

# OLAV THON EIENDOMSSKAP

Report for second quarter and first half-year 2012



# OLAV THON EIENDOMSSELSKAP ASA

## Report for second quarter and first half-year 2012

Olav Thon Eiendomsselskap had a solid financial result in the first half of 2012, characterised by higher rental income and an increase in value of the group's investment properties.

The key points in the half-year report are as follows:

- Rental income came to NOK 998 million (NOK 938 million). At the turn of the half-year, the annual (theoretical) rental value of the property portfolio was NOK 2,060 million (NOK 1,950 million) and the portfolio vacancy rate was 2% (3%).
- Pre-tax profits amounted to NOK 778 million (NOK 1,025 million).
- Net cash flow from operations came to NOK 615 million (NOK 601 million).
- The group's equity ratio at the turn of the half-year was 34% (35%) and equity per share rose in the first six months to NOK 981 (NOK 944).
- Liquidity reserves as at 30 June 2012 stood at NOK 3,306 million (NOK 3,220 million).
- Turnover in the shopping malls in the group's portfolio was NOK 22.2 billion (NOK 20.6 billion), of which NOK 5.9 billion (NOK 5.3 billion) was from malls managed for external owners.



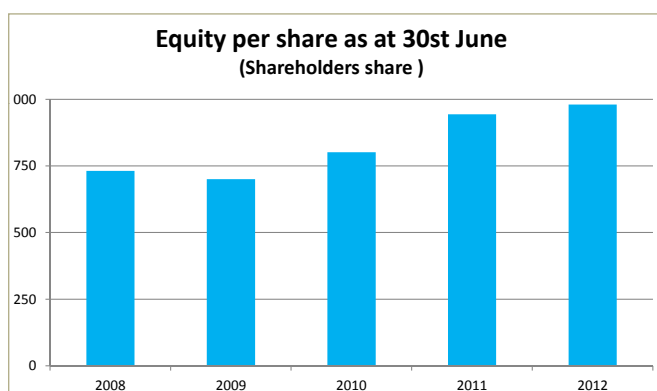
## Balance sheet as at 30 June 2012 <sup>1</sup>

The aggregate value of the group's assets was NOK 31,160 million (NOK 29,561 million). Of this sum, the value of the investment properties was NOK 29,172 million (NOK 27,806 million).

Total shareholders' equity was NOK 10,667 million (NOK 10,209 million) and the equity ratio was 34% (35%).

At the turn of the half-year, equity per share (shareholders' share) was NOK 981 (NOK 944). Long-term net asset value per share is estimated to be NOK 1,263 (NOK 1,209) (EPRA NNAV) <sup>2</sup>.

The group's interest-bearing debt was NOK 13,798 million (NOK 13,983 million) and the loan-to-value ratio was 47% (50%).



Since 2008 has "equity per share" increased by 34%.

## Results for the second quarter 2012

The group's operating profit came to NOK 599 million (NOK 787 million). The decrease from last year is primarily attributable to lower fair value adjustment on the group's investment properties, but it has been dampened by higher rental income.

Pre-tax profits amounted NOK 244 million (NOK 451 million), whilst profits for the quarter after tax came to NOK 179 million (NOK 326 million).

### Rental income and property-related expenses

Rental income in the second quarter was NOK 507 million (NOK 471 million). The increase is due to both the completion of property projects and a reduction in the portfolio vacancy rate.

Other property-related income was NOK 115 million (NOK 131 million) and consisted of payments from the group's lessees to cover the property service charges.

Property-related expenses came to NOK 158 million (NOK 168 million), including the aforementioned service charges of NOK 115 million (NOK 131 million).

Net rental income thus came to NOK 464 million (NOK 434 million).

### Other operating income and expenses

In the second quarter, the value of the investment properties saw a net upward adjustment of NOK 124 million (NOK 361 million). The rise in value is the result of an increase in the market value of ongoing projects as well as an increase in value of a few individual properties.

The share of the net income of associated companies came to NOK 19 million (NOK 5 million).

Other operating income amounted to NOK 100 million (NOK 93 million) and relates primarily to income from sales and the management of properties for external owners.

Other operating expenses, administration costs and ordinary depreciation came to NOK 107 million (NOK 107 million).

Operating profit thus came to NOK 599 million (NOK 787 million).

Operating profit before fair value adjustment on investment properties amounted to NOK 475 million (NOK 426 million).

### Financial income and expenses

Net financial expenses were NOK 162 million (NOK 157 million). The average interest rate in the second quarter was 4.7%.

The market value of the group's financial instruments fell by NOK 193 million (-NOK 179 million) in the second quarter as a result of a drop of about 0.25 percentage points in the long-term market rates.

## Results for the first half of 2012

In the first half-year, rental income came to NOK 998 million (NOK 938 million). Net rental income was NOK 914 million (NOK 832 million).

<sup>1</sup> The figures in brackets are figures from the same period/date last year

<sup>2</sup> See page 12 for a definition



The value of the group's investment properties saw a net upward adjustment of NOK 340 million (NOK 520 million) in the first six months of the year.

Operating profit was NOK 1,262 million (NOK 1,349 million).

Operating profit before fair value adjustment on investment properties came to NOK 922 million (NOK 829 million).

Net financial expenses amounted to NOK 331 million (NOK 323 million), whilst the market value of the financial instruments fell by NOK 153 million (- NOK 1 million).

Pre-tax profits amounted to NOK 778 million (NOK 1,025 million), whilst profits for the half-year after tax were NOK 564 million (NOK 739 million).

## Cash flow and liquidity

### Second quarter

In the second quarter, net cash flow from operations was NOK 336 million (NOK 354 million), whilst the change in working capital came to - NOK 184 million (- NOK 217 million). Net cash flow from operational activities was thus - NOK 111 million (NOK 136 million).

Investment activities generated a net cash flow of -NOK 281 million (- NOK 233 million), whilst financing activities contributed - NOK 312 million (+ NOK 198 million). Dividend distribution reduced liquidity by NOK 106 million (NOK 106 million).

This means that in the second quarter the net change in the group's liquid holdings was - NOK 547 million (- NOK 6 million).



### First half-year

Net cash flow from operations in the first six months of the year was NOK 615 million (NOK 601 million).

The change in working capital was - NOK 113 million (- NOK 159 million), and net cash flow from operational activities was thus NOK 502 million (NOK 441 million).

Investment activities generated a net cash flow of - NOK 486 million (- NOK 347 million) and financing activities contributed - NOK 123 million (- NOK 109 million), whilst dividend distribution reduced liquidity by NOK 106 million (NOK 106 million).

This means that the group's liquid holdings in the first half of 2012 fell by NOK 213 million (- NOK 121 million).

At the turn of the half-year, the group's liquidity reserves stood at NOK 3,306 million (NOK 3,220 million), and consisted of short-term investments of NOK 534 million (NOK 476 million) and committed long-term credit lines of NOK 2,772 million (NOK 2,744 million).



## Investments

The group's investments in the first half of the year were NOK 486 million (NOK 347 million), and relate to property purchases, investments in property projects under construction and rehabilitation of the existing property portfolio.

In the second quarter, investments were NOK 280 million (NOK 220 million).

### Property purchases

The group's position as a nationwide shopping mall company was further consolidated in the first half of the year through the purchase of ownerships interests in the following shopping malls:

- **The Volum Senter mall (50%)**  
A mall with 10,000sqm of retail space in Kragerø in the southern county of Telemark. (Take-over date: 1 July 2012)
- **The Dombås Senter mall (25%)**  
A mall with 9,000sqm of retail space in Dombås in the south-eastern county of Oppland.
- **The Amfi Orkanger mall (25%)**  
A shopping mall with 11,000sqm of retail space in Orkanger in the central county of Sør-Trøndelag.

### Completed property projects

- **The Amfi Moa mall, Ålesund**  
This mall had 5,700sqm of retail space added in the second quarter.

### Major property projects under construction

Major extension and alteration work, scheduled for completion in 2012 and 2013, has started at the following shopping malls:

- **The Vestkanten kjøpesenter mall, Bergen (70%).** This project involves the addition of about 10,000sqm retail space.
- **The Mart'n Senteret mall, Elverum (50%)**  
This project involves the addition of about 6,800sqm of retail space.
- **The Sogningen Storsenter mall, Sogndal (50%).** This project consists of the addition of 4,500sqm of retail space.
- **Calmeyers gate 8b, Oslo**  
A combined commercial and residential building of 2,700sqm is under construction in the centre of Oslo.

- **The Sørlandssenteret mall, Kristiansand (50%).** Building phase 2 consists of about 33,000sqm of retail space.

Reference is also made to page 68 of the Annual Report for 2011.

### The property portfolio as at 30 June 2012

At the turn of the half-year, the value of the property portfolio was estimated to be NOK 29,172 million (NOK 27,806 million).

The investment properties are recorded at "actual value" (market value). For information regarding the valuation model and the variables included in the assessment, reference is made to notes 1 and 16 to the Annual Report for 2011.

The value assessment is based on an average required rate of return of 6.3% (6.4%), with the required rate of return on individual properties varying between 5.5% and 10.0%.

The average required rate of return per property segment is as follows:

- Shopping mall property 6.2% (6.3%)
- Other commercial property 7.0% (7.1%)

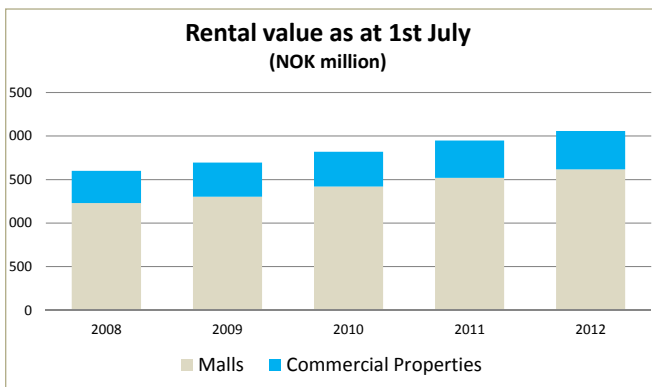
The annual (theoretical) rental value (including the share of rental income from associated companies) was NOK 2,060 million (NOK 1,950 million).

The increase on last year has come about as a result of both new properties and a general growth in portfolio rents.

A breakdown of the rental value per property segment is as follows:

- Shopping mall property 79%
- Other commercial property 21%

The average remaining term for the lease agreements is about four years (four years).



The rental value of the property portfolio has risen by 29% since 2008.

### The shopping malls

At the turn of the half-year, shopping mall operations comprised the management of 77 shopping malls. The group wholly or partly owns 52 of the malls, whilst 25 are managed for external owners.

Management agreements for a further two shopping malls owned by external owners have been entered into in the first six months, and will come into force in the second half of the year.

The group's market position in the Norwegian shopping mall market is strong and its portfolio includes Norway's five largest malls, and another two that are among the ten largest malls in the first half of 2012.

Turnover in the malls in the first six months was NOK 22.2 billion (NOK 20.6 billion). Of this sum, NOK 5.9 billion (NOK 5.3 billion) came from malls managed for other owners.

In the second quarter, turnover was NOK 11.4 billion (NOK 10.9 billion), including NOK 3.8 billion (NOK 2.8 billion) in malls managed for external owners.

The organic growth in the group-owned malls is estimated to be about 3% in both the first half-year and second quarter.

### Transactions with related parties

Major transactions with related parties in the first half of 2012 are described in note 5 to the half-year report.

The transactions have been entered into on ordinary

market terms and conditions as if they had taken place between independent parties.

### Risk factors

The major risk factors for Olav Thon Eiendomsselskap are market and financial risks related to the Norwegian property and financial market.

### The property market

Developments in the Norwegian property market are affected by macroeconomic developments in Norway and the general demand for commercial property as an investment object. Changes in the market's required rate of return (yield) used in the sale of commercial property have a direct effect on the value of the property portfolio.

As mentioned previously, the value assessment as at 30 June 2012 is based on an average required rate of return of 6.3%. In the last five years, this rate has varied between 6.3% and 6.9%.

Changes in the required rate of return and/or market rent affect the value of the group's investment properties. For a description of how a change in yield and market rent affects the market value of the property portfolio, reference is made to page 32 in the Annual Report for 2011.

The group's equity ratio is considered to be robust in relation to changed yield. For example, an increase of one percentage point in yield to 7.3% would reduce the equity ratio to 28%.

The risk of a substantial weakening of the group's financial solidity as a result of a higher yield is therefore considered to be moderate.

### Financial risk

The greatest financial risk for Olav Thon Eiendomsselskap is related to the group's access to financing in the bank and credit markets.

The group's financing is described in more detail in the next section, and for further details regarding financial risk management, reference is made to pages 58-60 in the Annual Report for 2011.

Financial instruments (interest rate swaps) are recorded at market value on the balance date. The rate swaps are used primarily to secure long-term interest rate guarantees and a stable cash flow.

At the turn of the quarter, the group's long-term interest rate swap portfolio totalled NOK 9,870 million and had a market value of - NOK 1,115 million.

A change of one percentage point in the long-term interest rate level is estimated to result in a change of about NOK 850 million in the market value of the rate swaps.

The estimated effect of a one percentage point change in the short-term interest rate level is a rise in the group's average interest rate of about 0.3 percentage points. Net annual interest expenses would then see an increase of about NOK 40 million.

## Financing

The group's loan portfolio consists of long-term credit lines arranged with Nordic banks and loans raised directly in the Norwegian capital market.

In the second quarter, the group took up one long-term bond loan of NOK 290 million and five short-term certificate loans for a total of NOK 970 million.

Total loans and credit lines at the end of the half-year were NOK 16,570 million (NOK 16,717 million), of which the undrawn portion was NOK 2,773 million (NOK 2,744 million).

The Norwegian capital market is an important source of financing, and at the turn of the half-year the group had outstanding bond and certificate debts of NOK 2,591 million (NOK 2,615 million).

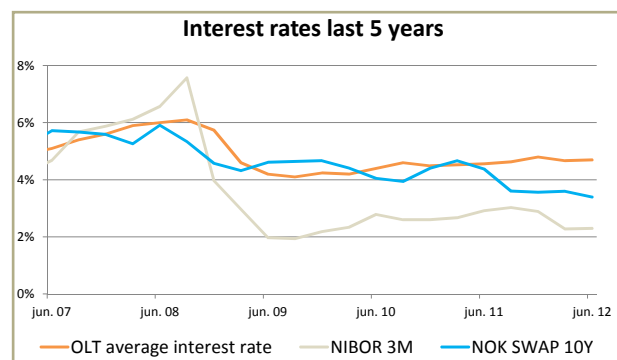
The debt has an average remaining life of 4.4 years (5.4 years). Six percent of the debt falls due for payment within one year, and the refinancing need could be covered in its entirety by existing liquidity reserves.

The average nominal interest rate (including credit margin) as at 30 June 2012 was 4.7% (4.6%).

At the turn of the half-year, the group had the following interest rate maturity structure:

- Rate guarantee period 0 -1yr: 29% (40%)
- Rate guarantee period 1 -5yrs: 6% (7%)
- Rate guarantee period > 5yrs: 65% (53%)

The average interest rate guarantee period was 5.7 years (5.2 years).



In the first half of 2012 the group's nominal average interest rate fell from 4.8% to 4.7%.

## Shares and shareholders

At the end of the first six months of the year, the closing price of shares in Olav Thon Eiendomsselskap was NOK 860, up from NOK 788 at the start of the year

The highest and the lowest share price in the second quarter were NOK 900 and NOK 815, respectively.

In June a share dividend of NOK 10 per share was paid for 2011.

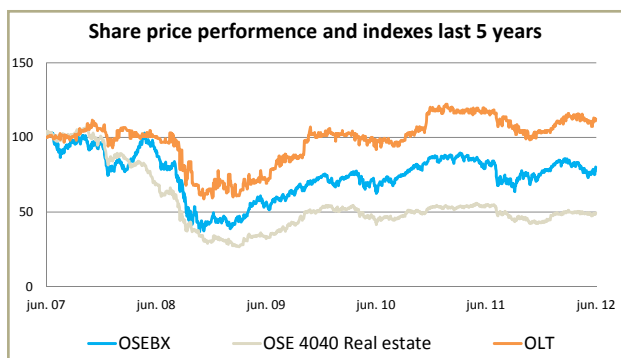
The shares in the company thus gave a total yield of 10% in the first half of the year, slightly higher than the main index of the Oslo Stock Exchange which rose by 6% in the same period.

The company's market capitalisation at the turn of the half-year was NOK 9.2 billion, making it one of the three largest listed property companies in the Nordic countries.

As at 30 June 2012, the company's major owners were:

Thon Gruppen AS with subsidiaries	71.4%
Folketrygdfondet (National Insurance Fund)	9.0%
Otto Olsen Eiendom with related parties.	2.6%
MP Pensjon	1.9%
Skagen Vekst	1.7%
Other owners	13.4%
<b>TOTAL</b>	<b>100.0%</b>





The share price in Olav Thon Eiendomsselskap has performed better in the last five years than the main and property indexes of the Oslo Stock Exchange.

## Outlook

Growth in the global economy has slowed down, partly as a result of increased uncertainty associated with the government debt crisis in Europe.

The Norwegian economy is currently seeing relatively high growth, with most areas performing well. Despite this, the uncertainty prevailing in the international economy has prompted the Central Bank of Norway to maintain the interest rate at 1.50%.

In the first half of 2012, the group's own-owned shopping malls had an organic growth in turnover of about 3%, roughly in line with developments in the Norwegian retail trade.

Relatively high growth is expected in consumer spending in Norway in the future, and the operating conditions for the group's malls are therefore regarded as positive.

The vacancy rate in the office market is slightly falling and rental prices are showing a stable or slightly rising tendency. The office rental market is considered to be cyclically sensitive, and it is believed that with favourable developments in the Norwegian economy this positive trend will continue in the future.

Despite the ongoing uncertainty in the global economy, the Board considers that Olav Thon Eiendomsselskap's sound market position in the property market and its strong financial position will contribute to continued satisfactory profit developments in the future.

## Statement from the Board of Directors and Management

We hereby affirm that, to the best of our knowledge and belief, the half-year accounts for

the period 1 January to 30 June 2012 have been prepared in accordance with IAS 34 Interim Financial Reporting and that the information in the accounts gives a true and fair view of the group and the company's assets, liabilities, financial position and financial results as a whole.

To the best of our knowledge, the half-year report provides

- a true and fair overview of major events in the accounting period and their effect on the half-year accounts;
- a true and fair description of the principal risk and uncertainty factors faced by the group in the next accounting period;
- a true and fair description of major transactions of related parties.

Oslo, 20. August 2012

The Board of Directors  
Olav Thon Eiendomsselskap ASA

Olav Thon  
(Chairman of the Board)

Sissel Berdal Haga  
(Board Member)

Stig O. Jacobsen  
(Board Member)

Kristian Leer-Salvesen  
(Board Member)

Elin Ørjasæter  
(Board Member)

Dag Tangevald-Jensen  
(Managing Director)

Every effort has been made to ensure that this translation of the Norwegian text and interim report is a true translation. However, in case of any discrepancy, the Norwegian version takes precedence.



## STATEMENT OF COMPREHENSIVE INCOME

NOK millions	Q2 2012	Q2 2011	At 30.06.12	At 30.06.11	At 31.12.11
Rental income	507	471	998	938	1 889
Other property related income	115	131	239	254	496
Property related expenses	-158	-168	-323	-360	-685
<b>Net rental income</b>	<b>464</b>	<b>434</b>	<b>914</b>	<b>832</b>	<b>1 700</b>
Fair value adjust. - investment properties	124	361	340	520	555
Income from associates	19	5	18	5	54
Other operating income	100	93	199	200	449
Other operating expenses	-83	-82	-155	-157	-367
Administration expenses	-20	-21	-46	-44	-99
Ordinary depreciations	-4	-4	-7	-7	-15
<b>Operating profit</b>	<b>599</b>	<b>787</b>	<b>1 262</b>	<b>1 349</b>	<b>2 277</b>
Financial income	3	4	6	10	19
Fair value adjust. - financial instruments	-193	-179	-153	-1	-580
Financial expenses	-165	-161	-337	-333	-668
<b>Profit/loss before taxes</b>	<b>244</b>	<b>451</b>	<b>778</b>	<b>1 025</b>	<b>1 048</b>
Taxes	-65	-125	-214	-286	-281
<b>Profit/ loss for the period</b>	<b>179</b>	<b>326</b>	<b>564</b>	<b>739</b>	<b>767</b>
<b>Allocated to:</b>					
Shareholders	171	303	505	711	724
Minority interests	9	23	59	28	43
Earnings per outstanding share	16	28	47	67	68
Earnings per share, diluted	16	28	47	67	68

## STATEMENT OF TOTAL INCOME

NOK millions	Q2 2012	Q2 2011	At 30.06.12	At 30.06.11	At 31.12.11
<b>Profit/ loss for the period</b>	<b>179</b>	<b>326</b>	<b>564</b>	<b>739</b>	<b>767</b>
<b>Allocated to:</b>					
Shareholders	171	303	505	711	724
Minority interests	9	23	59	28	43

## BALANCE SHEET

NOK millions	At 30.06.12	At 30.06.11	At 31.12.11
<b>TOTAL ASSETS</b>			
Deferred tax assets	287	142	287
Investment properties	29 172	27 806	28 304
Tangible assets	54	43	61
Financial fixed assets	397	332	393
<b>Total fixed assets</b>	<b>29 910</b>	<b>28 322</b>	<b>29 045</b>
Debtors	716	763	831
Bank deposits, cash in hand etc.	533	476	746
<b>Total current assets</b>	<b>1 249</b>	<b>1 239</b>	<b>1 578</b>
<b>Total assets</b>	<b>31 160</b>	<b>29 561</b>	<b>30 623</b>
<b>EQUITY AND LIABILITIES</b>			
Minority's share of shareholders equity	228	156	169
Majority's share of shareholders equity	10 439	10 053	10 039
<b>Total equity</b>	<b>10 667</b>	<b>10 209</b>	<b>10 208</b>
Deferred taxes	4 202	3 936	4 133
Non-current liabilities	14 115	14 148	13 751
Current liabilities	2 175	1 268	2 530
<b>Total liabilities</b>	<b>20 492</b>	<b>19 352</b>	<b>20 415</b>
<b>Total equity and liabilities</b>	<b>31 160</b>	<b>29 561</b>	<b>30 623</b>

## STATEMENT OF CASHFLOW

NOK millions	At Q2 2012	At Q2 2011	At 31.12.11
Net cashflow from operations	615	601	1 008
Change in working capital	-113	-159	244
<b>Net cashflow from operational activities</b>	<b>502</b>	<b>441</b>	<b>1 252</b>
Net cashflow from investment activities	-486	-347	-693
Cashflow from financing activities	-123	-110	-304
Payment of dividends	-106	-106	-106
<b>Net cashflow from financing activities</b>	<b>-229</b>	<b>-216</b>	<b>-410</b>
<b>Net change in cash and cash equivalents</b>	<b>-213</b>	<b>-121</b>	<b>149</b>
Bank deposits at 01.01.	746	597	597
Bank deposits at 30.06	534	476	746

## EQUITY ANALYSIS

(Shows transactions with owners)

NOK millions	Share capital	Premium fund	Accumulated equity	Minority intrests	Total
<b>At 31.12.2010</b>	<b>106</b>	<b>318</b>	<b>9 045</b>	<b>186</b>	<b>9 656</b>
Total profit/loss for the period			711	20	731
Acquisitions			-24	-50	-74
Dividend distribution			-106	0	-106
<b>At 30.06.2011</b>	<b>106</b>	<b>318</b>	<b>9 625</b>	<b>156</b>	<b>10 206</b>
Total profit/loss for the period			14	11	25
Acquisitions			-24	2	-22
Dividend distribution			0	0	0
<b>At 31.12.2011</b>	<b>106</b>	<b>318</b>	<b>9 614</b>	<b>169</b>	<b>10 208</b>
Total profit/loss for the period			505	59	564
Acquisitions			2		2
Payments of dividends			-106		-106
<b>At 30.06.2012</b>	<b>106</b>	<b>318</b>	<b>10 014</b>	<b>228</b>	<b>10 667</b>



## EPRA NNAV \*)

NOK millions	At Q2 2012	At Q2 2011	At 31.12.11
Majority's share of shareholders' equity	10 439	10 053	10 039
Plus deferred taxes	4 202	3 936	4 133
Rated debt obligation (deferred tax 8%)	-1 201	-1 124	-1 181
<b>Net asset value</b>	<b>13 440</b>	<b>12 864</b>	<b>12 991</b>
<b>Net asset value per share</b>	<b>1 263</b>	<b>1 209</b>	<b>1 220</b>

\*) EPRA, European Public Real Estate Association, is an organization for listed property companies and investors in Europe, that prepares recommendations for financial reporting.

In this report is used EPRA NNAV, that indicates net asset value (majority's share of shareholders' equity) per share.

## NOTES TO INTERIM FINANCIAL STATEMENTS AT 30. JUNE 2012

NOK millions

**Note 1** General Information

Olav Thon Eiendomsselskap ASA is resident in Norway and is listed at the Oslo Stock Exchange  
The headquarter is located in Oslo  
The group accounts includes Olav Thon Eiendomsselskap ASA with subsidiaries and the shares in associated companies.

**Note 2** Accounting principles etc.

The consolidated financial statements for the 2. quarter 2012 have been drawn up in accordance with stock exchange rules and regulations and IAS 34 "Interim reporting".  
The interim financial statements should be read in connection with the annual report 2011.

The interim financial statements were adopted by the Board of Directors on 20. August 2012  
The interim financial statements are auditet

**Note 3** Change in group structure

There has been none changes in the Group structure in the 1. halfyear 2012

**Note 4** Estimates

The preparation of the interim reports means application of reviews, estimates and assumptions which affect the application of accounting principles and reported figures in association with assets eand liabilities, income and expenses.

In the preparation of this interim report, the reviews, estimates and assumptions which affect the application of accounting principles are the same as in the Group accounts for 2011

**Note 5** Transactions with related parties

The following transactions with related parties have been carried out or agreed as at 30 June 2012

<b>Transactions</b>	<b>Counterparty</b>	<b>Counter-party to</b>	<b>Amount</b> (NOK millions)
Current lease agreement	Companies in Thon Gruppen A	Olav Thon	23
Current operating and administrative agreements	Thon Eiendomsdrift AS	Olav Thon	28

**Note 6** Long term dept

	<b>30.06.2012</b>	<b>30.06.2011</b>	<b>31.12.2011</b>
Bonds	1 471	1 140	850
Credit Institutions	10 355	11 120	10 427
Commercial Papers	1 120	1 475	1 475
Other debt	64	37	48
Fair Value - financial instruments	1 105	376	951
<b>TOTAL</b>	<b>14 115</b>	<b>14 148</b>	<b>13 751</b>

**Note 7 Segment information**

Primary reporting format - operational segments

As at 30 June 2012 the group has activities in three main segments:

Shopping Mall

Commercial Property

Other operations

**Segment results 30 06.12**

	<b>Shopping Mall</b>	<b>Commercial Property</b>	<b>Other operations</b>	<b>Not Allocated</b>	<b>Group</b>
Rental Income	774	224			998
Other property related income	216	23			239
Property related expenses	-262	-61			-323
<b>Net rental income</b>	<b>729</b>	<b>185</b>			<b>914</b>
Fair value adjustments - Invest. Proper.	341	-1			340
Income from associates	18				18
					0
Other operating income	149	21		30	199
Other operating expenses	-116	-19		-20	-155
Administration expenses	-39	-7			-46
Ordinary depreciations	-7	0			-7
<b>Operating profit</b>	<b>1 075</b>	<b>178</b>	<b>10</b>		<b>1 262</b>
Fair value adjustments - financial instruments				-153	-153
Net financial items				-331	-331
<b>Profit before taxes</b>	<b>1 075</b>	<b>178</b>	<b>10</b>	<b>-484</b>	<b>778</b>
Taxes				-214	-214
<b>Profit/loss for the period</b>					<b>564</b>

**Segment results 30 06.11**

	<b>Shopping Mall</b>	<b>Commercial Property</b>	<b>Other operations</b>	<b>Not Allocated</b>	<b>Group</b>
Rental Income	687	251			938
Other property related income	229	25			254
Property related expenses	-298	-62			-360
<b>Net rental income</b>	<b>618</b>	<b>214</b>			<b>832</b>
Fair value adjustments - Invest. Proper.	464	56			520
Income from associates	5				5
					0
Other operating income	162	17		21	200
Other operating expenses	-121	-17		-19	-157
Administration expenses	-37	-7			-44
Ordinary depreciations	-7	0			-7
					0
<b>Operating profit</b>	<b>1 084</b>	<b>263</b>	<b>2</b>		<b>1 349</b>
Fair value adjustments - financial instruments				-1	-1
Net financial items				-323	-323
<b>Profit before taxes</b>	<b>1 084</b>	<b>263</b>	<b>2</b>	<b>-324</b>	<b>1 025</b>
Taxes				-286	-286
<b>Profit/loss for the period</b>					<b>739</b>



**Note 7** Segment results 31.12.11  
Continues

	<b>Shopping Mall</b>	<b>Commercial Property</b>	<b>Other operations</b>	<b>Not Allocated</b>	<b>Group</b>
Rental Income	1 426	463			1 889
Other property related income	453	43			496
Property related expenses	-578	-108			-686
<b>Net rental income</b>	<b>1 302</b>	<b>398</b>		<b>0</b>	<b>1 700</b>
Fair value adjustments - Invest. Proper.	395	160			555
Income from associates	54				54
					0
Other operating income	364	36	49		449
Other operating expenses	-302	-33	-32		-367
Administration expenses	-85	-14			-99
Ordinary depreciations	-14	-1			-15
					0
<b>Operating profit</b>	<b>1 713</b>	<b>547</b>	<b>17</b>		<b>2 277</b>
Fair value adjustments - financial instruments				-580	-580
Net financial items				-649	-649
<b>Profit before taxes</b>	<b>1 713</b>	<b>547</b>	<b>17</b>	<b>-1 229</b>	<b>1 048</b>
Taxes				-281	-281
<b>Profit/loss for the period</b>					<b>767</b>

**Note 8** Investment properties

	<b>At 30.06.12</b>	<b>At 30.06.11</b>	<b>At 31.12.11</b>
Opening balance	<b>28 303</b>	<b>27 003</b>	<b>27 003</b>
Acquisitions through purchases/expenditures	530	284	746
Fair Value adjustments recorded as profit(loss) in the period	340	521	555
Changes due to reclassification	0	0	0
Other changes	0	-2	-2
<b>Closing balance</b>	<b>29 172</b>	<b>27 806</b>	<b>28 303</b>

**Note 9** Shares

There has not been issue of new shares in 2012

**Note 10** Events after 31.03.12

There has not occurred events of significance for assessment of Olav Thon Eiendomsselskap ASA after 30.06.12

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