

Summary

FRN Olav Thon Eiendomsselskap ASA Senior Unsecured
Open Bond Issue 2019/2021

NO0010863467

The logo consists of a vertical orange bar on the left side of the text.

**OLAV THON
EIENDOMSSELSKAP**

Arranger:

Handelsbanken Capital Markets

27.03.2020

Summary

ISIN NO0010863467

Summaries are made up of disclosure requirements due to Article 7 in the REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2017.

A - INTRODUCTION AND WARNINGS

Warning	This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
The Bonds	ISIN: NO0010863467- FRN Olav Thon Eiendomsselskap ASA Senior Unsecured Open Bond Issue 2019/2021.
The Issuer	Olav Thon Eiendomsselskap ASA is a Norwegian public limited liability company organized under the laws of Norway, including the Public Limited Companies Act. The Company's registration number is 914 594 685 and LEI-code 5967007LIEEXZXGOW838.
The Offeror	Not applicable. There is no offeror, the Prospectus has been produced in connection with listing of the bonds at Oslo Børs. The Issuer is going to ask for admission to trading on a regulated market.
Competent Authority Approving the Prospectus.	The Financial Supervisory Authority of Norway (Norwegian: <i>Finanstilsynet</i>), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and with telephone number +47 22 93 98 00 has reviewed and on 27.03.2020, approved the Prospectus.

B - KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?	
Corporate Information	Olav Thon Eiendomsselskap ASA is a Norwegian public limited liability company organized under the laws of Norway, including the Public Limited Companies Act. The Company's registration number is 914 594 685 and LEI-code 5967007LIEEXZXGOW838. Website: www.olt.no
Principal activities	Olav Thon Eiendomsselskap is Norway's leading shopping centre player and has a solid market position. The shopping centre portfolio includes Norway's second largest shopping centre, Sandvika Storsenter in Bærum, and a total of seven of the country's nine largest shopping centres. The overall goal for Olav Thon Eiendomsselskap's business is to achieve maximum growth in equity per share so that shareholders achieve a long-term return that is competitive with comparable investment alternatives. Olav Thon Eiendomsselskap ASA is the parent company in the Group, and is the Group's financial center and is normally responsible for the Group's borrowings. The subsidiaries are mainly financed by intercompany loans from the Company or guarantees that enable them to borrow under competitive terms.
Major Shareholders	The Olav Thon Foundation directly and indirectly owns 71.9% of the Company.

Summary

ISIN NO0010863467

Key managing directors	There are no senior executives other than the CEO – Dag Tangevald-Jensen.
Statutory auditor	The Company's auditor is BDO AS, Munkedamsveien 45, Vika Atrium 0250 Oslo. Postadresse: Postboks 1704 Vika, 0121 Oslo. Phone: 23 11 91 00. BDO AS is a member of the Norwegian Institute of Certified Public Accountants.

What is the key financial information regarding the Issuer?

<i>Olav Thon Eiendomsselskap ASA:</i>	<i>Parent</i>	<i>Group</i>	<i>Group</i>	<i>Group</i>
	2018	2018	Q2 2019	30.06.2019
<i>In NOK millions</i>	<i>audited</i>	<i>audited</i>	<i>unaudited</i>	<i>unaudited</i>
Net rental income	962,0	2 487,0	683,0	1 349,0
Operating profit	466,0	3 259,0	495,0	1 067,0
Profit before income tax	205,0	2 880,0	273,0	628,0
Profit for period	102,0	2 516,0	199,0	465,0
BALANCE SHEET				
Total non-current assets	17 216,0	57 225,0	57 550,0	57 550,0
Total current assets	5 218,0	1 349,0	1 321,0	1 321,0
Total Assets	22 434,0	58 573,0	58 872,0	58 872,0
Total equity	984,0	26 827,0	26 438,0	26 438,0
Non-current liabilities	17 496,0	23 864,0	25 886,0	25 886,0
Total liabilities	21 450,0	31 746,0	32 433,0	32 433,0
Total equity and liabilities	22 434,0	58 573,0	58 872,0	58 872,0
CASH FLOW STATEMENT				
Net cash flow from operating activities	- 59,0	1 587,0	205,0	571,0
Net cash flow from investing activities	1 673,0	- 1 386,0	- 226,0	- 403,0
Net cash flow from financing activities	- 1 663,0	- 262,0	- 25,0	- 199,0
Net change in bank deposits and cash	- 50,0	- 60,0	- 47,0	30,0
Bank deposits and cash at the end of the period	121,0	305,0	281,0	281,0

What are the key risk factors that are specific to the Issuer?

Most material key risk factors	<ul style="list-style-type: none"> The Group's market risk is related to general trends in the property market in Norway and Sweden which are affected by both macroeconomic factors and demand for commercial property as an investment object. The biggest financial risks for Olav Thon Eiendomsselskap are considered to be the Group's access to financing in the banking and capital markets and the price of financing. The Group's operational risk is primarily associated with the failure of employees and operational management systems to function as expected.
--------------------------------	--

C - KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?	
Description of the securities, including ISIN	ISIN: NO0010863467. Senior Unsecured Open Bond Issue with floating rate. Tap Issue Date 2 nd Tranche: 8 January 2020, Maturity Date 16 December 2021. The second tranche is NOK 200,000,000 and the Amount Outstanding Bonds after the increase is NOK 500,000,000. The Initial Nominal Amount of each Bond is NOK 1,000,000 each and among themselves pari passu ranking. The Bonds are floating rate bonds; NIBOR + 0.55 per cent.

Summary

ISIN NO0010863467

Rights attached to the securities	The Bond Terms has been entered into between the Issuer and the Bond Trustee. The Bond Terms regulates the Bondholder's rights and obligations in relations with the issue. The Bond Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.
Status of the bonds and security	The Issuer's payment obligations under the Bond Terms shall rank ahead of all subordinated payment obligations of the Issuer and shall rank at least pari passu with all the Issuer's other obligations, save for (i) secured obligations to the extent they are secured and (ii) obligations which are mandatorily preferred by law. The Bonds are unsecured.
Any restrictions on the free transferability of the securities	Not applicable – there are no restrictions on the free transferability of the Bonds.
Where will the securities be traded?	
Admission to trading	The Initial Bond Issue are listed on Oslo Børs under the ticker OLT133. The Second Tranche will be listed as soon as the Prospectus has been approved by the Norwegian FSA.
What are the key risks that are specific to the securities?	
Most material key risks	<ul style="list-style-type: none"> • Credit risk is the risk that the Issuer fails to make the required payments under the Bonds (either principal or interest) pursuant to the obligations in the Bond Terms. • The Bonds are unsecured. Unsecured bonds, in general, carry a higher risk than secured bonds since secured bonds have preferred recovery from secured assets.

D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKED

Under which conditions and timetable can I invest in this security?	
Terms and conditions for the offer	Not applicable. The Bonds have not been subject to a public offer, the Bonds are already issued and settled.
Why is the Prospectus being produced?	
Admission to trading	The Prospectus is produced in connection with listing of the 2 nd tranche of the Bonds on the Oslo Børs.
Use of proceeds	The Issuer will use the net proceeds of the 2 nd Tranche – NOK 200 545 833,- - from the issuance of the Bonds for its general corporate purposes.
Material conflicts of interest	<p>Chairman of the board, Olav Thon with closely related owns 70 930 stocks in the Issuer, Arne B. Sperre, the Executive Vice President Finance in Olav Thon Gruppen owns 3 250 stocks in the Issuer and Dag Tangevald-Jensen, Executive Vice President i Olav Thon Gruppen and the CEO in Olav Thon Eiendomsselskap ASA owns 2 300 stocks in the Issuer. Other than this, the involved persons in Olav Thon Eiendomsselskap ASA have no interest, nor conflicting interests that is material to the issue.</p> <p>Olav Thon Eiendomsselskap ASA has mandated Handelsbanken Capital Markets as Arranger for the issuance of the Second Tranche. The Arranger has acted as advisor to Olav Thon Eiendomsselskap ASA in relation to the pricing of the Second Tranche.</p> <p>The Arranger and/or any of their affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in this Securities</p>

Summary

ISIN NO0010863467

	Note. The Arranger and/or any of their affiliated companies may, from time to time, provide investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Svenska Handelsbanken AB (publ) is a lender to the Issuer.
--	---