



OLAV THON GRUPPEN

# REPORT FOR THE FIRST HALF OF 2021



## KEY FIGURES

Figures in NOK millions	30.06.21	30.06.20	31.12.20
Operating income	4 660	4 322	8 995
Fair value adjustments investment properties and interest rate derivatives <sup>1)</sup>	814	-4 630	-2 281
Profit before taxes <sup>2)</sup>	2 501	-3 529	234
Profit before tax and fair value adjustments <sup>3)</sup>	1 748	1 062	2 526
Equity	61 215	56 535	59 366
Equity ratio	54 %	52 %	53 %
Net cash flow from operations <sup>4)</sup>	1 717	1 074	2 571
Liquidity reserves <sup>5)</sup>	10 014	9 172	9 320
Amortisation next 12 months	7 586	7 722	6 291
Interest-bearing debt <sup>6)</sup>	31 677	32 219	32 356
Interest rate per balance sheet date	2,91 %	2,91 %	2,90 %
Loan to value ratio <sup>7)</sup>	30 %	31 %	30 %
Net investments <sup>8)</sup>	1 007	1 477	2 894
Market value properties <sup>9)</sup>	104 031	99 819	103 489
Annual rental income level <sup>10)</sup>	5 750	5 650	5 750
Net yield properties	4,93 %	5,07 %	4,95 %
Sales, owned shopping centres	27 599	28 190	64 309
Revenue per available room (NOK) <sup>11)</sup>	194	274	254

Please note that as a result of rounding differences and reclassifications, figures and percentages will not always match the total sum.

- 1) Fair value adjustments investment properties + Fair value adjustments financial instruments + Depreciation right-of-use owner-occupied properties + Depreciation owner-occupied properties. Including joint ventures and associated companies
- 2) Taxes in joint ventures and associated companies included
- 3) Taxes in joint ventures and associated companies deducted
- 4) Net cash flow from operating activities + Expended interest - Interest paid - Income tax paid + Change in operating related accruals
- 5) Bank deposits etc. + Undrawn borrowing facilities
- 6) Unsecured part of interest-bearing debt NOK 10,960 million (30.06.21), NOK 6,659 million (30.06.20) and NOK 7,979 million (31.12.20)
- 7) (Interest-bearing debt - Bank deposits etc.) / Investment properties
- 8) Property purchase/sale/upgrade costs + purchase/sale of companies + assets + other investments (purchase/sale)
- 9) Includes market value of investment properties and owner-occupied properties. In addition, the Group owns through jointly controlled companies / associated companies properties with market value (Group's share) NOK 6,869 million (30.06.21), NOK 6,677 million (30.06.20) and NOK 6,586 million (31.12.20)
- 10) Market rent for rented and vacant premises
- 11) Thon Hotels

# THE OLAV THON GROUP REPORT FOR THE FIRST HALF OF 2021 <sup>1)</sup>

## Highlights of the first half year:

- The Olav Thon Group's financial performance was strong in the first half of 2021, despite the Covid-19 pandemic. Profit before tax was NOK 2,501 (-3,529) million.
- Profit before tax and fair value adjustments was NOK 1,748 (1,062) million<sup>2)</sup>.
- The Group's financial position is solid. At the end of the first half of the year, the Group's equity ratio was 54 % (52 %), and the liquidity reserve was NOK 10,014 (9,172) million.
- The shopping centre portfolio owned by the Group had retail sales in Norway of NOK 24,735 (24,060) million, and SEK 2,828 (4,132) million in Sweden.
- At the end of the first half of 2021, Thon Hotels had 12,370 rooms in 80 hotels in Norway and other countries.

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1) The report for the first half of 2021 is not prepared in compliance with the requirements in IAS 34. The figures in brackets are for the corresponding period last year.

2) See page 2 for definitions.

## Impact of the Covid-19 pandemic on the Olav Thon Group

The Covid-19 pandemic and the introduced infection control measures affected society also in the first half of 2021. The Olav Thon Group was severely affected by this.

A substantial proportion of the Group's hotels were completely or partly closed for part of the first half of 2021, while the property business was affected by a large number of tenants in the shopping centres having to close for part of the first half of 2021.

The Group's shopping centres in Sweden, close to the Norwegian border were essentially closed to Norwegian customers as a result of travel restrictions.

The performance of the businesses in the first half of 2021 is discussed under the description of the business areas later in this report.

For more about the Group's outlook please see the last section of this report.

## Summary of income statement and balance sheet

### Financial position/balance sheet as at 30.06.2021

The Group's total assets were NOK 112,358 (108,598) million, with its property portfolio accounting for NOK 101,419 (98,033) million of that figure.

The property portfolio consists of investment properties valued at NOK 86,502 (83,156) million and owner-occupied properties valued at NOK 14,917 (14,877) million.

For a further description of investment properties and owner-occupied properties, please refer to the section later in the report for the first half of 2021.

Equity was NOK 61,215 (56,535) million and the equity ratio was 54 % (52 %).

The Group's interest-bearing debt was NOK 31,677 (32,219) million while the loan to value ratio<sup>1</sup> was 30 % (31 %).

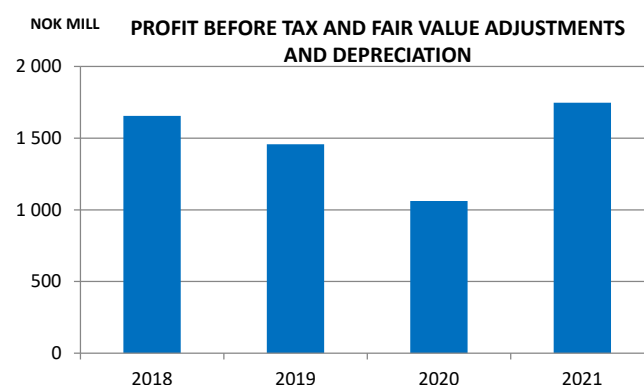
The Group's share of the equity in joint ventures and associated companies was NOK 4,136 (3,709) million.

<sup>1</sup> See page 2 for a definition.

## Summary of income statement for first half of 2021

Profit before tax was NOK 2,501 (-3,529) million.

Fair value adjustments of investment properties and interest rate derivatives (including fair value adjustments in joint ventures and associated companies) amounted to NOK 814 (-4,630) million<sup>1</sup>.



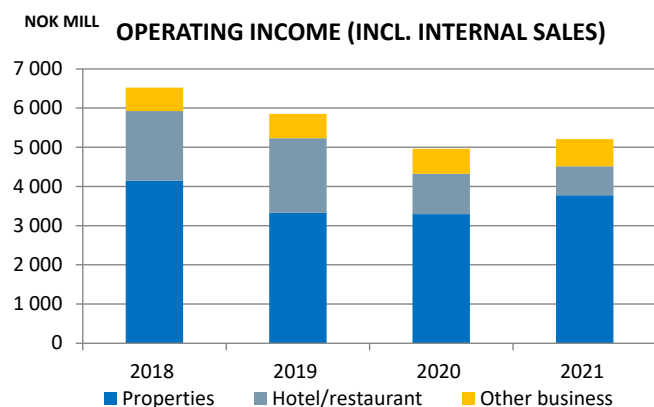
Profit before tax and fair value adjustments therefore amounted to NOK 1,748 (1,062) million<sup>1</sup>.

## Operating income

Total consolidated operating income was NOK 4,660 (4,322) million, distributed over the following main items:

NOK million	30.06.2021	30.06.2020
Rental income in Thon Eiendom	2,198	2,243
Residential sales in Thon Eiendom	481	48
Accommodation income in Thon Hotels	354	514
Sale of goods in Thon Hotels/Resthon	129	227
Sale of goods from other operations	533	506
Other operating income	964	784
<b>TOTAL</b>	<b>4,660</b>	<b>4,322</b>

Other operating income includes NOK 166 million in cash support from the Norwegian and Swedish authorities (52 million).



## Operating expenses

Total operating expenses amounted to NOK 2,933 (2,830) million and can be broken down as follows:

NOK million	30.06.2021	30.06.2020
Payroll expenses	532	671
Maintenance expenses	234	237
Cost of goods sold	337	365
Expenses from residential sales in Thon Eiendom	352	35
Ordinary depreciation and write-downs	358	337
Change in provision for bad debts	5	100
Other operating expenses	1,115	1,085
<b>TOTAL</b>	<b>2,933</b>	<b>2,830</b>

## Management result

The Group's management result, which shows the Group's operating profit before fair value adjustments of the property portfolio and interest rate derivatives, was NOK 1,727 (1,493) million.

## Fair value adjustments of investment properties

The Group's investment properties increased in value by NOK 127 (-2,716) million in the first half of the year.

The value increased on account of higher market values of individual properties.

For more details, please refer to the section on property activities later in the report and note 13 to the consolidated annual report for 2020.

## Depreciation of owner-occupied properties

For a description of the Group's portfolio of owner-occupied properties, please refer to the section later in the report for the first half of 2021.

Fair value was used as the opening value for owner-occupied properties on transition to simplified IFRS in 2017.

In subsequent periods, the properties have been recognised using the cost method and the capitalised value is depreciated over the expected lifetime.

In the first half of 2021, depreciation of owner-occupied properties amounted to NOK 185 (182) million.

## Share of profit in joint ventures and associated companies

The Group's share of the profit in joint ventures and associated companies was NOK 301 (-140) million.

The increase on last year is primarily because fair value adjustments of investment properties in these companies amounted to NOK 311 (-287) million.

## Financial income and expenses

The Group's net financial expenses amounted to NOK 362 (750) million.

Net ordinary interest expenses amounted to NOK 473 (473) million.

Net exchange gain amounted to NOK 128 (-237) million, and dividend received amounted to NOK 27 (3) million.

Interest expenses associated with leases as per IFRS 16 amounted to NOK 24 (25) million.

## Fair value adjustments of interest rate derivatives

The Group's portfolio of interest rate derivatives consists of:

- Interest rate swaps
- Combined interest rate and currency swaps
- Currency futures
- Listed Norwegian shares

In the first half of the year, long-term market interest rates fell in NOK, SEK and EUR, and NOK increased in value in relation to both SEK and EUR.

The Group's interest rate derivatives increased in value by NOK 713 (-1,410) million in the first half of the year.



Fair value adjustments of the various interest rate derivatives were as follows:

NOK million	30.06.2021	30.06.2020
Interest rate swaps	599	-1,057
Interest rate and currency swaps	120	-276
Currency futures	-12	-75
Listed shares	6	-2
<b>TOTAL</b>	<b>713</b>	<b>-1,410</b>

## Cash flow and liquidity

Net cash flow from Group operations was NOK 1,716 (1,074) million.

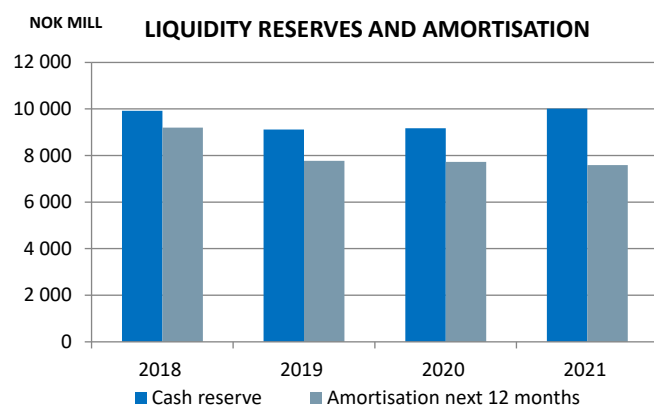
Net cash flow from operating activities was NOK 1,397 (102) million.

Net cash flow from investing activities was NOK -988 (-851) million, while financing activities reduced liquidity by NOK 489 (578) million.

The exchange rate effects on bank deposits amounted to NOK -7 (27) million, and the Group's liquidity reserves therefore fell by NOK 87 (-144) million in the first half of the year.

The Group's liquidity reserves at the end of the first half of the year amounted to NOK 10,014 (9,172) million.

Liquidity reserves consisted of short-term investments of NOK 804 (884) million and undrawn long-term credit facilities of NOK 9,211 (8,288) million.



## Investments

The Group's net investments in the first half of the year were NOK 1,007 (1,477) million.

## Property development

### Major property projects

#### Completed in the first half of the year

##### Thon Hotel Ålesund

A 175-room hotel in the centre of Ålesund was refurbished and was reopened at the end of the first half of 2021.

##### Thon Hotel Svolvær, Lofoten

A new 200-room hotel on the quayside in Svolvær was opened at the end of the first half of 2021.

##### Strømmen Verksted, Strømmen

Construction phase 1 with approximately 70 flats for sale was completed in the first half of 2021.

#### Under construction/refurbishment

##### Skårerløkka, Lørenskog

A residential property with 95 flats for sale. The property has been completed and will be handed over to buyers in Q3 2021.

##### Bernt Ankers Gate 6, Oslo

A property in the centre of Oslo with a total space of 5,600 square metres with 46 flats and four smaller commercial premises for rent. The project is scheduled for completion in 2021.

##### Lørenskog Storsenter

The centre is being extended with 26,000 square metres of retail space, and 15,000 square metres are being refurbished. Completion is planned for 2021/2022.

##### Brages vei 1 and 3, Gardermoen Park, Ullensaker

Two logistics buildings with 23,600 and 23,000 square metres of space, respectively. Scheduled for completion in the first half of 2022.

##### Wessel Park, Vestby (60% interest)

A residential property with 106 flats for sale. The property is scheduled for completion in 2022.

##### Thon Hotel Snø

A 300-room hotel is being built at the SNØ indoor ski arena in Lørenskog in the Oslo area. Completion is planned for 2022.

### **Arnljot Gellines vei 1, Oslo**

A property centrally located on the east side of Oslo with total space of 2,500 square metres. The building, with 22 flats for rent, is scheduled for completion in the second half of 2022.

#### **In planning phase**

The Olav Thon Group is developing a number of major property projects linked to the further development of its property portfolio. Whether these projects will be executed depends on factors such as official permits and market conditions.

## **Business areas**

### **Property development**

#### **The commercial property market in the first half of 2021**

The commercial property market performed well in the first half of 2021, with generally high demand for commercial property as an investment.

The Group's property segments performed slightly differently, with high demand for centrally located office and combination properties and continued slightly lower interest in shopping centre properties.

#### **The property business area**

Total operating income in the property business area was NOK 3,778 (3,294) million in the first half of the year.

The increase on the first half of last year is largely due to higher income from residential sales. Income from residential sales in the first half of the year was NOK 481 (48) million.

The Group's external rental income amounted to NOK 2,198 (2,243) million.

Rental income fell by a total of NOK 33 (67) million because of temporary rent reductions.

## **Property portfolio as at 30.06.2021**

The Group's property portfolio is divided into the following main categories, which are treated differently in the consolidated financial statements:

- Investment properties used to earn rental income.

- Owner-occupied properties used by the Group's companies for their own operations

For information on the valuation of investment properties and the accounting policies for owner-occupied properties, please see the Olav Thon Group annual report for 2020 (olavthon.no).

### **Investment properties**

The Group's investment properties were valued at NOK 86,502 (83,156) million, based on an average yield of 4.93 % (5.07 %).

### **Owner-occupied properties**

The capitalised value of the Group's owner-occupied properties was NOK 14,917 (14,877) million.

### **Rental income level**

At the end of the first half of the year, the Group's property portfolio had a rental income level of NOK 5,750 (5,650) million (including estimated market rents for vacant premises).

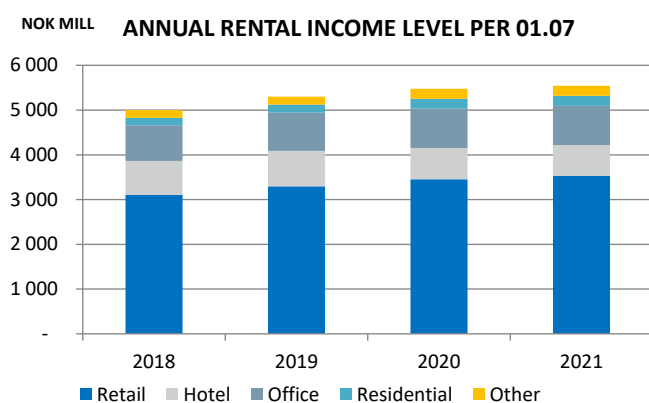
The property portfolio is distributed over the following segments:

- 61 % Retail
- 15 % Offices
- 12 % Hotels
- 4 % Residential
- 8 % Miscellaneous

The geographical distribution of the portfolio is as follows:

- 53 % Oslo region
- 34 % Rest of Norway
- 14 % Other countries

The vacancy level of the property portfolio was 4.1 % (3.3 %) at the end of the first half of the year.



## The shopping centre business area

At the end of the first half of the year, the Group owned 71 shopping centres in Norway and Sweden, and managed 18 for external owners.

79 of the shopping centres are in Norway, 10 are in Sweden.

The Group has a strong market position, and the shopping centre portfolio includes Norway's seven largest shopping centres in terms of retail sales in the first half of the year.

The portfolio also includes one of the biggest shopping centres in Sweden, Nordby Shopping Center in Svinesund, on the border with Norway (55 % interest).

The Olav Thon Group is the largest owner of shopping centre properties in both Norway and Sweden.

### Shopping centres owned by the Group

#### Norway

Retail sales in the Group's Norwegian shopping centres increased by 3 % to NOK 24.7 billion.

#### Sweden

Retail sales in the Group's Swedish shopping centres fell by 32 % to SEK 2.8 billion.

Retail sales in Norway were affected by the fact that a considerable number of shops in the shopping centres were closed for physical shopping for most of the first half of 2021.

Sales in Sweden were affected by the fact that the border with Sweden was essentially closed to Norwegian customers for most of the first half of 2021.

## Property portfolio owned through joint ventures and associated companies

In addition to the property portfolio recognised directly in the consolidated balance sheet, the Group holds interests in shopping centres, hotels, residential properties and other commercial properties through joint ventures and associated companies.

The interests in these companies, which are between 12.5 % and 50 %, are recognised using the equity method. This means that only the Group's share of the company's equity is included in the consolidated balance sheet.

The Group's share of the rental income level in these companies was NOK 375 (380) million, while the Group's share of the property values was estimated at NOK 6,871 (6,677) million.

## Hotels

### The Norwegian hotel market in the first half of 2021

The Covid-19 pandemic and the measures that were introduced resulted in a serious situation for the hotel industry, with a substantial number of hotels fully or partially closed in the first half of the year.

Demand for hotel rooms fell drastically in the first half of the year and there were 4.6 million overnight stays in Norwegian hotels, down roughly 25 % from the first half of 2020, and 60 % from the corresponding period in 2019.

The average room rate dropped by 1.9 % to NOK 953, while the occupancy rate dropped 9 percentage points to 28 %. The RevPAR (Revenue Per Available Room) key figure therefore fell by 28 % to NOK 266.

In Oslo, market performance was even weaker than the national average, with RevPAR for the Oslo hotels falling by as much as 43 % to NOK 163.

## The hotel and restaurant business area

Operating income in the hotel business area (including internal sales) amounted to NOK 725 (1,031) million, including operating income of NOK 14 (35) million from 9 restaurants outside the Group's hotels.

Operating income was reduced owing to a significant number of the Group's hotels and restaurants being fully or partially closed for part of the first half of the year.



## Thon Hotels

At the end of the first half of the year, Thon Hotels had 12,370 rooms in 80 hotels in Norway and other countries.

In Norway, Thon Hotels has a nationwide presence, with 10,789 rooms in 72 hotels. Of these hotels, 53 are operated by the Group and 19 by external franchisees.

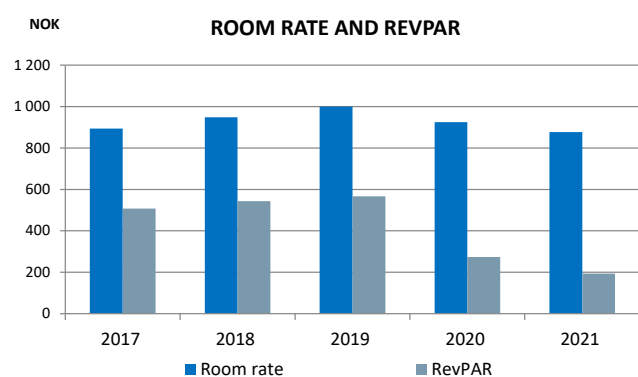
The hotel portfolio mainly consists of city centre hotels, most of which were built or refurbished in recent years. Thon Hotels is a leading operator in the metropolitan regions of Oslo and Bergen.

Outside Norway, Thon Hotels has 1,580 rooms in five hotels and two apartment hotels in Brussels, Belgium, and one hotel in Rotterdam in the Netherlands. Broken down into geographical segments, Thon Hotels achieved the following key figures in the first half of 2021 (2020):

	Average room rate	Occupancy rate	RevPAR
TH Norway (NOK)	888	23.8	211 (269)
TH Brussels (EUR)	70	10.6	7 (29)
Total TH (NOK)	877	22.0	194 (274)

As a result of the fall in occupancy rates and room rates, Thon Hotels had weak profits in the first half of 2021 as well.

However, the fall in profit was mitigated by substantial cost reductions in the hotel business area.



## Other business areas

Companies outside the property and hotel business areas are included in other business areas. In the first half of the year, operating income was NOK 505 (453) million (including internal sales).

The largest business, Unger Fabrikker AS, had operating income of NOK 355 (335) million, and profit before tax of NOK 33 (69) million.

## Financing

### Interest-bearing liabilities

At the end of the first half of the year, the Group had interest-bearing liabilities of NOK 31,677 (32,219) million.

### Sources of financing

The Group's debt portfolio consists of long-term credit facilities with Nordic banks and direct borrowing on the capital markets in Norway and Sweden. Access to financing is deemed good. New loans amounting to NOK 3.7 billion and SEK 1.2 billion were raised on the capital markets in the first half of the year. In addition, long-term loan agreements for NOK 3.5 billion were entered into with Nordic banks.

At the end of the first half of the year, the Group's total credit facilities were NOK 40,888 (40,507) million, NOK 9,211 (8,288) million of which was undrawn.

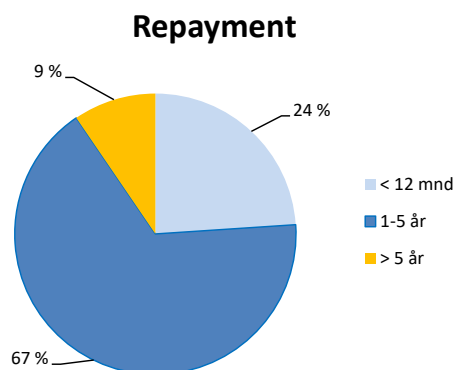
The proportion of Group financing raised on the capital markets in Norway and Sweden increased in the first half of 2021.

At the end of the first half of the year, outstanding certificate and bond debt amounted to NOK 15,766 (13,731) million, distributed as follows:

Norway: NOK 13,502 (11,080) million  
Sweden: SEK 2,250 (2,550) million

### Repayment profile

The debt had an average remaining term of 2.6 (2.5) years. 24 % (24 %) of the debt falls due for repayment within 1 year.



### Average interest rate and interest rate profile

At the end of the first half of the year, the Group's average interest rate was 2.91 % (2.91 %). The proportion of fixed interest rates (interest rate fixed for longer than one year) was 54 % (52 %) of debt.

The average fixed interest rate term was 3.5 (3.7) years.

### Currency financing

Interest-bearing liabilities were distributed over the following currencies:

Currency	Proportion of debt 30.06.2021	Interest rate 30.06.2021	Interest rate 30.06.2020
NOK	72 %	3.48 %	3.46 %
SEK	20 %	1.58 %	1.65 %
EUR	8 %	1.03 %	1.29 %
<b>TOTAL</b>	<b>100 %</b>	<b>2.91 %</b>	<b>2.91 %</b>

The average fixed interest rate term was 3.7 (3.7) years.

## Outlook

The Norwegian economy is now on its way out of the recession caused by the pandemic.

A constantly growing proportion of the population has been vaccinated, and the authorities have started gradually reopening society.

Norges Bank has held the base rate at 0 % since spring 2020, but has signalled interest rate rises in autumn 2021. Despite this, a low interest rate level is expected in the years to come.

Recently, there has been uncertainty related to new virus mutations and whether any new waves of infection could delay reopening. Nevertheless, with a constantly growing proportion of the population vaccinated, the Norwegian economy is expected to grow in the second half of the year in line with the reopening of society.

Given the Group's financial position, with its high equity ratio and solid liquidity reserves, the Group is considered well-equipped to deal with the future financial consequences of the Covid-19 pandemic as well.

Oslo, 09.09.2021

Board of Directors, Olav Thon Gruppen AS

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

## OLAV THON GRUPPEN AS, CONSOLIDATED FINANCIAL STATEMENTS

**STATEMENT OF COMPREHENSIVE INCOME**

(Figures in NOK millions)	30.06.2021	30.06.2020	31.12.2020
Rental income	2 198	2 243	4 437
Room revenue	354	514	971
Sale of goods	1 143	781	1 841
Other operating income	964	784	1 746
<b>Operating income</b>	<b>4 660</b>	<b>4 322</b>	<b>8 995</b>
Cost of goods	-689	-365	-1 069
Payroll costs	-532	-671	-1 272
Ordinary depreciation	-358	-337	-917
Other operating expenses	-1 354	-1 455	-2 778
<b>Operating expenses</b>	<b>-2 933</b>	<b>-2 830</b>	<b>-6 037</b>
<b>Net income from property management</b>	<b>1 727</b>	<b>1 493</b>	<b>2 959</b>
Fair value adjustments, investment property	127	-2 716	-752
Fair value adjustments, right-of-use investment property	-6	-6	-12
Results from joint ventures and associates	301	-140	18
<b>Operating profit</b>	<b>2 149</b>	<b>-1 369</b>	<b>2 212</b>
Financial income	162	13	19
Financial expenses	-524	-763	-1 312
Fair value adjustments, financial instruments	713	-1 410	-685
<b>Net financial items</b>	<b>352</b>	<b>-2 160</b>	<b>-1 978</b>
<b>Profit before income tax</b>	<b>2 501</b>	<b>-3 529</b>	<b>234</b>
Change in deferred tax	-241	719	56
Income tax payable	-153	-31	-147
<b>Income tax</b>	<b>-394</b>	<b>688</b>	<b>-92</b>
<b>Profit</b>	<b>2 107</b>	<b>-2 841</b>	<b>143</b>
<b>Other Comprehensive income</b>			
<i>Items to be reclassified to P&amp;L in subsequent periods:</i>			
Exchange differences from foreign operations	-266	716	589
Hedging of net investment	-	-128	-128
Income taxes on other comprehensive income	-	28	28
<b>Total comprehensive income</b>	<b>1 841</b>	<b>-2 225</b>	<b>631</b>
<b>Profit attributable to:</b>			
Shareholders of the parent	1 710	-2 185	193
Non-controlling interests	397	-655	-50
<b>Total comprehensive income attributable to:</b>			
Shareholders of the parent	1 479	-1 628	620
Non-controlling interests	361	-597	12

## OLAV THON GRUPPEN AS, CONSOLIDATED FINANCIAL STATEMENTS

**STATEMENT OF FINANCIAL POSITION**

(Figures in NOK millions)	30.06.2021	30.06.2020	31.12.2020
<b>ASSETS</b>			
Deferred tax asset	431	403	383
Investment properties	86 502	83 156	86 200
Owner-occupied properties	14 917	14 877	14 920
Right-of-use assets	715	768	742
Other fixed assets	954	1 027	1 011
Investments in joint ventures and associates	4 136	3 709	3 723
Non-current financial assets	592	709	607
<b>Total non-current assets</b>	<b>108 247</b>	<b>104 649</b>	<b>107 585</b>
Inventories	926	1 095	980
Trade and other receivables	2 484	2 062	2 527
Bank deposits and cash	701	792	788
<b>Total current assets</b>	<b>4 111</b>	<b>3 949</b>	<b>4 296</b>
<b>Total assets</b>	<b>112 358</b>	<b>108 598</b>	<b>111 881</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	410	410	410
Share premium	86	86	86
Other equity	51 950	48 238	50 457
Non-controlling interests	8 769	7 801	8 413
<b>Total equity</b>	<b>61 215</b>	<b>56 536</b>	<b>59 366</b>
Deferred tax liabilities	13 749	12 891	13 488
Lease liabilities	687	732	710
Interest-bearing non-current liabilities	24 090	24 497	26 065
Non-current liabilities	1 543	2 961	2 057
<b>Total non-current liabilities</b>	<b>40 070</b>	<b>41 080</b>	<b>42 320</b>
Income tax payable	191	64	180
Interest-bearing current liabilities	7 587	7 722	6 291
Trade payables and other current liabilities	3 296	3 196	3 724
<b>Total current liabilities</b>	<b>11 074</b>	<b>10 982</b>	<b>10 195</b>
<b>Total liabilities</b>	<b>51 143</b>	<b>52 063</b>	<b>52 515</b>
<b>Total equity and liabilities</b>	<b>112 358</b>	<b>108 598</b>	<b>111 881</b>

## OLAV THON GRUPPEN AS, CONSOLIDATED FINANCIAL STATEMENTS

**STATEMENT OF CASH FLOW**

(Figures in NOK millions)	30.06.2021	30.06.2020	31.12.2020
Profit before income tax	2 501	-3 529	234
Fair value adjustments, investment property	-127	2 716	752
Fair value adjustment, interest rate derivatives	-708	1 408	710
Fair value adjustment, investments	-6	2	-25
Expensed interest	505	507	1 026
Paid interest	-507	-537	-1 063
Paid income tax	-142	-237	-242
Share of profit from joint ventures and associated companies	-301	140	-18
Depreciation of fixed assets	358	337	917
Change in operating related accruals	-175	-706	-1 182
<b>Net cash flow from operating activities</b>	<b>1 397</b>	<b>102</b>	<b>1 110</b>
Proceeds from sale of property, plant and equipment	372	-	-
Purchase of investment properties and property, plant and equipment	-1 262	-947	-2 159
Payments linked to acquisition of subsidiaries	-	-43	-101
Other investment	-98	140	386
<b>Net cash flow from investment activities</b>	<b>-988</b>	<b>-851</b>	<b>-1 875</b>
Proceeds from interest-bearing liabilities	9 270	8 639	15 981
Repayment of interest-bearing liabilities	-9 726	-8 018	-15 248
Payment on leasing liabilities	-29	-27	-54
Dividends paid	-5	-16	-77
<b>Net cash flow from financing activities</b>	<b>-489</b>	<b>578</b>	<b>602</b>
Currency translation effects on cash and cash equivalents	-7	27	14
<b>Net change in cash and cash equivalents</b>	<b>-87</b>	<b>-144</b>	<b>-148</b>
Cash and cash equivalents as at 1 January	788	936	936
Cash and cash equivalents as at the end of the period	701	792	788
Unutilized overdrafts and other credit facilities	9 503	8 288	8 433



## OLAV THON GRUPPEN AS, CONSOLIDATED FINANCIAL STATEMENTS

**STATEMENT OF CHANGES IN EQUITY**

(NOK million)	Share capital	Share premium	Currency translation differences	Other Equity	Hedging reserve	Majority share of equity	Non-controlling interests	Total
<b>Equity 31 Dec 2019</b>	<b>410</b>	<b>86</b>	<b>222</b>	<b>49 039</b>	<b>88</b>	<b>49 845</b>	<b>8 951</b>	<b>58 795</b>
Profit	-	-	-	-2 185	-	-2 185	-655	-2 841
Other comprehensive income	-	-	657	-	-100	557	59	616
Dividends paid	-	-	-	-	-	-	-16	-16
Other changes	-	-	-	518	-	518	-537	-19
<b>Equity 30 June 2020</b>	<b>410</b>	<b>86</b>	<b>879</b>	<b>47 371</b>	<b>-12</b>	<b>48 734</b>	<b>7 801</b>	<b>56 535</b>
Profit	-	-	-	2 379	-	2 379	605	2 984
Other comprehensive income	-	-	-131	-	-	-131	3	-127
Dividends paid	-	-	-	-50	-	-50	-11	-60
Other changes	-	-	-	20	-	20	15	35
<b>Equity 31 Dec 2020</b>	<b>410</b>	<b>86</b>	<b>748</b>	<b>49 720</b>	<b>-12</b>	<b>50 953</b>	<b>8 413</b>	<b>59 366</b>
Profit	-	-	-	1 710	-	1 710	397	2 107
Other comprehensive income	-	-	-231	-	-	-231	-35	-266
Dividends paid	-	-	-	-	-	-	-5	-5
Other changes	-	-	-	14	-	14	-1	13
<b>Equity 30 June 2021</b>	<b>410</b>	<b>86</b>	<b>518</b>	<b>51 444</b>	<b>-12</b>	<b>52 446</b>	<b>8 769</b>	<b>61 215</b>

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