53
Profit for the periode joint ventures	31	73	136
Profit for the periode associated companies	21	10	19
Profit for the periode joint ventures and associated companies	52	84	155

Note 12 Change in accounting policy

With effect from the first quarter of 2014, jointly controlled companies will be presented according to the equity method in accordance with IFRS-11. The comparative figures for 2013 have been restated accordingly. The presentation below shows the changes in the comparative figures.

CONSOLIDATED INCOME STATEMENT

NOK millions	After IFRS-11		Before IFRS-11	
	30.09.2013	31.12.2013	30.09.2013	31.12.2013
Gross rental income	1 436	1 922	1 582	2 122
Other property operating income	506	688	532	736
Property related expenses	-602	-851	-659	-928
Net rental income	1 340	1 759	1 455	1 930
Fair value investment properties	674	698	690	775
Share of results of joint ventures and associated companies	84	155	15	19
Other operating income	117	172	117	172
Other operating expenses	-95	-128	-95	-128
Administrative expenses	-69	-95	-75	-98
Depreciation property, plant and equipment	-9	-12	-11	-13
Net operating profit	2 042	2 548	2 095	2 657
Financial income	13	22	15	25
Fair value adjustments of interest rate derivatives	195	177	195	177
Financial expenses	-492	-661	-536	-720
Profit before taxes	1 758	2 085	1 769	2 139
Taxes	-476	-402	-494	-457
Profit for the period	1 282	1 683	1 275	1 682

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK millions	After IFRS-11		Before IFRS-11	
	30.09.2013	31.12.2013	30.09.2013	31.12.2013
ASSETS				
Deferred tax asset	381	319	390	319
Investment properties	28 942	29 327	32 613	33 025
Other fixed assets	72	64	74	66
Investments in joint ventures and associated companies	2 518	2 556	341	345
Other investments	149	212	113	145
Total non-current assets	32 062	32 479	33 531	33 899
Trade receivables and other current assets	657	395	712	424
Cash and cash equivalents	662	291	786	456
Total current assets	1 319	686	1 498	881
Total assets	33 381	33 165	35 028	34 780
EQUITY AND LIABILITIES				
Non-controlling interests	292	132	292	142
Majority's share of shareholders' equity	12 420	12 874	12 420	12 864
Total equity	12 712	13 006	12 712	13 006
Deferred tax liabilities	4 552	4 529	4 603	4 548
Loans and borrowings	8 151	8 494	9 627	9 986
Current liabilities	7 966	7 135	8 086	7 241
Total liabilities	20 669	20 159	22 316	21 774
Total equity and liabilities	33 381	33 165	35 028	34 780

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