

OLAV THON
EIENDOMSSKAP

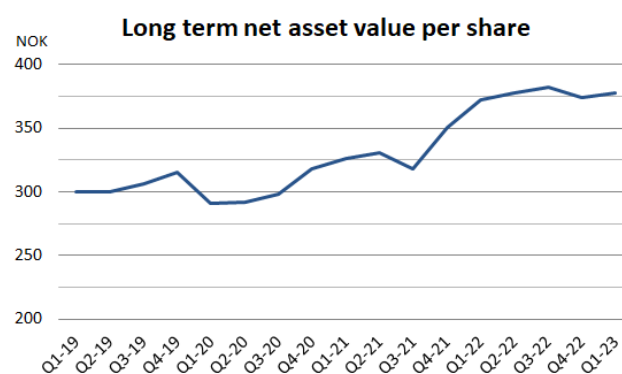
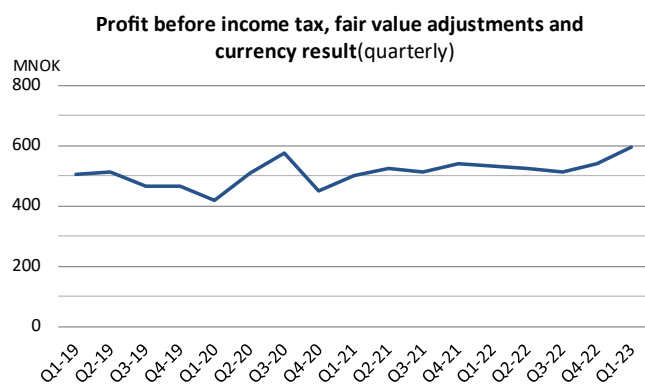


REPORT FOR Q1 2023

KEY FIGURES

MNOK	APM*	31.03.2023	31.03.2022	31.12.2022
Net rental income		851	718	2 879
Fair value adjustments in investment properties and interest rate derivatives	1	-279	1 891	920
Profit before income tax		234	2 468	3 134
Profit before income tax, fair value adjustments and currency result	2	594	532	2 174
Equity ratio	3	52 %	52 %	52 %
Equity per share (NOK)	4	321	316	318
Long-term net asset value per share (NOK)	4	378	372	374
Net cash flow from operations	5	473	536	2 045
Liquidity reserves	6	4 571	6 314	5 139
Amortisation next 12 months	7	1 903	3 444	2 623
Interest-bearing debt	8	21 153	20 193	20 227
Interest per balance sheet date	9	4,41 %	3,26 %	4,45 %
Loan to value ratio	8	35 %	33 %	35 %
Net investments	10	1 428	431	889
Market value properties	11	60 227	58 285	57 715
Annualized rental income level	12	3 660	3 315	3 385
Net yield properties	13	5,30 %	4,91 %	5,10 %
Sales, owned shopping centres		12 839	11 818	57 032
Share price per balance sheet date (NOK)		171,0	188,0	175,5

* Definitions, calculations and explanations on the use of alternative performance measures (APM) are included at the end of the report.



Olav Thon Eiendomsselskap

Report for Q1 2023

HIGHLIGHTS OF THE QUARTERLY REPORT¹:

- The Group achieved a profit before tax of NOK 234 (2,468) million.
- Profit before tax, fair value adjustments and currency result amounted to NOK 594 (532) million.
- The Group's financial position is solid, and the Group's equity ratio at the end of the quarter was 52% (52%), while its liquidity reserves were NOK 4,571 (6,314) million.
- Retail sales in the shopping centre portfolio were NOK 12,839 (11,818) million, an increase of 8.6%.
- The Group acquired 50% of Sørlandssenteret in the Municipality of Kristiansand in January, making it the sole owner of the centre.

¹The figures in brackets are for the corresponding period/date last year

FINANCIAL POSITION/BALANCE SHEET AS AT 31.03.2023

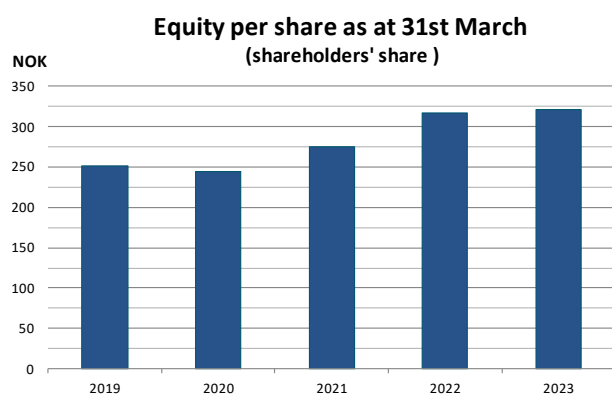
The Group's total assets were NOK 63,815 (63,603) million, with investment properties accounting for NOK 60,224 (58,292) million of that figure.

Total equity was NOK 32,970 (32,229) million and the equity ratio was 52% (52%).

Equity per share (attributable to controlling interests) was NOK 321 (316), while the net asset value per share was calculated at NOK 378 (372).

Interest-bearing debt was NOK 21,153 (20,193) million with a loan-to-value ratio ² of 35% (33%).

The Group's share of the equity in joint ventures and associates was NOK 1,913 (3,102) million.



Equity per share has increased by 35% since 2018.

SUMMARY OF THE RESULTS FOR Q1

Profit before tax was NOK 234 (2,468) million.

Fair value adjustments of investment property and financial instruments totalled NOK 279 (1,891) million³.

Profit before tax, fair value adjustments and currency result amounted to NOK 594 (532) million.

RENTAL INCOME AND PROPERTY-RELATED EXPENSES

Rental income was NOK 905 (783) million.

Property-related income amounted to NOK 326 (281) million and consisted mainly of payments from the Group's tenants to cover property service charges and operation of shopping centre associations.

Property-related expenses amounted to NOK 380 (345) million, including the above-mentioned letting and property administration costs of NOK 264 (236) million.

² For definitions, see alternative performance measures (APM) at the end of the report

³ Includes investments in joint ventures and associates

Maintenance expenses for the property portfolio amounted to NOK 33 (46) million.

The Group's energy expenses that are not re-invoiced to its tenants were NOK 7 (7) million.

Energy costs also account for the majority of the Group's share of service charges for vacant space, which amount to NOK 34 (29) million.

Net rental income was therefore NOK 851 (718) million.

FAIR VALUE ADJUSTMENTS OF INVESTMENT PROPERTIES

The value of the Group's investment properties was adjusted downward by NOK 197 (1,269) million in Q1.

The reduction in value is largely due to the average required yield for valuation of the property portfolio increasing from 5.10% to 5.30%. Strong growth in rental income mitigates the reduction in value of the property portfolio considerably.

The Group's property portfolio consists of:

- Shopping centre properties in Norway and Sweden
- Commercial property including rental housing, primarily in the Oslo area

The values in both property segments were adjusted downward in Q1.

The value of the Group's shopping centre properties was adjusted downwards by NOK 45 (884) million, while the value of the commercial properties was adjusted downward by NOK 151 (385) million.

SHARE OF RESULTS OF JOINT VENTURES AND ASSOCIATES

The Group's share of the results of joint ventures and associates amounted to NOK -34 (99) million.

The fall from last year is primarily due to fair value adjustments of investment properties and financial instruments in these companies amounting to NOK -76 (52) million.

The share of the results and balance sheet totals of joint ventures and associates is also affected to a significant extent by the Group's stake in Sørlandssenteret DA increasing from 50% to 100%.

OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses are affected to a significant extent by the sale of management company Amfi Drift AS in Q2 2022.

Other operating income amounted to NOK 14 (41) million and consisted mainly of sales income from other activities.

Other operating and administrative expenses amounted to NOK 60 (96) million, while depreciation and amortisation amounted NOK 6 (9) million.

FINANCIAL INCOME AND EXPENSES

Net financial items amounted to NOK -335 (446) million, with fair value adjustments of financial instruments accounting for NOK -6 (570) million of that figure.

Net interest expenses amounted to NOK 233 (163) million, NOK 3 (5) million of which were interest expenses for lease liabilities.

Higher interest expenses are due to a higher average interest rate on the Group's interest-bearing debt.

Unrealised exchange rate losses/gains associated with the SEK exchange rate amounted to NOK -88 (50) million.

FAIR VALUE ADJUSTMENTS, FINANCIAL INSTRUMENTS

Interest rate development in long-term swap rates was slightly different in Norway and Sweden.

In Norway, the 5-year swap rate rose by 0.01% to 3.25%, while the 10-year swap rate fell by 0.12 of a percentage point to 3.15%.

In Sweden, the 5-year swap rate fell by 0.22% to 3.06%, while the 10-year swap rate fell by 0.23% to 2.90%.

As a result of the change in interest rates, the fair value of the Group's financial instruments fell by NOK 6 (570) million.

CASH FLOW AND LIQUIDITY

Net cash flow from operations was NOK 473 (536) million.

Net cash flow from operating activities was NOK 640 (455) million.

Investing activities reduced liquidity by NOK 1,388 (388) million, while financing activities increased liquidity by NOK 749 (169) million.

The currency effects on cash and cash equivalents amounted to NOK 4 (-2) million, and the Group's liquidity reserves therefore fell by NOK 5 (235) million in Q1.

Liquidity reserves were NOK 4,571 (6,314) million as at 31.03 2023 and consisted of short-term investments of NOK 259 (683) million and undrawn long-term credit facilities of NOK 4,312 (5,631) million.

INVESTMENTS

The Group's net investments in Q1 were NOK 1,428 (431) million.

MAJOR PROPERTY ACQUISITIONS

Sørlandssenteret, Kristiansand

In Q1, the Group acquired the remaining 50% of the shares in Sørlandssenteret DA in the Municipality of Kristiansand. Following

the takeover, Olav Thon Eiendomsselskap is the sole owner of Sørlandssenteret.

Sørlandssenteret, which is located 12 km northeast of Kristiansand, is the largest shopping centre in Agder. In 2022, total tenant sales were NOK 2.9 billion, making Sørlandssenteret Norway's sixth-largest shopping centre in terms of sales.

Amfi Ulsteinvik

In Q1, the Group acquired the Amfi Ulsteinvik shopping centre, which it has managed for external owners for several years. The shopping centre, which is located in Ulsteinvik in the County of Møre og Romsdal, has a gross area of 12,000 square metres and recorded total retail sales of around NOK 300 million in 2022.

MAJOR PROPERTY PROJECTS⁴

Completed

Amfi Vågen, Sandnes

This shopping centre property covering approximately 40,000 square metres has been renovated and upgraded, including new hospitality and experience areas. The centre has also been extended by a further 750 square metres, including a food court.

Under construction

Arnliot Gellines vei 1, Oslo

A property centrally located at the East side of Oslo with total space of 2,500 square metres. The building, with 22 residential units for rent, is scheduled for completion in 2023/2024.

In planning phase

Olav Thon Eiendomsselskap has several property projects in the planning phase. The projects are primarily linked to the further development of its property portfolio, and whether they will be executed depends on factors such as official permits and market conditions.

PROPERTY PORTFOLIO AS AT 31.03.2023

The property portfolio was valued at NOK 60,224 (58,292) million, based on an average required yield of 5.30% (4.91%).

Average required yields by property segment were as follows:

Shopping centre properties:	5.68% (5.28%)
Commercial property:	4.28% (4.01%)

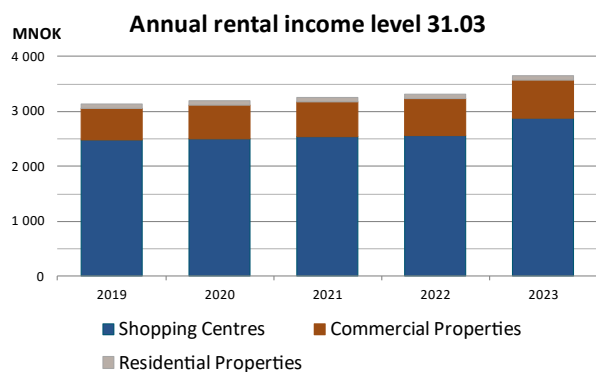
The annual rental income level was NOK 3,660 (3,315) million.

⁴Over NOK 50 million

The property portfolio is made up of the following main segments:

	Fair value (Share)	Rental income level (Share)
Shopping centre properties	72%	78%
Other commercial properties	28%	22%
Total portfolio	100%	100%

The vacancy rate in the property portfolio was 3.5% (3.5%).



The annual rental income level has increased by 17% in the last five years.

PROPERTY PORTFOLIO OWNED THROUGH JOINT VENTURES AND ASSOCIATES

The Group's share of the rental income level of joint ventures and associates was NOK 220 (285) million.

The Group's share of the property values in these companies was NOK 3,315 (4,485) million.

THE SHOPPING CENTRE BUSINESS AREA

At the end of the quarter, Olav Thon Eiendomsselskap wholly or partly owned 60 shopping centres in Norway and Sweden.

Olav Thon Eiendomsselskap is Norway's leading shopping centre actor with a solid market position.

The shopping centre portfolio includes Norway's largest shopping centre in terms of retail sales, Lagunen Storsenter in Bergen, and six of the country's nine largest shopping centres.

Retail sales

Total retail sales in the Group's shopping centre portfolio in Q1 amounted to NOK 12,839 (11,818) million.

The shopping centres had the following retail sales in Q1 broken down by month:

	2023	2022	Change
January	4,181	3,806	9.9%
February	3,979	3,715	7.1%
March	4,679	4,297	8.9%
Total Q1	12,839	11,818	8.6%

Norway

The Group's Norwegian shopping centres reported retail sales of NOK 11,969 (11,037) million in Q1.

Sweden

In Sweden, the shopping centres had retail sales of SEK 887 (781) million.

RISK FACTORS

The biggest risk factors to which Olav Thon Eiendomsselskap is exposed are considered to be market and financial risks associated with the property and financial markets in Norway and Sweden.

THE PROPERTY MARKET

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

The valuation as at 31.03.2023 was based on an average required yield of 5.30%. In the last three years, the required yield has varied between 4.90% and 5.35%.

Changes in required yield and market rents have a direct impact on the value of the property portfolio. Calculations of these effects can be found in note 8 in the quarterly report and on the company's website: olt.no.

THE FINANCIAL MARKET

The most significant financial risk for Olav Thon Eiendomsselskap is considered to be the Group's access to financing in the banking and capital markets.

The risk is mitigated by maintaining a low loan-to-value ratio, a balanced debt portfolio and significant liquidity reserves.

The Group's financing is described in greater depth in the next section, and more details about financial risk management can be found in the annual report for 2022 and on the company's website: olt.no.

FINANCIAL INSTRUMENTS

The Group's financial instruments (interest rate swaps) are carried at fair value. Interest rate swaps are primarily used to hedge long-term fixed-rate periods for the Group.

At the end of Q1, the portfolio of financial instruments was NOK 21,040 million and is made up of the following main groups:

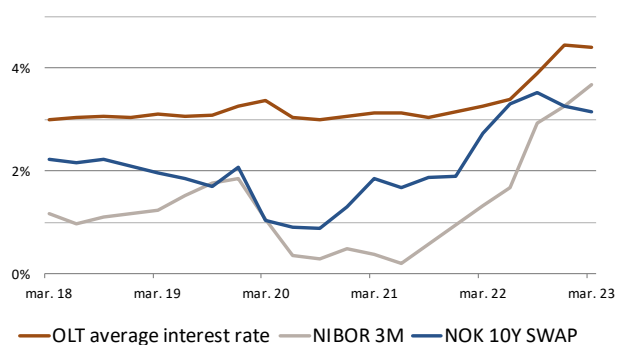
NOK m	Amount
Variable to fixed interest rate	11,335
Fixed to variable interest rate	2,900
Variable to fixed interest rate - forward-dated	6,805
Total	21,040

At the end of the quarter, total fair value was NOK -115 (-418) million.

Fair value is affected both by changes in long-term interest rates and by the residual term on financial instruments.

It is estimated that a change of 1 percentage point in long-term interest rates would change the fair value of the portfolio by approximately NOK 550 – 650 million.

Interest rates last 5 years



As at 31.03.2023, the Group's average interest rate was 4.41%⁵.

FINANCING

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

Access to financing is considered satisfactory despite the weak development of the capital markets towards the end of the quarter.

In spite of this, the capital markets in Norway and Sweden were once again the Group's main financing sources in Q1, with new loans amounting to NOK 1,350 million and SEK 400 million being raised.

INTEREST-BEARING DEBT AND MATURITY STRUCTURE

At the end of Q1, outstanding certificate and bond debt amounted to NOK 11,760 (12,703) million, broken down as follows:

Norway: NOK 10,750 (10,730) million

Sweden: SEK 1,000 (2,100) million

Total credit facilities were NOK 25,465 (25,824) million, NOK 4,312 (5,631) million of which was undrawn.

For details of the Group's interest-bearing debt, see notes 11 and 12 and 'Alternative performance measures' in the report.

The debt had an average residual term of 3.1 (3.0) years, and 9% (17%) of the debt is due for repayment within 1 year.

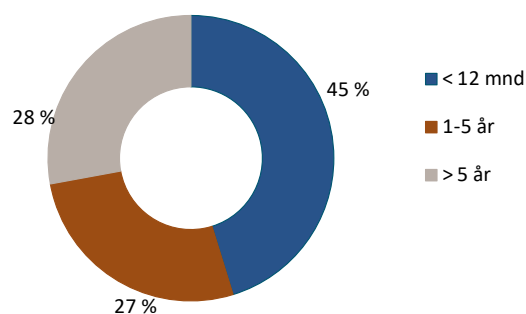
AVERAGE INTEREST RATE AND FIXED RATE PERIOD

At the end of Q1, the Group had a fixed-rate ratio of 55% (57%), with an average fixed-rate period of 3.4 (3.6) years.

The Group's average interest rate was 4.41% (3.26%), divided into the following currencies:

Currency	Share of debt	Average interest rate
NOK	88%	4.54%
SEK	12%	3.42%

Interest rate maturity structure



SHARE INFORMATION

The closing price of Olav Thon Eiendomsselskap shares was NOK 171 at the end of Q1, down from NOK 175.50 at the start of the quarter.

The highest and lowest prices in the quarter were NOK 180 and 165, respectively.

In recent years, Olav Thon Eiendomsselskap shares have generated the following return (including dividend) compared with the Oslo Stock Exchange:

⁵Loans in NOK and SEK

	Return OLT	OSEBX
Q1 2023	-3%	0%
Last 12 months	-6%	-5%
Last 24 months	12%	13%
Last 36 months	65%	69%
Last 60 months	30%	48%

343,000 (1,176,689) shares were traded in Q1, with 1,758 (3,590) trades in the shares on the Oslo Stock Exchange.

SHAREHOLDERS

Olav Thon Eiendomsselskap ASA has issued 103,623,171 shares, which have equal rights. As at 31.03.2023, the company owned 2,144,263 treasury shares, which means that the number of shares with voting rights stands at 101,478,908.

At the end of the quarter, the company had 3,762 shareholders, with Norwegian investors owning 97.9% of the shares.

At the end of the quarter, the company's market capitalisation was NOK 17.7 (19.5) billion, and the company's five largest shareholders were as follows:

Olav Thon Gruppen AS and subsidiaries	73.9%
MP Pensjon	2.2%
Folketrygdfondet	2.2%
Olav Thon Eiendomsselskap ASA	2.1%
VPF Nordea Verdi	1.4%
Other shareholders	18.2%
TOTAL	100%

DIVIDEND

The company's dividend policy is that shareholders should receive a dividend equivalent to 30 – 40% of the Group's profit excluding fair value adjustments, given a satisfactory solvency ratio and liquidity.

The Board will propose to the General Meeting that a dividend of NOK 6.50 per share be paid for 2022.

OUTLOOK

The Norwegian economy is booming and unemployment has fallen to low levels, but there are signs of slower economic growth. Price growth has increased considerably and is much higher than Norges Bank's inflation target.

In order to curb rising inflation, Norges Bank has raised its policy rate from 0% to 3.25 % since autumn 2021 and is indicating that the interest rate will have to be raised further as a means of curbing inflation.

The war in Ukraine, high inflation and sharp interest rate rises both in Norway and internationally are causing uncertainty regarding economic development going forward.

Despite increased uncertainty, it is assumed that the Group's strong market position and solid finances will help maintain good operating profit development in the future.

Oslo, 24 May 2023

Board of Directors, Olav Thon Eiendomsselskap ASA

OLAV THON EIENDOMSSSELKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

(NOK million)	Note	31.03.2023	31.03.2022	31.12.2022
Rental income	6	905	783	3 219
Property-related income		326	281	1 006
Property-related expenses	6	-380	-345	-1 346
Net rental income	7	851	718	2 879
Other operating income		14	41	158
Other operating expenses		-16	-41	-83
Administrative expenses	6	-44	-55	-180
Depreciation		-6	-9	-26
Net income from property management	7	800	654	2 747
Fair value adjustments, investment property	8	-197	1 269	114
Share of profit from joint ventures and associates	9	-34	99	122
Operating profit	7	569	2 022	2 984
Financial income	10	7	52	58
Financial expenses	10	-336	-176	-786
Fair value adjustments, interest rate derivatives		-6	570	878
Net financial items		-335	446	150
Profit before income tax		234	2 468	3 134
Change in deferred tax		-26	-460	-444
Income tax payable		-26	-67	-224
Income tax		-52	-527	-668
Profit		182	1 941	2 466
Other Comprehensive income				
<i>Items to be reclassified to P&L in subsequent periods:</i>				
Currency translation differences from foreign operations		110	-55	-45
Total comprehensive income		292	1 886	2 420
Profit attributable to:				
Shareholders of the parent		178	1 934	2 452
Non-controlling interests		3	6	14
Total comprehensive income attributable to:				
Shareholders of the parent		288	1 880	2 406
Non-controlling interests		3	6	14
Earnings per share, basic and diluted (NOK)		2	19	24

OLAV THON EIENDOMSSKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET

(NOK million)	Note	31.03.2023	31.03.2022	31.12.2022
ASSETS				
Investment properties	8	60 224	58 292	57 699
Owner-occupied properties		185	187	186
Fixed assets		46	52	50
Investments in joint ventures and associates	9	1 913	3 102	2 965
Other non-current assets		356	436	374
Total non-current assets		62 725	62 070	61 274
Trade receivables and other current receivables		831	850	1 056
Cash and cash equivalents		259	683	254
Total current assets		1 090	1 533	1 310
Total assets		63 815	63 603	62 584
EQUITY AND LIABILITIES				
Share capital		101	104	101
Share premium		318	318	318
Other equity		32 109	32 364	31 815
Non-controlling interests		441	443	438
Total equity		32 970	33 229	32 673
Deferred tax liabilities		8 017	7 950	7 940
Lease liabilities		211	215	196
Interest-bearing non-current liabilities	11	19 250	16 748	17 605
Other non-current liabilities	11	117	175	100
Total non-current liabilities		27 594	25 088	25 841
Income tax payable		133	185	225
Interest-bearing current liabilities	12	1 902	3 445	2 622
Trade payables and other current liabilities	12	1 215	1 656	1 224
Total current liabilities		3 250	5 286	4 070
Total liabilities		30 845	30 374	29 911
Total equity and liabilities		63 815	63 603	62 584

OLAV THON EIENDOMSSSELKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CASH FLOW

(NOK million)	31.03.2023	31.03.2022	31.12.2022
Net cash flow from operations	473	536	2 045
Expensed interest	240	165	760
Paid interest	-235	-172	-747
Paid income tax	-118	-90	-207
Change in working capital	281	15	-608
Net cash flow from operating activities	640	455	1 243
Acquisition of investment properties og fixed assets	-184	-157	-706
Sale of subsidiaries	-	-	191
Acquisition of subsidiaries	-1 222	-240	-263
Other investments	18	9	240
Net cash flow from investment activities	-1 388	-388	-537
Proceeds from interest-bearing liabilities	3 162	3 033	9 404
Repayment of interest-bearing liabilities	-2 411	-2 862	-9 206
Payment on leasing liabilities	-2	-2	-8
Dividends paid	-	-	-691
Acquisition of own shares	-	-	-398
Net cash flow from financing activities	749	169	-900
Currency translation effects on cash and cash equivalents	4	-2	-0
Net change in cash	5	235	-194
Cash at beginning of period	254	448	448
Cash at end of period	259	683	254

OLAV THON EIENDOMSSSELSKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

(NOK million)	Share capital	Share premium	Currency translation differences	Other Equity	Hedging reserve	Shareholders of the parent	Non-controlling interests	Total
Equity 31.12.2021	104	318	-70	30 567	-12	30 907	436	31 342
Profit	-	-	-	1 934	-	1 934	6	1 941
Other comprehensive income	-	-	-55	-	-	-55	-	-55
Dividends paid	-	-	-	-	-	-	-	-
Other changes	-	-	-	0	-	0	-	0
Equity 31.03.2022	104	318	-125	32 501	-12	32 787	443	33 229
Profit	-	-	-	518	-	518	7	525
Other comprehensive income	-	-	9	-	-	9	-	9
Acquisitions of own shares	-2	-	-	-396	-	-398	-	-398
Dividends paid	-	-	-	-674	-	-674	-17	-691
Other changes	-	-	-	-6	-	-6	5	-1
Equity 31.12.2022	101	318	-116	31 943	-12	32 235	438	32 673
Profit	-	-	-	178	-	178	3	182
Other comprehensive income	-	-	110	-	-	110	-	110
Dividends paid	-	-	-	-	-	-	-	-
Other changes	-	-	-	5	-	5	-0	5
Equity 31.03.2023	101	318	-6	32 127	-12	32 529	441	32 970

OLAV THON EIENDOMSSSELKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS

(NOK million)

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 Group's consolidated financial statements includes Olav Thon Eiendomsselskap ASA and subsidiaries, as well as the Group's interests in joint ventures and associated companies. The Group has activities in Norway and Sweden. The interim financial statements were adopted by the Board on May 24, 2023. There has been no audit of the interim financial information.

Note 2 ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by IASB and as adopted by EU. The consolidated accounts have been prepared in accordance with IAS 34 Interim Financial Reporting.

The accounting principles on which the interim report is based are in accordance with the principles used in the preparation of the annual report for 2022.

Note 3 CHANGES IN GROUP STRUCTURE

On 6 January 2023, Olav Thon Eiendomsselskap ASA took over the remaining 50% of the shares in Sørlandssenteret DA, which consists of Norway's 6th largest shopping center in terms of turnover. In the first quarter of 2023, the shopping center achieved rental income of NOK 33 million.

Beyond this, there are no significant changes in the group structure in the quarter.

Note 4 ESTIMATES

Preparation of interim financial statements involves the use of judgements, estimates and assumptions that affect the application of accounting principles and amounts recognised in the Group's position and results. In preparing the interim financial statements, management has used the same assessments related to the application of accounting principles that formed the basis for the consolidated financial statements for 2022.

Note 5 SUBSEQUENT EVENTS

No events of significance to the assessment of the Group's position and results have occurred after the reporting date.

Note 6 RELATED PARTY TRANSACTIONS

The company has the following transactions with related parties:

Transactions	Counterparty	31.03.2023	31.03.2022	31.12.2022
Rental income	Companies in Thon Holding Group	24	20	94
Property-related expenses	Companies in Thon Holding Group	3	2	17
Operating and administration agreements	Companies in Thon Holding Group	41	38	154

Note 7 BUSINESS SEGMENTS

The Group has activities within two strategic business segments and two geographical areas.
The segment reporting is based on the internal management reporting.

31.03.2023	Operating segments				Geographical areas		
	Shopping centres	Commercial property	Other activity	Group	Norway	Sweden	Group
Rental income	674	232	-	905	851	54	905
Property-related income	278	48	-	326	307	19	326
Property-related expenses	-291	-90	-	-380	-346	-34	-380
Net rental income	661	190	-	851	812	39	851
Other operating income	2	-	12	14	14	-	14
Other operating expenses	-7	-	-9	-16	-16	-	-16
Administrative expenses	-34	-10	-	-44	-40	-4	-44
Depreciation	-3	-3	-	-6	-6	-0	-6
Net income from property management	619	178	3	800	765	35	800
Fair value adjustments, investment property	-45	-151	-	-197	-183	-14	-197
Share of profit from joint ventures & associates	-34	0	-	-34	-34	-	-34
Operating profit	540	27	3	569	548	21	569

31.03.2022	Operating segments				Geographical areas		
	Shopping centres	Commercial property	Other activity	Group	Norway	Sweden	Group
Rental income	573	210	-	783	731	51	783
Property-related income	243	38	-	281	263	18	281
Property-related expenses	-264	-81	-	-345	-293	-52	-345
Net rental income	552	167	-	718	701	17	718
Other operating income	20	-	22	41	41	-	41
Other operating expenses	-20	-	-21	-41	-41	-	-41
Administrative expenses	-47	-8	-	-55	-52	-3	-55
Depreciation	-6	-3	-	-9	-9	-0	-9
Net income from property management	498	155	1	654	640	14	654
Fair value adjustments, investment property	884	385	-	1 269	1 138	131	1 269
Share of profit from joint ventures & associates	99	0	-	99	99	-	99
Operating profit	1 481	540	1	2 022	1 877	145	2 022

31.12.2022	Operating segments				Geographical areas		
	Shopping centres	Commercial property	Other activity	Group	Norway	Sweden	Group
Rental income	2 375	844	-	3 219	3 015	203	3 219
Other property-related income	883	123	-	1 006	937	69	1 006
Property-related expenses	-1 063	-283	-	-1 346	-1 190	-155	-1 346
Net rental income	2 194	684	-	2 879	2 762	117	2 879
Other operating income*	103	-	55	158	158	-	158
Other operating expenses	-39	-	-44	-83	-83	-	-83
Administrative expenses	-143	-37	-	-180	-167	-14	-180
Depreciation	-16	-10	-	-26	-26	-	-26
Net income from property management	2 099	637	11	2 747	2 644	103	2 747
Fair value adjustments, investment property	174	-60	-	114	5	109	114
Share of profit from joint ventures & associates	122	-1	-	122	122	-	122
Operating profit	2 396	577	11	2 984	2 771	212	2 984

*Includes gain from the sale of the Amfi Drift group of NOK 69 million

Note 8 INVESTMENT PROPERTY

	31.03.2023	31.03.2022	31.12.2022
Investment property - owned - fair value 01.01	57 509	56 530	56 530
Investment property - right-of-use-assets - fair value 01.01	190	337	337
Sum investment property - fair value 01.01	57 699	56 866	56 866
Acquisitions/expenditure on properties	183	151	684
Acquisitions and divestments companies/investment property	2 308	241	262
Change in fair value recognised in the period	-194	1 272	126
Change in fair value right-of-use-assets recognised in the period	-3	-3	-11
Net other changes right to use assets	17	-122	-136
Effect of currency exchange differences in foreign operations	215	-112	-94
Other changes	0	-1	1
Closing balance	60 224	58 292	57 699
of this investment property - owned	60 020	58 080	57 509
of this investment property - right-of-use-assets	204	212	190

The table below presents a sensitivity analysis at the balance sheet date, showing changes in fair value of investment properties when yield and rent levels is changed.

	Fair Value	Rent level		
	Investment property (owned)	- 10 %	Unchanged	+ 10 %
Yield	- 1 %-points	66 522	73 861	81 199
	- 0,5 %-points	59 645	66 220	72 795
	Unchanged	54 066	60 020	65 975
	+ 0,5 %-points	49 448	54 889	60 331
	+ 1,0 %-points	45 562	50 572	55 582

Note 9 JOINT VENTURES AND ASSOCIATED COMPANIES

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

Joint ventures	31.03.2023	31.03.2022	31.12.2022
Net rental income	54	73	297
Fair value adjustments, investment property	-41	39	-105
Fair value adjustments, interest rate derivatives	1	16	23
Expenses	-27	-30	-135
Income taxes	1	-5	7
Profit	-13	93	86
Investment properties	2 462	3 620	3 549
Other assets	205	291	217
Total assets	2 667	3 911	3 766
Equity	1 406	2 551	2 437
Non-current liabilities	1 165	1 248	1 230
Current liabilities	95	112	99
Total equity and liabilities	2 667	3 911	3 766

Associated companies	31.03.2023	31.03.2022	31.12.2022
Net rental income	15	14	59
Fair value adjustments, investment property	-36	-3	10
Expenses	-6	-4	-23
Income taxes	6	-1	-10
Profit	-21	6	36
Investment properties	852	865	887
Other assets	83	163	124
Total assets	936	1 028	1 011
Equity	507	551	528
Non-current liabilities	413	460	464
Current liabilities	15	16	18
Total equity and liabilities	936	1 028	1 011

Note 10 FINANCIAL INCOME AND FINANCIAL EXPENSES

	31.03.2023	31.03.2022	31.12.2022
Interest income	7	2	15
Currency gain	0	50	43
Other financial income	-	-	-0
Total financial income	7	52	58
Interest expenses	-237	-160	-745
Interest expenses related to lease liabilities	-3	-5	-15
Currency loss	-88	-0	0
Other financial expenses	-8	-11	-25
Total financial expenses	-336	-176	-786

CURRENCY ITEMS

Currency translation differences from foreign operations	110	-55	-45
Currency translation effects on cash and cash equivalents	4	-2	-0
Other currency items	-92	52	43
Total currency effects	22	-4	-3

Note 11 NON-CURRENT LIABILITIES

	31.03.2023	31.03.2022	31.12.2022
Bonds	9 950	9 363	9 500
Other interest-bearing liabilities	9 300	7 385	8 105
Total interest-bearing current liabilities	19 250	16 748	17 605
Fair value interest rate swaps	87	151	70
Other liabilities	29	24	31
Total non-current liabilities	117	175	100

Note 12 CURRENT LIABILITIES

	31.03.2023	31.03.2022	31.12.2022
Commercial papers	404	948	378
Bonds	1 406	2 391	2 155
Bank loans	92	105	88
Total interest-bearing current liabilities	1 902	3 445	2 622
Fair value interest rate swaps	28	267	40
Lease liabilities	8	9	7
Trade payables	141	176	139
Accrued interest	49	25	44
Duties payable	144	143	87
Other current liabilities	845	1 036	906
Total trade payables and other current liabilities	1 215	1 656	1 224

OLAV THON EIENDOMSSELSKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

ALTERNATIVE PERFORMANCE MEASURES

Amounts in NOK million

Olav Thon Eiendomsselskap ASA prepares consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS).

The company also wishes to present alternative performance measures (APM) in order to provide readers with a better understanding of the company's underlying financial results.

1. Fair value adjustments in investment properties and interest rate derivatives

Fair value adjustments in investment properties and interest rate derivatives affect the group's profit before tax. These income statement items are considered to be more determined by external factors than the other profit and loss items.

	31.03.2023	31.03.2022	31.12.2022
Fair value adjustments in;			
investment properties recognised in profit and loss	-197	1 269	114
investment properties in joint ventures	-41	39	-105
investment properties in associated companies	-36	-3	10
interest rate derivatives recognised in profit and loss	-6	570	878
interest rate derivatives in joint ventures	1	16	23
Fair value adjustments, investment properties and derivatives	-279	1 891	920

2. Profit before income tax, fair value adjustment and currency result

Profit before tax, fair value adjustments and currency is intended to give readers a better understanding of the Group's operating business development.

	31.03.2023	31.03.2022	31.12.2022
Profit before income tax	234	2 468	3 134
Income tax in joint ventures	-1	5	-7
Income tax in associated companies	-6	1	10
Fair value adjustments investment properties and derivatives	279	-1 891	-920
Currency gain	-0	-50	-43
Currency loss	88	0	-0
Profit before income tax, fair value adjustment and currency result	594	532	2 174

3. Equity ratio

Equity ratio is the Group's total book equity divided by the Group's total equity and debt on the balance sheet date, and indicates the relative proportion of equity used to finance a company's assets.

	31.03.2023	31.03.2022	31.12.2022
Total equity	32 970	33 229	32 673
Total equity and debt	63 815	63 603	62 584
Equity ratio	52 %	52 %	52 %

ALTERNATIVE PERFORMANCE MEASURES (continued)**4. Long term net asset value per share and equity per share**

Long term net asset value per share takes into account a fair value assessment of the deferred tax liabilities. Equity per share is calculated as the majority's share of equity divided by the number of shares.

	31.03.2023	31.03.2022	31.12.2022
Majority share of equity	32 529	32 786	32 235
Deferred tax liabilities (deferred tax liabilities current assets excluded)	8 011	7 936	7 926
Fair value of debt - deferred tax liabilities - 6 %	-2 185	-2 164	-2 162
Long term net asset value	38 355	38 558	37 999
Number of shares (own shares not included)	101 478 908	103 623 171	101 478 908
Long term net asset value per share in NOK	378	372	374
Equity per share in NOK	321	316	318

5. Net cash flow from operating activities

Net cash flow from operations is considered to give readers a better understanding of the liquidity generated from the Group's operating activities. This is important for assessing the Group's financial results and financial position.

	31.03.2023	31.03.2022	31.12.2022
Net cash flow from operating activities	640	455	1 243
Expensed/paid interest	5	-6	13
Paid income tax	-118	-90	-207
Change in working capital	281	15	-608
Net cash flow from operations	473	536	2 045

6. Liquidity reserves

Calculation of liquidity reserves is considered to give the reader a better understanding of the Group's ability to service short-term liquidity needs.

	31.03.2023	31.03.2022	31.12.2022
Unutilized overdrafts and other credit facilities	4 312	5 631	4 885
Cash and cash equivalents	259	683	254
Liquidity reserves	4 571	6 314	5 139

7. Amortisation next 12 months

Amortisation for the next 12 months show interest-bearing debt that falls due over the next 12 months, and provides a picture of the Group's future obligations.

	31.03.2023	31.03.2022	31.12.2022
Commercial papers	404	948	378
Bonds	1 406	2 391	2 155
Bank loans	92	105	88
Amortisation next 12 months	1 902	3 445	2 622

ALTERNATIVE PERFORMANCE MEASURES (continued)**8. Net Interest-bearing debt and loan to value ratio**

Splitting the Group's total debt into interest-bearing debt and non-interest-bearing debt is intended to give readers a better understanding of the Group's debt situation and the Group's financial position. Net interest-bearing debt is calculated by deducting the Group's cash and cash equivalents from its interest-bearing debt. Net interest-bearing debt is used in, among other things, the calculation of the Group's loan to value ratio.

	31.03.2023	31.03.2022	31.12.2022
Bonds, non-current	9 950	9 363	9 500
Bonds, current	1 406	2 391	2 155
Commercial papers, current	404	948	378
Debt to credit institutions, long-term	9 300	7 385	8 105
Debt to credit institutions, short-term	92	105	88
Interest-bearing debt*	21 153	20 193	20 227
Cash and cash equivalents	-259	-683	-254
Net interest-bearing debt	20 894	19 510	19 973
Market value properties (see APM 11)	60 227	58 285	57 715
Loan to value ratio	35 %	33 %	35 %
* Unsecured part of interest-bearing debt (where the Group has not provided collateral)	11 510	11 023	10 995

9. Interest per balance sheet date

Interest on the balance sheet date is accounted interest expenses on the balance sheet date converted to annualized interest divided by interest-bearing debt on the balance sheet date.

	31.03.2023	31.03.2022	31.12.2022
Annualized interest expenses on interest-bearing debt as of the balance sheet date	865	408	803
Annualized interest expenses on current interest rate swaps per balance sheet date	68	251	97
Annualized interest expenses per balance sheet date	933	658	901
Interest-bearing debt	21 153	20 193	20 227
Interest per balance sheet date	4,41 %	3,26 %	4,45 %

10. Net investments

Net investments is calculated by using fair value of investments in investment properties in addition to net supply of other fixed assets and other investments.

	31.03.2023	31.03.2022	31.12.2022
Investment properties	183	151	684
Acquisitions and divestments companies	1 222	241	71
Other fixed assets	0	3	18
Other investments	24	36	115
Net investments	1 428	431	889

ALTERNATIVE PERFORMANCE MEASURES (continued)**11. Market value properties**

Market value of properties shows the sum of the market value of investment properties owned and owner-occupied properties, which are accounted for according to different accounting principles in the Group's balance sheet. The market value does not include investment property defined as right-to-use assets.

	31.03.2023	31.03.2022	31.12.2022
Market value investment properties - owned (see note 8)	60 020	58 080	57 509
Market value owner-occupied properties	206	205	206
Market value properties	60 227	58 285	57 715

In addition, the Group owns properties through joint ventures and associated companies:

Market value of properties joint venture (Group share)	2 462	3 620	3 549
Market value of properties associated companies (Group share)	853	865	887

12. Annualized rental income level

The annualized rental income level shows the real estate portfolio's expected market rent for leased and vacant premises, and provides a picture of the Group's earning potential.

	31.03.2023	31.03.2022	31.12.2022
Annualized market rent leased premises	3 533	3 198	3 268
Annualized market rent vacant premises	127	117	117
Annualized rental income level	3 660	3 315	3 385

In addition, the Group owns properties through joint ventures and associated companies:

Annualized market rent leased premises owned through joint ventures and associated companies	214	270	286
Annualized market rent vacant premises owned through joint ventures and associated companies	6	15	9
Annualized rental income level owned through joint ventures and associated companies	220	285	295

Total annualized rental income level	3 880	3 600	3 680
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13. Net yield properties

Net yield is the annualized rental income level less normalized (over time) lessor's owner costs divided by the market value of properties adjusted for plots and the relevant non-rental part of properties.

	31.03.2023	31.03.2022	31.12.2022
Annualized rental income level	3 660	3 315	3 385
Lessor's owner cost	494	471	464
Annualized net rental income level	3 166	2 844	2 921
Market value properties	60 227	58 285	57 715
Adjustment market value for plots etc	473	405	424
Market value properties after adjustment	59 753	57 880	57 291
Net yield properties	5,30 %	4,91 %	5,10 %



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