

OLAV THON EIENDOMSSSELKAP

Q4 and preliminary year-end results 2014



4/2014



KEY FIGURES

millions	Q4 2014	Q4 2013	31.12.14	31.12.13
Net rental income	491	419	1 897	1 759
Fair value adjustments, investment properties and interest rate derivatives ¹⁾	213	67	282	957
Profit before tax	526	327	1 572	2 085
Profit before tax and fair value adjustments ¹⁾	313	260	1 290	1 128
Equity per share (NOK)			130	121
Equity ratio			36 %	39 %
Non-current net asset value per share (NOK) (EPRA NNAV) ²⁾			162	151
Liquidity reserves ³⁾			3 941	4 042
Amortisation next 12 months			3 936	5 131
Net cash flow from operations ⁴⁾	347	242	1 057	918
Interest-bearing debt			16 650	13 733
Interest rate at 31 Dec			3,95 %	4,62 %
Loan to value ratio ⁵⁾			47 %	46 %
Net investments	465	87	3 866	1 000
Carrying amount of investment property			34 665	29 327
Annual rental income			2 320	2 010
Net yield			5,9 %	6,1 %
Sales, owned shopping centres	14 026	12 299	44 832	38 908
Sales, managed shopping centres	3 264	3 945	10 715	10 858
Share price at 31 Dec (NOK)			125,5	107,0

Changes to accounting policies etc. mean that some figures differ from those presented 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 (majority share of equity) per share. This is calculated as majority share of equity + deferred tax liabilities - fair value of debt (deferred tax 8%).

3) Bank deposits etc. + Undrawn borrowing facilities

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

5) (Interest bearing debt - Bank deposits etc) / Book value of Investment property



OLAV THON EIENDOMSSSELKAP

Q4 and preliminary year-end results 2014

Olav Thon Eiendomsselskap was again able to report a solid operating profit in Q4, with growth in rental income.

An increase in the value of the Group's investment properties contributed to a higher profit before tax than in Q4 of the previous year. Growth was curbed by a significant decline in the fair value of the Group's interest-bearing derivatives.

The highlights of the interim report are as follows: ¹

- The Group's rental income amounted to NOK 561 (486) million for the quarter and NOK 2,092 (1,922) million for the full year 2014. At the end of the year, annual rental income had increased to NOK 2,320 (2,010) million, while the vacancy rate in the property portfolio was 2.7% (2.4%).
- Profit before tax amounted to NOK 526 (327) million for the quarter and NOK 1,572 (2,085) million for the full year 2014.
- Net cash flow from operations was NOK 347 (242) million for the quarter and NOK 1,057 (918) million for the year.
- The Group's equity ratio ended the year at 36% (39%), while equity per share increased to NOK 130 (121) in Q4.
- The Group's cash and liquidity reserves were NOK 3,941 (4,042) million at the end of the year.
- Sales in the shopping centre portfolio owned by the Group were NOK 14.0 (12.3) billion for the quarter and NOK 44.8 (38.9) billion for the full year 2014.
- The Board proposes a dividend payment of NOK 1.6 (1.4) per share for 2014.

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

Malmö Plaza



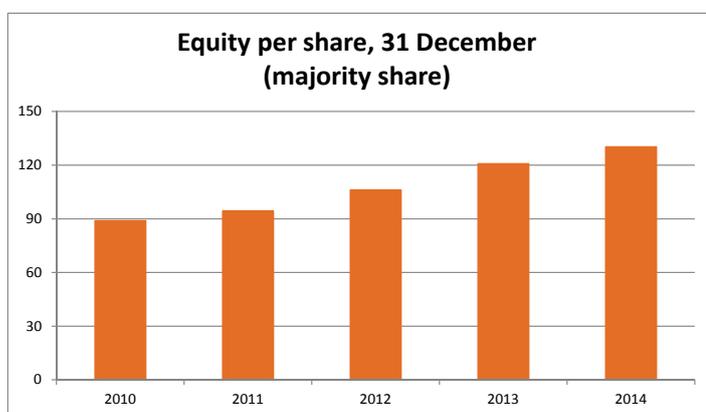
Consolidated statement of financial position, 31 December 2014 ¹

The Group's total assets were NOK 38,579 (33,165) million, with investment properties accounting for NOK 34,665 (29,327) million of the figure.

The Group's share of the book equity of joint ventures and associated companies amounted to NOK 2,597 (2,556) million. A list of these companies can be found on page 33 of the 2013 Norwegian annual report.

Total equity was NOK 13,981 (13,006) million and the equity ratio was 36% (39%).

Equity per share (majority share) was NOK 130 (121). The triple net asset value per share was calculated at NOK 162 (151) (EPRA NNAV).²



Equity per share increased by 46% during the period.

Interest-bearing debt amounted to NOK 16,650 (13,733) million.

The loan to value ratio, which shows net interest-bearing debt in relation to property values, was 47% (46%).

Results for Q4 2014

The Group's operating profit amounted to NOK 1,240 (506) million.

The improvement is largely due to a fair value increase of NOK 721 million in the property portfolio, compared with NOK 24 million in the same period the previous year.

Fair value adjustments to interest rate derivatives were NOK -549 million, compared with NOK -18 million in the same period the previous year.

Profit before tax for the quarter was NOK 526 (327) million, while profit after tax was NOK 384 (401) million.

Profit before fair value adjustments to investment properties and interest rate derivatives (including joint ventures and associated companies) and tax was NOK 313 (260) million.

Rental income and property-related expenses

Rental income was NOK 561 (486) 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 193 (182) 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 263 (249) million, including the above-mentioned service charges of NOK 186 (195) million, which meant that net rental income was NOK 491 (419) million.

Fair value adjustments to investment properties

There was a net upward adjustment of NOK 721 (24) million to the fair value of investment properties in Q4. The adjustment reflects an increased market value for the Group's properties, primarily due to a decrease in the properties' net yield.

Share of results of joint ventures and associated companies

The Group's share of results of joint ventures and associated companies amounted to NOK 60 (71) million.

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 51 (55) million, the majority of which was income from

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

²⁾ See page 2 for definition

property management for external owners and sales revenue from other activities.

Other operating and administrative expenses and scheduled depreciation amounted to NOK 84 (62) million.

Financial income and expenses

Net financial expenses amounted to NOK 166 (160) million.

The average interest rate for Q4 was 4.00% (4.59%).

The decline in long-term market interest rates intensified in Q4, and the Norwegian 10-year swap rate fell by 0.65 percentage point.

The interest rate decline was instrumental in the fair value of the Group's interest rate derivatives falling by NOK 549 (-18) million in Q4.

Preliminary 2014 results

Rental income amounted to NOK 2,092 (1,922) million. The increase from the previous year is attributable to new properties and completed property projects.

There was a net upward adjustment of NOK 1,344 (698) million to the fair value of the Group's investment properties. The adjustment is primarily due to a lower net yield in the property portfolio.

³⁾ Including value adjustments in joint ventures and associated companies.



Operating profit was NOK 3,247 (2,548) million.

Net financial expenses before fair value adjustments to interest rate derivatives were NOK 626 (639) million. The average interest rate for 2014 was 4.39% (4.61%).

The fair value of the Group's interest rate derivatives declined by NOK 1,050 (+177) million in 2014.

Profit before tax for the year was NOK 1,572 (2,085) million, while profit after tax was NOK 1,163 (1,683) million.

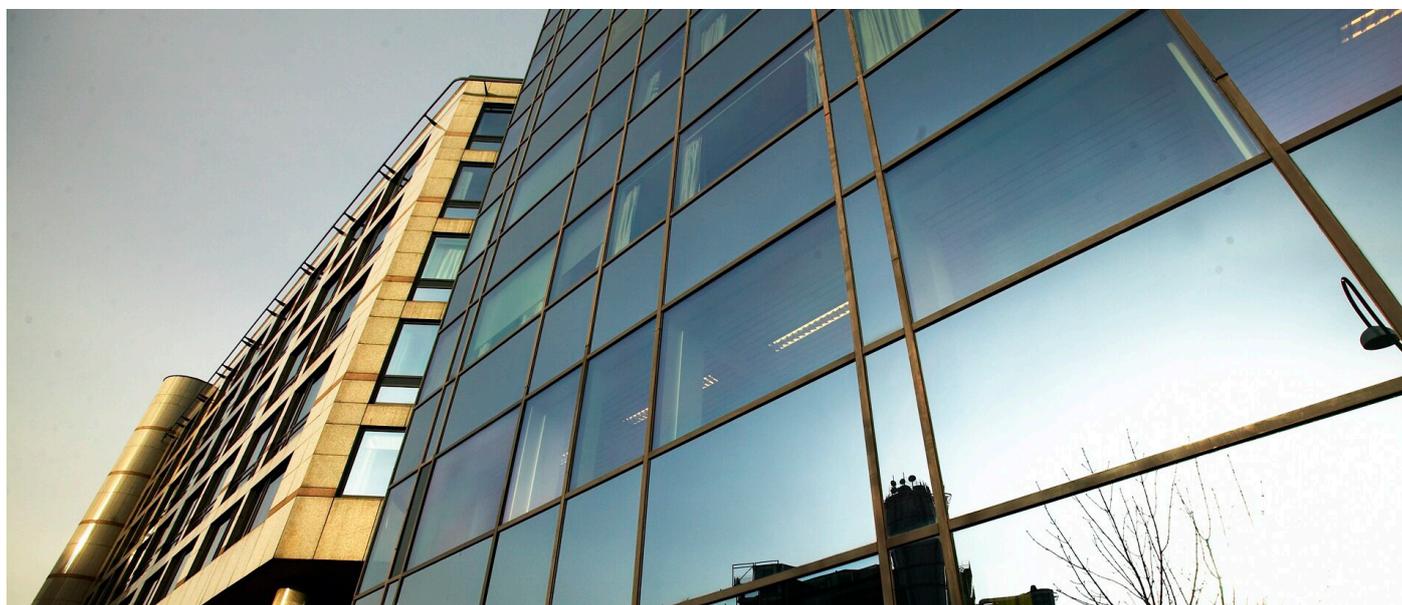
Profit before tax and fair value adjustments ³⁾, was NOK 1,290 (1,128) million.

Cash flow and liquidity

Fourth quarter

Net cash flow from operations was NOK 347 (242) million for Q4. Changes in working capital amounted to NOK 168 (-352) million, resulting in net cash flow from operating activities of NOK 180 (-110) million.

Vika Atrium



Net cash flow from investing activities was NOK -465 (-87) million, while financing activities generated NOK 214 (174) million.

Consequently, the Group's cash and cash equivalents declined by NOK 72 (-371) million in Q4.

Full year 2014

Net cash flow from operating activities was NOK 1,057 (918) million for the full year 2014.

Changes in working capital in the same period amounted to NOK 127 (-429) million, resulting in net cash flow from operating activities of NOK 1,185 (489) million.

Net cash flow from investing activities was NOK -3,866 (-1,000) million, while financing activities generated NOK 2,674 (308) million.

Consequently, the Group's cash and cash equivalents declined by NOK -8 (-203) million in 2014.

The Group's liquidity reserves ended the year at NOK 3,941 (4,042) million.

Liquidity reserves consisted of short-term investments of NOK 283 (291) million and undrawn long-term credit facilities of NOK 3,658 (3,751) million.

Investments

The Group's net investments for Q4 were NOK 465 (87) million.

The Group's net investments for 2014 totalled NOK 3,866 (1,000) million.

Large property purchases and investments

The Group has entered into agreements to purchase the following properties, with takeover scheduled for 2015:

Subsidiaries

- **Överby, Trollhättan, Sweden**
Commercial property of approx. 10,000 sq. m. of retail space located in close proximity to the Etage shopping centre, which the Group acquired in Q3 2014.

- **Amfi Moa, Ålesund**
Plot of approx. 13,000 sq. m. in close proximity to Amfi Moa. The site has a zoning plan for retail use.

Joint ventures and associated companies

- **Rygge Storsenter, Rygge (50%)**
Shopping centre of approx. 25,000 sq.m. of retail space just outside the centre of Moss.

Major property sales

- **Sørlandssenteret, Kristiansand (50%)**
A section of the centre comprising 12.000 sq.m. of retail space was sold in Q4 2014.

Major property projects

Completed

- **Amfi Voss**
Expansion of the centre by approx. 3.200 sq. m. of retail space was completed in Q4 2014.

Under construction

- **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.
- **Osterhausgate 11, Oslo**
The property, covering 1,800 sq. m., is being refurbished and converted for residential use. On completion in 2015, the property will consist of 13 rental apartments.
- **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.
- **Sartor Center, Fjell**
The Group's share of the centre will be extended by a further 5,000 sq. m. of retail space, as phase 2 of a large expansion undertaking. The project is scheduled for completion in summer 2016.



- 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 will allow a larger proportion of the centre to be linked. The project is scheduled for completion in Q2 and Q3 of 2015.

Shopping centre property	5.85% (6.01%)
Other commercial property	6.15% (6.40%)

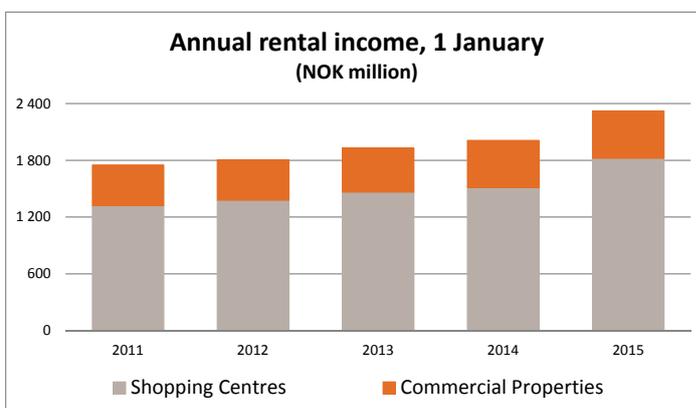
Annual rental income was NOK 2,320 (2,010) million, with the following segment distribution:

Shopping centre property	79% (78)
Other commercial property	21% (22)

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

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 was completed in Q4 2014. Final completion of the project is scheduled for summer 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 were completed in Q4 2014, while the office and residential areas are scheduled for completion in Q2 2015.



The property portfolio's annual rental income increased by 33% during the period.

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

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 4,248 million.

Property portfolio at 31 December 2014

The property portfolio was valued at NOK 34,665 (29,327) million at the end of the year.

Shopping centres

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 Norwegian 2013 annual report.

At the end of the year, the shopping centre portfolio comprised 92 shopping centres, 26 of which are managed for external owners.

The valuation was based on an average yield of 5.91% (6.11%).

The market position in the Norwegian shopping centre market is strong, 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.

Average yields by property segment were as follows:

Shopping centres owned by the Group

Norway

The Group's Norwegian shopping centres reported retail sales of NOK 12.7 billion for Q4 and NOK 41.4 billion for the full year 2014.

Organic sales growth showed an increasing trend throughout the year and was estimated at approx. 4% for Q4 and approx. 3.5% for the full year 2014.

Sweden

Total retail sales for the Group's five shopping centres in Sweden were SEK 1.0 billion for Q4 and SEK 3.6 (3.6) billion for the full year. The shopping centres came into the Group's ownership in Q3, but organic sales growth for the full year 2014 is estimated at 3.5%.

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 31 December 2014 was based on

an average net yield of 5.91%. The yield has varied between 5.91% and 6.40% 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 Norwegian 2013 annual report.

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 further information about financial risk management can be found on pages 26, 27 and 74-78 of the Norwegian 2013 annual report.

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 was NOK 10,625 (10,150) million, and had a fair value of NOK -2,154 (-1.102) 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 750-850 million.

An increase of 1 percentage point in short-term interest rates would increase the Group's average interest rate by approx. 0.35 percentage point. Net annual interest expenses would then increase by approx. NOK 60 million.

Sandvika Storsenter



Financing

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

Access to financing is still considered extremely good, and credit spreads in the banking and capital markets showed a stable trend in Q4.

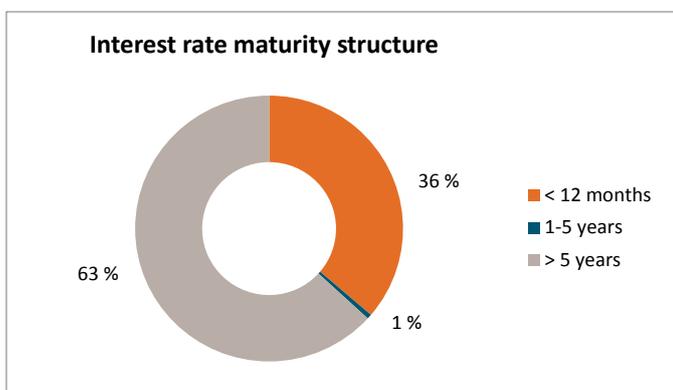
Total credit facilities were NOK 20,309 (17,483) million at the end of the year, NOK 3,658 (3,751) million of which was undrawn.

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 7,380 (5,015) million at the end of the year.

The debt had an average remaining term of 3.3 (3.6) years, with 24% (38%) of the debt due for repayment within 1 year.

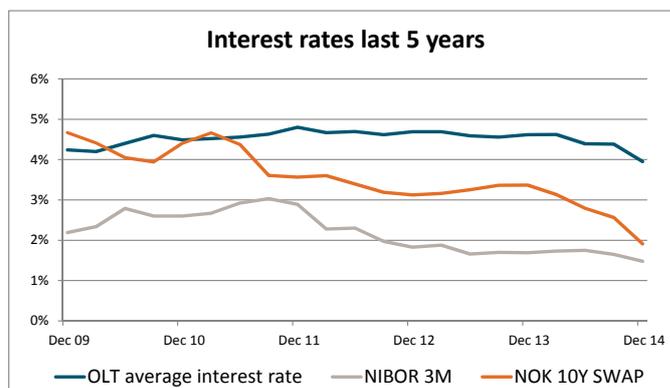
At the same point in time, the Group's fixed-interest ratio was 64% (76%), with an average fixed-interest period of 5.0 (5.2) years.



63 % of interest-bearing debt has a fixed-interest period of over 5 years, and the average fixed-interest period is 5 years.

The Group's average interest rate at the end of the year was 3.95% (4.62%), divided into the following currencies:

Currencies	Share of debt	Average interest rate
NOK	88 %	4,31 %
SEK	12 %	1,46 %



The average interest rate ⁴⁾ for Olav Thon Eiendomsselskap's NOK loans over the last five years has varied between 3.95% and 4.80%.

Shares and shareholders

The price of the Olav Thon Eiendomsselskap share increased by 8% in Q4, ending the quarter at NOK 125.5 on 30 December 2014.

The highest and lowest prices in Q4 were NOK 125.5 and NOK 110.

Olav Thon Eiendomsselskap's shares generated a total return (including dividend) of 19% in 2014, while the main index of the Oslo Stock Exchange rose by 5%.

⁴⁾ From Q3 2014 loans in NOK and SEK.





Aksjekursen i Olav Thon Eiendomsselskap har de siste 5 år gitt en avkastning på 69 %.

The company had a market capitalisation of NOK 13.4 billion at the end of the year, making Olav Thon Eiendomsselskap one of the Nordic region's largest listed property companies.

The company's largest shareholders at 31 December 2014:

Olav Thon Gruppen AS and subsidiaries	71.9 %
Folketrygdfondet	8.3 %
Otto Olsen Eiendom and associates	2.6 %
MP Pensjon	1.9 %
VPF Nordea Norge	1.1 %
Other shareholders	14.4 %
TOTAL	100.0 %

Outlook

Growth in the Norwegian economy is slowing and Norway has entered an economic downturn. As a result of the sharp decline in oil prices, there is reason to expect continued low growth over the next few years. This prompted Norges Bank to lower its key policy rate by 0.25 percentage point to 1.25% in December 2014 and market analysts believe that the central bank will cut the rate further.

There was strong demand for commercial property in 2014 – from both Norwegian and foreign investors – and commercial property showed an increase in value within several segments. In the face of continuing low interest rates, demand for commercial property is expected to be high in the period ahead.

The Norwegian retail sector is showing moderate growth, but showed a rising tendency throughout 2014.

Growth in private consumption in Norway is expected to remain stable or increase moderately in the future. The framework conditions for the Group's shopping centres are therefore considered positive.

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

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 February 2015

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 4th quarter is true translation. However, in case of any discrepancy, the Norwegian version takes place.



Mirum Galleria, Norrköping

CONSOLIDATED INCOME STATEMENT

NOK millions	Note	Q4 2014	Q4 2013	31.12.2014	31.12.2013
Rental income	5, 8	561	486	2 092	1 922
Other property-related income	8	193	182	747	688
Property-related expenses	8	-263	-249	-942	-851
Net rental income	8	491	419	1 897	1 759
Fair value adjustments, investment property	9	721	24	1 344	698
Share of results of joint ventures and associated companies	11	60	71	113	155
Other operating income	8	51	55	164	172
Other operating expenses	8	-47	-33	-151	-128
Administrative expenses	5, 8	-32	-26	-107	-95
Depreciation		-5	-3	-14	-12
Operating profit	8	1 240	506	3 247	2 548
Financial income		3	9	36	22
Fair value adjustments, interest rate derivatives		-549	-18	-1 050	177
Financial expenses		-169	-169	-662	-661
Profit before tax	8	526	327	1 572	2 085
Taxes		-142	74	-409	-402
Profit for the period	8	384	401	1 163	1 683
Attributable to:					
Shareholders of the parent		375	396	1 160	1 650
Non-controlling interests		8	5	2	33
Earnings per share, basic (NOK)		4	4	11	16
Earnings per share, diluted (NOK)		4	4	11	16

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK millions	Note	Q4 2014	Q4 2013	31.12.2014	31.12.2013
Profit for the period before other comprehensive income		384	401	1 163	1 683
Exchange differences, foreign operations		16	0	16	0
Comprehensive income for the period		400	401	1 179	1 683
Attributable to:					
Shareholders of the parent		392	396	1 177	1 650
Non-controlling interests		8	5	2	33

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK millions	Note	31.12.2014	31.12.2013
ASSETS			
Deferred tax asset		318	319
Investment properties	3, 9	34 665	29 327
Property, plant & equipment		86	64
Investments in joint ventures and associated companies	11, 12	2 597	2 556
Other financial assets		179	212
Total non-current assets		37 846	32 479
Trade and other receivables		450	395
Bank deposits, cash and cash equivalents		283	291
Total current assets		733	686
Total assets		38 579	33 165
EQUITY AND LIABILITIES			
Non-controlling interests		115	132
Majority share of equity		13 867	12 874
Equity	10	13 981	13 006
Deferred tax		4 739	4 529
Non-current liabilities	6	14 687	8 494
Current liabilities	7	5 171	7 135
Total liabilities and debt		24 598	20 159
Total equity and liabilities		38 579	33 165

CONSOLIDATED CASH FLOW STATEMENT

NOK millions	Note	31.12.2014	31.12.2013
Net cash flow from operations		1 057	918
Change in working capital		127	-429
Net cash flow from operating activities		1 185	489
Acquisition of investment properties		-3 947	-1 090
Other investments		81	90
Net cash flow from investing activities		-3 866	-1 000
Proceeds from interest-bearing liabilities		11 262	5 123
Repayment of interest-bearing liabilities		-8 440	-4 685
Dividends paid		-149	-130
Net cash flow from financing activities	6, 7	2 674	308
Net change in cash and cash equivalents		-8	-203
Cash and cash equivalents at beginning of period		291	494
Cash and cash equivalents at end of period		283	291

STATEMENT OF CHANGES IN EQUITY

(shows owner transactions)

NOK millions	Note	Share capital	Share premium reserve	Retained earnings	Non-controlling interests	Total
31.12.2012		106	318	10 874	253	11 552
Total comprehensive income for the period				1 650	33	1 683
Acquisitions of other companies				56	-154	-98
Dividends paid				-131		-131
31.12.2013		106	318	12 449	132	13 006
Total comprehensive income for the period				1 177	2	1 179
Changed ownership interest in other companies	3			-35	-20	-55
Dividends paid				-149		-149
31.12.2014		106	318	13 442	115	13 981

NOTES TO THE ACCOUNTS, 31 DECEMBER 2014

NOK millions

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 interests in joint ventures and associated companies.

Note 2 Accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated accounts for the fourth quarter have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial report represents an update on new circumstances arising after the most recent annual report was presented and is therefore intended to be read in connection with the 2013 annual report.

The interim financial statements were adopted by the Board on 12 February 2014.

A review has been performed in accordance with SBR 2410 - "Review of Interim Financial information Performed by the independent Auditor of the Entity."

Note 3 Changes in Group structure

There were no significant changes in the Group's structure in Q4.

Note 4 Estimates

Preparation of interim financial statements involves the use of judgements, estimates and assumptions that affect the application of accounting policies and amounts recognised for assets, liabilities, income and expenses.

In preparing these interim financial statements, management has used the same judgements regarding application of accounting policies that were used in the consolidated financial statements for 2013, except for application of IFRS 11 Joint Arrangements, effective from 1 January 2014, with the change reflected in the comparative figures.

Note 5 Related party transactions

The following related party transactions had been conducted or agreed at 31 December 2014:

Transactions	Counterparty	Counterparty associate of	Amount
Current leases	Companies in Olav Thon Gruppen AS	Olav Thon Stiftelsen	56
Current operating and administration agreements	Thon Eiendomsdrift AS	Olav Thon Stiftelsen	59

Note 6 Non-current liabilities

	31.12.2014	31.12.2013
Bond loans	4 530	3 072
Credit institutions	7 973	4 250
Other liabilities	31	70
Non-interest-bearing liabilities (fair value interest rate swaps)	2 154	1 102
Total	14 687	8 494

Note 7 Current liabilities

	<u>31.12.2014</u>	<u>31.12.2013</u>
Commercial paper debt	1 900	1 400
Bond loans	950	540
interest-bearing current liabilities	1 307	4 294
Trade payables	116	118
Income tax payable	176	107
Other current liabilities	722	676
Total	5 171	7 135

Note 8 Segment Information

At 31 December 2014, the Group has activities within two strategic operating segments.

From Q3 2014, the Group also has activities in Sweden.

The two operating segments are:

- * Shopping centres
- * Commercial property

The two geographical segments are:

- * Norway
- * Sweden

Segment reporting is based on internal management reporting.

Operating segment results, 31 December 2014

	<u>Shopping centres</u>	<u>Commercial property</u>	<u>Other activity</u>	<u>Unallocated</u>	<u>Group</u>
Rental income	1 586	506			2 092
Other property-related income	677	70			747
Property-related expenses	-798	-144			-942
Net rental income	1 465	433	0	0	1 897
Fair value adjustments, investment property	1 025	319			1 344
Share of results of associated companies	113	0			113
Other operating income	98		67		164
Other operating expenses	-93		-58		-151
Administrative expenses	-90	-16			-107
Depreciation	-14	0			-14
Operating profit	2 503	736	9	0	3 247
Financial income				36	36
Fair value adjustments, interest rate derivatives				-1 050	-1 050
Financial expenses				-662	-662
Profit before tax	2 503	736	9	-1 676	1 572
Taxes				-409	-409
Profit for the period					1 163

Note 8
Cont'd

Operating segment results, 31 December 2013

	Shopping centres	Commercial property	Other activity	Unallocated	Group
Rental income	1 441	481			1 922
Other property-related income	609	79			688
Property-related expenses	-706	-145			-851
Net rental income	1 344	415	0	0	1 759
Fair value adjustments, investment property	430	268			698
Share of results of associated companies	155	0			155
Other operating income	97		76		172
Other operating expenses	-64		-64		-128
Administrative expenses	-79	-16			-95
Depreciation	-12	0			-12
Operating profit	1 871	667	11	0	2 548
Financial income				22	22
Fair value adjustments, interest rate derivatives				177	177
Financial expenses				-661	-661
Profit before tax	1 871	667	11	-463	2 085
Taxes				-402	-402
Profit for the period					1 683

Geographical segment results, 31 December 2014

	Norway	Sweden	Group
Rental income	1 993	99	2 092
Other property-related income	710	37	747
Property-related expenses	-878	-64	-942
Net rental income	1 825	72	1 897
Fair value adjustments, investment property	1 352	-7	1 344
Share of results of associated companies	113		113
Other operating income	164		164
Other operating expenses	-151		-151
Administrative expenses	-100	-6	-107
Depreciation	-11	-3	-14
Operating profit	3 192	56	3 247
Financial income	36		36
Fair value adjustments, interest rate derivatives	-1 050		-1 050
Financial expenses	-640	-22	-662
Profit before tax	1 538	33	1 572
Taxes	-401	-7	-409
Profit for the period	1 137	26	1 163

Note 9 Investment property

	<u>31.12.2014</u>	<u>31.12.2013</u>
Opening balance	29 327	28 024
Additions from acquisitions/expenditure	3 997	606
Change in fair value recognised in the period	1 344	698
Other changes	-3	-1
Closing balance	34 665	29 327

Note 10 Events after the reporting date

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

Note 11 Joint ventures and associated companies

The table below shows underlying figures in the income statement and balance sheet for joint ventures.
The carrying amount and profit attributable to associated companies is also shown.

	<u>31.12.2014</u>	<u>31.12.2013</u>
Investment properties	3 810	3 698
Other assets	143	132
Liabilities and debt	1 752	1 618
Carrying amount, joint ventures	2 201	2 212
Carrying amount, associated companies	396	345
Total carrying amount, joint ventures and associated companies	2 597	2 556
Net rental income	280	248
Fair value adjustments, investment properties	-13	77
Other operating income and expenses	-95	-84
Fair value adjustments, interest rate derivatives	-36	4
Financial income/expenses	-54	-56
Taxes	-19	-53
Profit for the period, joint ventures	63	136
Profit for the period, associated companies	49	19
Total profit for the period, joint ventures and associated companies	112	155

Note 12 Change to accounting policy

With effect from the first quarter of 2014, joint ventures are presented using the equity method in accordance with IFRS 11. Comparative figures for 2013 have been restated accordingly. The changes in the comparative figures are presented below.

CONSOLIDATED INCOME STATEMENT

	After IFRS 11	Before IFRS 11
	At 31.12.2013	At 31.12.2013
NOK millions		
Rental income	1 922	2 122
Other property-related income	688	736
Property-related expenses	-851	-928
Net rental income	1 759	1 930
Fair value adjustments, investment property	698	775
Share of results of joint ventures and associated companies	155	19
Other operating income	172	172
Other operating expenses	-128	-128
Administrative expenses	-95	-98
Depreciation	-12	-13
Operating profit	2 548	2 657
Financial income	22	25
Fair value adjustments, interest rate derivatives	177	177
Financial expenses	-661	-720
Profit before taxes	2 085	2 139
Taxes	-402	-457
Profit for the period	1 683	1 682

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	After IFRS 11	Before IFRS 11
	At 31.12.2013	At 31.12.2013
NOK millions		
ASSETS		
Deferred tax asset	319	319
Investment properties	29 327	33 025
Property, plant & equipment	64	66
Investments in joint ventures and associated companies	2 556	345
Other financial assets	212	145
Total non-current assets	32 479	33 899
Receivables	395	424
Bank deposits, cash and cash equivalents	291	456
Total current assets	686	881
Total assets	33 165	34 780
EQUITY AND LIABILITIES		
Non-controlling interests	132	142
Majority share of equity	12 874	12 864
Equity	13 006	13 006
Deferred tax	4 529	4 548
Non-current liabilities	8 494	9 986
Current liabilities	7 135	7 241
Total liabilities and debt	20 159	21 774
Total equity and liabilities	33 165	34 780

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