Nordic Credit Rating

CORPORATE: REAL ESTATE

Norway
23 May 2025

Bane NOR Eiendom AS

Full Rating Report

LONG-TERM RATING

A

OUTLOOK

Stable

SHORT-TERM RATING

N2

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RATING RATIONALE

Our 'A' long-term issuer rating on Norway-based property manager and developer Bane NOR Eiendom AS reflects the company's moderate leverage, solid average remaining lease term and a high proportion of government-funded tenants. The rating is further supported by the company's monopoly over domestic railway stations and workshops, as well as its importance to Norwegian railway infrastructure. In addition, the company's extensive and centrally located land bank offers future development opportunities in city centres near existing train stations.

The rating is constrained by the size of Bane NOR Eiendom's management portfolio, although this is mostly offset by the specialised nature of the properties. It is also constrained by the company's revenue concentrations and the risks associated with development projects.

We add two notches to our standalone credit assessment to reflect Bane NOR Eiendom's 100% indirect ownership by the Norwegian government and our view that the government has a strategic interest due to the company's role as a provider of critical public transport infrastructure.

STABLE OUTLOOK

The stable outlook reflects our expectation that Bane NOR Eiendom's credit metrics will remain moderate, despite high capital spending and a rise in debt in 2025 and 2026. It also reflects our belief that the company will sell off completed projects in its development portfolio, which will increase earnings and improve cash flow. In addition, footfall through the company's railway stations is back to pre-COVID-19 pandemic levels, supporting occupancy and increasing the attractiveness of its property locations.

POTENTIAL POSITIVE RATING DRIVERS

- A loan to value (LTV) ratio of around 20% and an EBITDA margin above 65% for a prolonged period.
- Improved profitability and revenue stability.
- A strengthened financial policy through tighter leverage targets.

POTENTIAL NEGATIVE RATING DRIVERS

- Net LTV above 40% or net interest coverage below 2.2x over a prolonged period.
- Weaker profitability or an inability to achieve competitive prices on development properties.

Figure 1. Key credit metrics, 2021–2027e

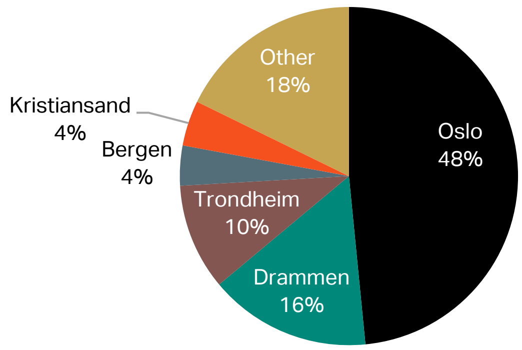
NOKm	2021	2022	2023	2024	2025e	2026e	2027e
Rental income	939	1,081	1,280	1,362	1,380	1,500	1,720
Other income*	964	239	804	533	600	500	470
EBITDA	1,321	638	924	994	1,160	1,140	1,280
EBITDA margin (%)	69.4	48.3	44.3	52.5	58.6	57.0	58.4
Investment property**	23,584	25,918	25,595	28,067	30,081	31,451	32,051
Net debt	6,653	8,326	9,714	11,873	10,691	11,575	11,569
Total assets**	24,980	27,585	28,106	29,862	32,109	33,555	34,160
Net debt/EBITDA (x)	5.0	13.1	10.5	11.9	9.2	10.2	9.0
EBITDA/net interest (x)***	13.8	4.8	2.7	2.1	2.4	2.2	2.4
Net LTV (%)	28.2	32.1	38.0	42.3	35.5	36.8	36.1
FFO/net debt (%)	17.0	5.3	5.9	4.4	9.0	7.2	8.2

Source: company and NCR estimates. e–estimate. FFO–funds from operations. All metrics adjusted in line with NCR methodology. *Includes dividends from JVs related to sales of properties. **Includes market value of the property portfolio. ***Adjustments for activated interests are made from 2023.

ISSUER PROFILE

Bane NOR Eiendom is a Norwegian property management and development company that develops, owns and manages railway stations and workshops and develops commercial and residential real estate for sale. Bane NOR Eiendom is wholly owned by government-held Bane NOR SF, which owns and operates Norway's rail network and platforms. Previously known as ROM Eiendom AS, the company was established in its current form in 2017 following a restructuring of Norway's railway system. All domestic railway stations and workshops were transferred to Bane NOR Eiendom, along with a substantial land bank in areas close to railway stations. The company's total property portfolio consists of over 900 buildings, primary located in Norway's largest cities, and had a market value of NOK 28.1bn at year-end 2024. The portfolio includes investment properties and wholly owned development properties, with the majority of its value associated with train stations and workshops. The company also participates in additional development projects via joint ventures (JV).

Figure 2. Market value of properties by region, 31 Dec. 2024



Source: company.

BUSINESS RISK ASSESSMENT

Business risk assessment

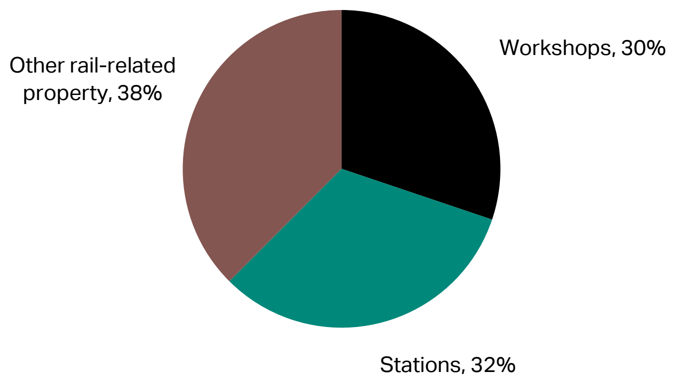
Our business risk assessment reflects Bane NOR Eiendom's de facto monopoly position over railway stations and workshops, its tenant and geographic concentrations and its high proportion of government-funded tenants. We view the company's strong occupancy rate and long average remaining lease term as positive rating factors, but project development risks weigh on our assessment.

Market fundamentals strong, with improved foot traffic

Operating environment

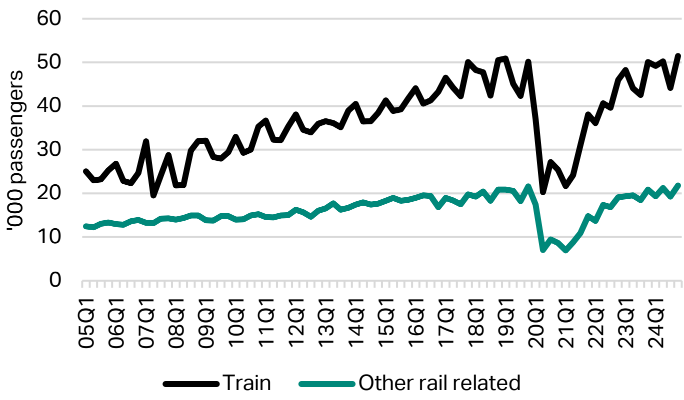
Bane NOR Eiendom's properties are mainly located at railway stations throughout Norway. Occupants include commercial and public-sector tenants, as well as train operators on government contracts. The company's commercial premises are dependent on footfall, which has returned to pre-COVID-19 pandemic levels, supporting rental and other station-related revenues for the company. The company's core strategy is to develop areas around train stations to increase the use of the railway system. While there are headwinds to these objectives from the shift to working from home and digital meetings, we expect greater commercialisation of train station space will improve the company's revenue per passenger.

Figure 3. Rental value by property type, 31 Dec. 2024



Source: company.

Figure 4. Norway passenger throughput, Q1 2005–Q4 2024



Source: Statistics Norway.

The Norwegian government aims to increase the use of public transport and encourage the use of rail freight. We expect future governments to maintain this environmental focus and continue to use Bane NOR SF as a conduit for this strategy. Following the restructuring of the country's railway system, under which freight and passenger services were privatised, commercial train operators bid competitively for specific routes but are effectively obliged to use Bane NOR Eiendom's workshops and stations, thereby diversifying the company's counterparties.

Figure 5. Rental value from top 10 exposures, 31 Dec. 2024

Location	Municipality	Share of rental value (%)
Oslo Central Station	Oslo	13%
Grorud Workshop	Oslo	8%
Sundland Workshop	Drammen	4%
Lodalen Workshop	Oslo	4%
Støren Workshop	Midtre Gauldal	3%
Marienborg Workshop	Trondheim	3%
Quadrum Politihuset	Kristiansand	3%
Bergen Workshop	Bergen	2%
Skien Workshop	Skien	2%
Oslo Strandgata 19	Oslo	2%
Total	**-**	**45%**

Source: company,

Our operating environment assessment reflects the volatility associated with property development and the importance of property development to the company's strategy. In addition to managing its existing properties, the company is an active developer of commercial and residential properties in prime locations in connection to railway stations. Many of these projects are long term in nature and the company maintains a long-term approach to development. However, risk related to delays, cost fluctuations, increasing raw material prices or lack of demand could reduce the attractiveness of these properties.

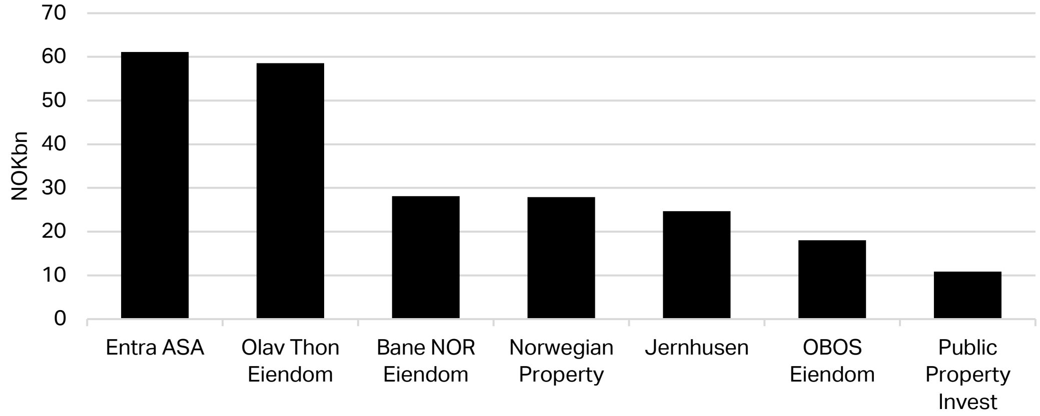
Market position supported by de facto monopoly

Market position, size and diversification

The company has a strong market position due to its portfolio mix and the fact that two-thirds of its rental revenue are earned via a de facto monopoly and position as the nationally appointed manager of train stations and workshops. The remainder of the portfolio is subject to competition within the hotel, restaurant, office and retail segments.

Bane NOR Eiendom's property portfolio is of average size in comparison with those of its domestic peers. As of 31 Dec. 2024, the property portfolio was valued at NOK 28.1bn with an annual rental income of NOK 1.4bn. The company's market position is strengthened by its substantial land bank in properties adjacent to stations and its unique position as one of Norway's leading hub developers. The company also has a close relationship with government entities in planning and developing hubs around train stations. Compared with its peers, Bane NOR Eiendom (like Jernhusen, its Swedish equivalent) has a significant share of public sector and government-funded tenants. Moreover, the company's specialised properties increase the likelihood of high occupancy rates and long-term tenant relationships and contracts, given the increasing role for sustainable train transportation.

Figure 6. Peer group by property value, 31 Dec. 2024



Source: companies.

By value, Bane NOR Eiendom's properties are primarily in Oslo and Norway's other major cities (see Figure 2). However, the geographical concentration is lower by rental value, with Oslo representing one-third of rental income. In addition, development projects are located throughout Norway, and proximity to public transport generally increases footfall.

Although Bane NOR Eiendom's tenant concentrations are significant (the top 10 tenants generate 54% of rental revenue), the revenue is distributed across multiple contracts and locations, and most tenants are government funded or government owned, including its parent company. Around two-thirds of revenue are linked to either the Norwegian or Swedish governments. Of the top 10 tenants, the largest commercial tenant without government association is Reitan, which owns one of Norway's largest supermarket chains, Rema 1000, and major convenience stores Narvesen and Pressbyrån in Sweden, as well as 7-Eleven stores across Scandinavia.

Figure 7. Tenant concentration, 31 Dec. 2024

Tenant	Type of tenant	Share of rental income
Bane NOR SF	Government	13%
Mantena AS	Commercial tenant, government funded	10%
VyGruppen AS	Commercial tenant, government funded	11%
SJ Norge AS	Commercial tenant, government funded	7%
Reitan Convenience Norway AS	Commercial tenant, retail	3%
Politiets Fellestjeneste (PFT)	Government	3%
Go-Ahead Norge AS	Commercial tenant, government funded	3%
Hotel Østbanehallen AS	Commercial tenant, hotel	2%
Alstrom Transport Norway AS	Commercial tenant, government funded	2%
Onepark	Commercial tenant, parking	1%
Top 10 tenants	**-**	**54%**

Source: company.

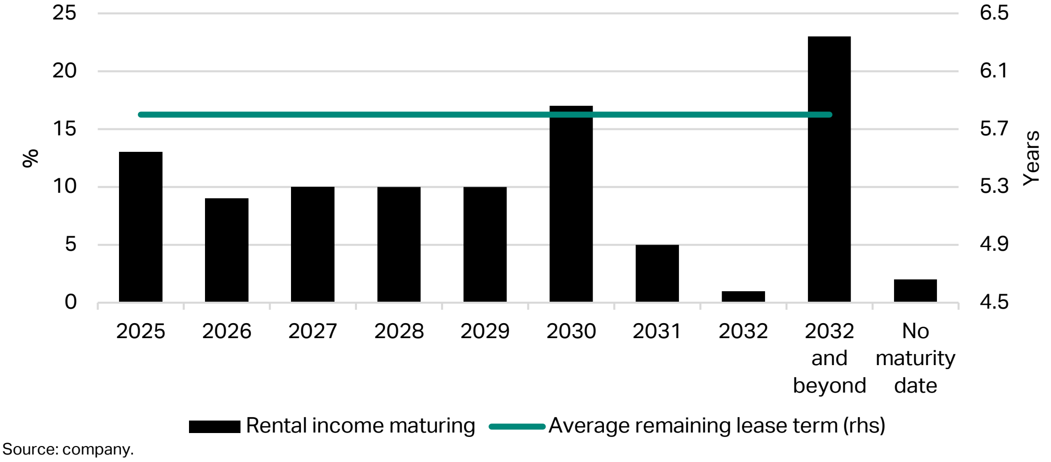
Specialised properties support long-term contracts

Portfolio assessment

Bane NOR Eiendom's properties are located throughout Norway. We view the company's position as a leading hub developer as a strength, while the proximity of its properties to railway stations and transportation hubs increases the attractiveness of the overall portfolio.

Bane NOR Eiendom has an average remaining lease term of about six years (excluding contracts with no maturity date, which account for 2% of rental income). The top 10 tenants are generally on long lease agreements and contracted through many agreements and facilities, reducing vacancy risk. Maturities are reasonably well spread, where only 13% of leases (as measured by rental value) expire in 2025.

Figure 8. Lease maturity profile, 31 Dec. 2024



Source: company.

Bane NOR Eiendom has significant market value in its wholly owned development pipeline and a proven track record of property development. The projects are often large in scale and constructed over several phases. We expect ongoing projects to represent 5–10% of the total portfolio, with the company able to postpone projects, given the long-term approach. Bane NOR Eiendom typically seeks 50% pre-letting for commercial properties and 50% pre-sales for residential properties prior to construction start (depending on the location and the company's assessment of associated risk). Accordingly, the project portfolio contains some speculative elements, even though risk is mitigated by the projects' generally attractive locations. In most cases, commercial properties are sold at completion. However, the company also maintains completed properties on its own balance sheet for future divestment when markets are less favourable.

Figure 9. Large projects in progress, 31 Dec. 2024

Project	Property type	Total investment (NOKm)	Estimated completion
Trondheim Central Station	Commercial/retail/public	841	2025
Kongsvinger Central Station	Commercial	457	2025
Sundland building J, Extension	Workshop	450	2026
Total	-	**1.748**	-

Source: company.

Besides its wholly owned projects, Bane NOR Eiendom is involved in several JV development projects with large established partners. In our opinion, JV structures reduce the related development risk. Bane NOR Eiendom's equity contributions to JVs are often in the form of land acquired at low cost. Moreover, the company provides no guarantees for its JVs.

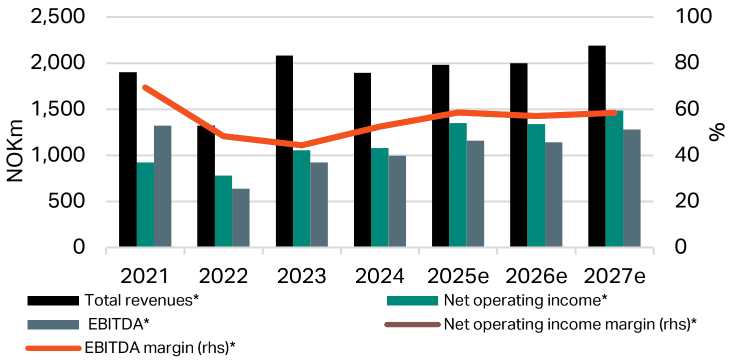
Margins dependent on sales activity

Operating efficiency

Bane NOR Eiendom's historical revenues and EBITDA are volatile, reflecting the timing of sales of development properties. In addition, the company's EBITDA margin from property management is lower than those of its purely commercial peers, due in part to regulated rents for its train workshops. We expect adjusted EBITDA margins (including dividends from JVs) to be between 57% and 59% over our forecast period through 2027.

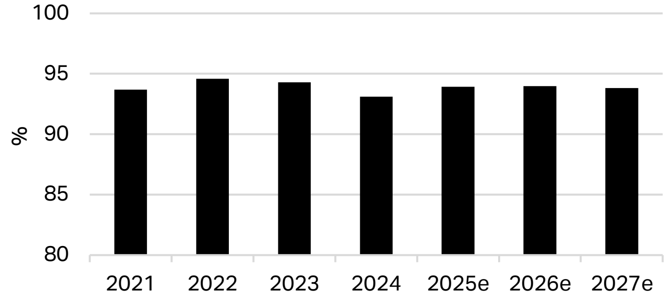
Historically, Bane NOR Eiendom's occupancy ratio has been stable at 93–95%. We expect it to remain at this level during our forecast period due to the company's long average remaining lease term, long-term public-sector contracts and the large number of city centre locations.

Figure 10. Revenues, net operating income, EBITDA, and margins, 2021–2027e



Source: company and NCR estimates. e–estimate. *Including dividends from JVs.

Figure 11. Occupancy rate, 2021–2027e



Source: company and NCR estimates. e–estimate.

FINANCIAL RISK ASSESSMENT

Financial risk assessment

Our financial risk assessment reflects our expectation that Bane NOR Eiendom's credit metrics will remain moderate, despite a rise in debt and increased interest costs to cover capital spending needs. In our view, the company's financial risk appetite is more prudent than is reflected in its current credit metrics, given a relatively long debt maturity profile, a high share of interest rate hedging and a modest dividend policy.

Moderate credit metrics

Ratio analysis

Bane NOR Eiendom runs its operations with moderate financial gearing. The company's net LTV has increased in the last two years due to a rise in debt and ongoing capital investments in development projects. We project net LTV of approximately 36-37% in 2025–2027, positively affected by our view of the company's shareholder loans. Following the recent extension of the company's NOK 1.8bn shareholder loans to 15 years from an average debt maturity of 5 years, we consider this long-term internal financing and treat these loans as 100% equity in our calculation of financial metrics from 2025. In our view, this underscores Bane Nor Eiendom's important role for its owner in achieving policy objectives related to regulating land parcels and developing areas around train stations, and we regard these transactions as equity. We project interest coverage will remain under pressure during our forecast period, primarily due to a rise in debt for funding capital expenditure. However, we assume cash inflows from development project sales to support earnings and that reduced capital spending in 2027 will stabilise debt levels and the interest coverage ratio.

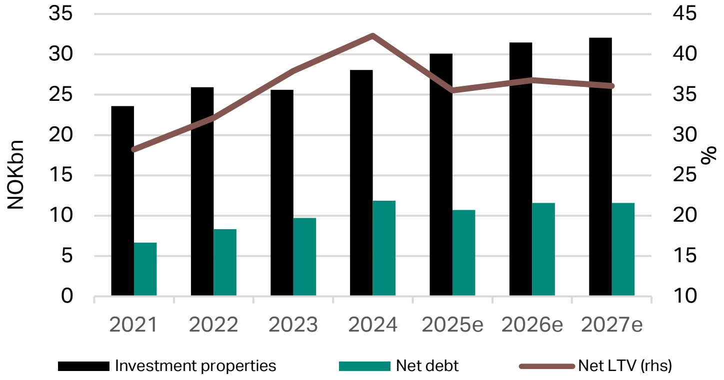
We adjust EBITDA to include cash dividends rather than the company's share of profits from JVs. Although the company uses Norwegian GAAP accounting and the book values of its property portfolio, we include market values from industry standard external valuation companies, as well as right-of-use assets, in our calculation of its LTV metrics.

Figure 12. Base case forecast key assumptions and credit metrics, 2025–2027e

NOKm	2025e	2026e	2027e
Rental growth (%)	9.6	1.1	10.0
EBITDA margin (%)*	58.6	57.0	58.4
Average interest rate (%)	4.9	4.8	4.8
Capital expenditure (NOKm)	1,250	1,370	600
Dividend from JV's (NOKm)	100	100	100
Dividend payments (NOKm)	40	40	40
Net debt/EBITDA (x)	9.2	10.2	9.0
EBITDA/net interest (x)	2.4	2.2	2.4
Net LTV (%)	35.5	36.8	36.1
FFO/net debt (%)	9.0	7.2	8.2

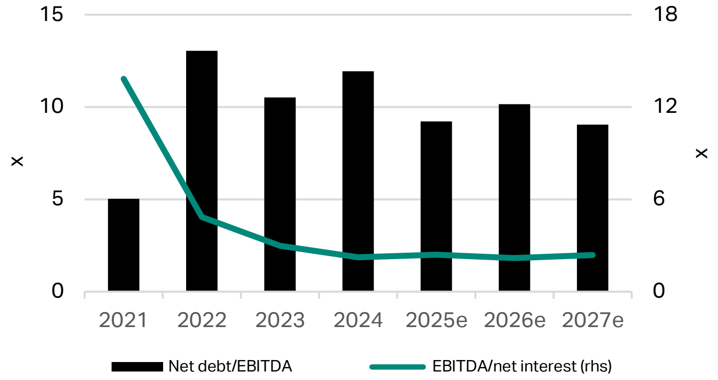
Source: company and NCR estimates. e–estimate. FFO–funds from operations. All metrics adjusted in line with NCR methodology. *Includes dividends from JVs related to sales of properties.

Figure 13. Investment properties, net debt, and net LTV, 2021–2027e



Source: company and NCR estimates. e–estimate.

Figure 14. Net debt/EBITDA and EBITDA/net interest, 2021–2027e



Soucre: company and NCR estimates. e–estimate.

Significant covenant headroom and solid funding profile

Risk appetite

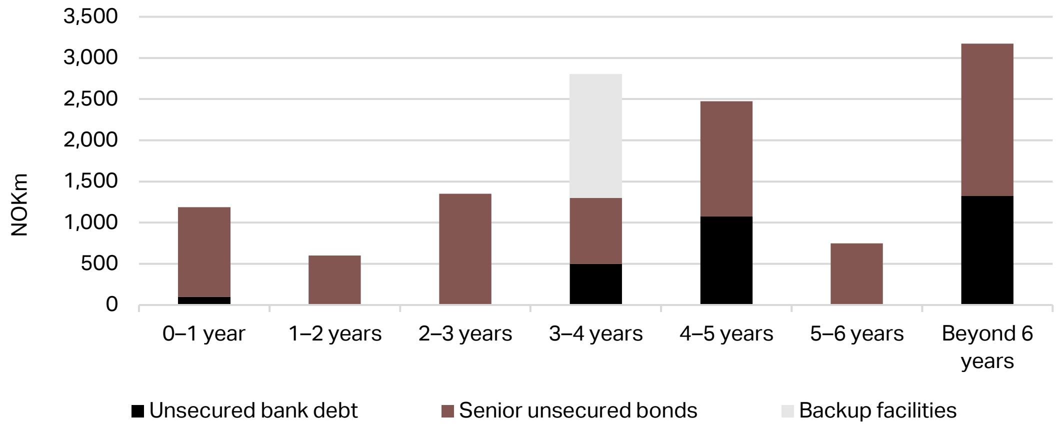
In our view, Bane NOR Eiendom's financial policy and risk appetite are more prudent than warranted by our financial ratio analysis, given a relatively long debt maturity profile, a high share of interest rate hedging and a modest dividend policy.

We note that the company has added value through various properties that are not included in the assessment of the total market value and that, if adjusted for, would improve credit metrics. The company also maintains completed properties for future divestment when markets are less favourable. We believe that a decline in the yield curve and improving market fundamentals could incentivise the sale of completed properties beyond what is assumed in our forecast, and that the company has the ability to reduce leverage through the use of excess cash from sales if needed.

The company's average debt maturity was 3.8 years as of 31 Dec. 2024. Since end-2024, the company has issued four unsecured green bonds with tenors of five to seven years, totalling NOK 2.7bn. Some of the proceeds were used to repurchase bonds maturing in June 2025. We consider this positive as the company maintains relatively long average and evenly distributed debt maturities. Bane NOR Eiendom uses interest rate swaps to reduce the impact of interest rate fluctuations, with over 50% of current interest rates hedged with an average fixed-interest period of 3.4 years as of 31 Dec. 2024.

Bane NOR Eiendom finances its operations primarily through common equity, unsecured bank loans and commercial paper backed by NOK 1.5bn in unutilised credit facilities and senior unsecured bonds. The majority of the bonds are issued under the company's Green Bond Framework, which demonstrates the company's commitment to sustainability.

Figure 15. Debt maturity profile, 31 Mar. 2025



Source: company.

Bane NOR Eiendom's debt is governed by LTV covenants with significant headroom. We expect the level of covenant headroom to remain strong over our forecast. The company's policy is to pay 30% of net profits to Bane NOR SF, which we expect to be flexible, if necessary, to support financial metrics.

Figure 16. Financial covenants and reported metrics

Metric	Financial policy	Common loan covenants	Reported 31 Dec. 2024
LTV	<50%	<65%	42.3%

Source: company.

ADJUSTMENT FACTORS

Adjustment factors

Adjustment factors are assessed as neutral and have no effect on the rating.

Liquidity

Liquidity

Our 12-month liquidity analysis is based on a stressed scenario under which the company cannot access the capital markets or extend bank loans, and therefore has to rely on internal or committed external funding sources to cover its liquidity needs. We typically expect a company with an investment grade rating ('BBB-' and above) to cover its liquidity needs, with limited need for external funding over the coming 12 months.

We assess Bane NOR Eiendom's liquidity position as adequate, supported by net sources to uses of NOK 1.7bn for the 12 months from 31. Dec 2024. The company's cash position, unutilised credit facilities and recent issued debt exceeds its committed financial obligations.

Figure 17. Liquidity analysis (stressed scenario) 31 Dec. 2024–31 Dec. 2025e

Liquidity, next 12 months	Amount (NOKm)
Cash and cash equivalents (100%)	52
Adjusted FFO (75% of FFO 2024e)	718
Completed divestments	750
Proceeds from borrowings	2,195
Unutilised credit facilities	1500
Total sources	**5,215**
Repayment of borrowings	-2,554
Committed capital expenditure	-1,000
Total uses	**-3,554**
Sources/uses (x)	**1.5**
Sources - uses (NOKm)	**1,661**

Source: company and NCR estimates. FFO–funds from operations.

Environmental, social and governance factors

ESG factors

We assess Bane NOR Eiendom's environmental, social and governance (ESG) efforts as adequate. The main ESG factors that could affect our overall assessment of the company's creditworthiness are factors that might contribute to loss of revenue, increased costs, higher capital spending or factors that could affect its relationship with its owner or the government. The company issues green bonds under a framework classified as Dark green by S&P Global Ratings' Shades of Green. The framework is intended to finance projects to provide clean transport and environmentally sustainable buildings.

In line with the Norwegian government's goal of reducing road traffic emissions and increasing rail and other forms of transport, one of Bane NOR Eiendom's main aims is to promote rail transport. It also seeks to develop office premises and housing near train stations with a view to increasing mobility while reducing emissions. The company is committed to obtaining environmental certification for its larger development projects. We expect such certification to support property values and selling prices for new developments.

Figure 18. ESG considerations

Issue	Risk	Mitigating efforts	Result
Carbon dioxide emissions	Increased costs due to regulatory and/or taxation changes.	Efforts to increase energy efficiency and reduce carbon dioxide emissions. Environmental certification of properties. Entered agreement to guarantee 100% renewable energy sources.	Goals established to reduce climate and environmental impact. The company reduced energy consumption by 2.4% in 2024 compared with 2023. The company aims to reduce energy consumption per sqm (temperature adjusted) by at least 2% each year. A higher share of renewable energy is expected to reduce total carbon dioxide emissions.
Impact of climate change on operations	Loss of revenue or increased capital spending.	Environmental certification of project properties. Ongoing efforts to identify climate risk at properties.	All ongoing office projects are to be environmentally certified.
Increased environmental focus from owners and financial markets	Adverse effect on financing possibilities or higher financing costs due to slow transitioning to lower carbon dioxide emissions.	Strong financial position, limiting dependence on single projects. Environmental certification of development and refurbishment projects.	Successful issuance of green bonds since 2022, green bond framework established.

Source: company. See ESG factors in corporate ratings.

OWNERSHIP ANALYSIS

Ownership

We add two notches of support to our standalone credit assessment due to parent company Bane NOR SF's 100% ownership by the Norwegian government. Our assessment also considers the parent company to be a 'strategic interest' of the Norwegian government. Bane NOR SF is categorised as a 'Category 2' holding, reflecting its role in pursuing highly efficient public policy targets on behalf of the Norwegian Ministry of Transport and supporting our view of the importance of Bane NOR Eiendom's parent company to national infrastructure. Bane NOR Eiendom plays a vital role in Bane NOR SF's role by managing railway stations and workshops, as well as developing areas directly connected to transportation hubs in order to increase train usage.

We view government support for Bane NOR SF as effectively transferrable to Bane NOR Eiendom, given the latter's strategic importance to Norway's railway infrastructure. We consider that most of the company's operations are critical for national infrastructure and believe it would receive support from the government via Bane NOR SF if its role were jeopardised.

ISSUE RATINGS

We rate Bane NOR Eiendom's senior unsecured bonds 'A', in line with the long-term issuer rating, reflecting the company's focus on unsecured debt financing and lack of mortgaged assets. As of 31 Dec. 2024, the company had secured debt to gross debt of 0% and we expect it to keep all debt unsecured.

SHORT-TERM RATING

The 'N2' short-term rating reflects the company's liquidity profile relative to its long-term issuer rating of 'A'.

METHODOLOGIES USED

(i) Corporate Rating Methodology, 8 May 2023.
(ii) Rating Principles, 14 Feb. 2024.
(iii) Group and Government Support Rating Methodology, 14 Feb. 2024.

RELEVANT RESEARCH

(i) Bane Nor Eiendom 'A' long-term issuer rating affirmed; Outlook stable, 19 May 2025.
(ii) Norwegian real estate faces uncertain operating conditions, 22 Apr. 2025.

Figure 19. NCR's adjustments to credit metrics, 2021–2027e

NOKm	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	720	564	809	815	1,060	1,040	1,180
Dividends received from JVs	114	74	115	179	100	100	100
Sale of Oslo Utvikling	487						
NCR-adj. EBITDA	1,321	638	924	994	1,160	1,140	1,280
Net financial items	-77	-89	-212	-335	-483	-522	-536
Interest expenses, shareholder loans	-19	-42	-97	-109			
NCR-adj. net interest	-95	-132	-345	-484	-483	-522	-536
NCR-adj. EBITDA	1,321	638	924	994	1,160	1,140	1,280
NCR-adj. net interest	-95	-132	-345	-484	-483	-522	-536
Current tax	-96	-63	-6	18	30	17	9
Cash flow adj. for sales expenses					250	200	200
NCR-adj. FFO	1,129	443	573	528	957	835	954
Book value investment property	6,729	7,252	9,221	10,934	12,184	13,554	14,154
Book value assets held for sale	3,869	4,610	4,000	4,408	4,408	4,408	4,408
Non-current right-of-use assets	24	21					
Market value adjustments	12,962	14,035	12,374	12,725	13,489	13,489	13,489
NCR-adj. investment property	23,584	25,918	25,595	28,067	30,081	31,451	32,051
Cash and cash equivalents	59	64	901	52	361	436	442
NCR-adj. cash and equivalents	59	64	901	52	361	436	442
Gross interest-bearing debt	5,344	6,733	10,614	10,052	11,052	12,011	12,011
Shareholder loans	1,344	1,635	1,873	1,873			
Lease liabilities	24	21					
NCR-adj. cash and equivalents	-59	-64	-901	-52	-361	-436	-442
NCR-adj. net debt	6,653	8,326	9,713	11,873	10,691	11,575	11,569

Source: company and NCR estimates. e–estimate.

Figure 20. Bane NOR Eiendom key financial data, 2021–2024

NOKm	FY	FY	FY	FY
Period-end	**31 Dec. 2021**	**31 Dec. 2022**	**31 Dec. 2023**	**31 Dec. 2024**
INCOME STATEMENT				
Rental income	939	1,081	1,280	1,362
Other income	363	165	689	354
Total costs from operations	-380	-468	-916	-639
Net operating income	**922**	**779**	**1,053**	**1,077**
Administrative expenses	-202	-214	-244	-262
Administrative expenses, project portfolio	–	–	–	–
EBITDA	**720**	**564**	**809**	**815**
Share of profit in associated companies and joint ventures	604	20	54	-24
Interest expenses	-86	-111	-239	-370
Interest income	9	21	27	35
Interest expenses, shareholder loans	-19	-42	-97	-109
Financial costs from leasing	–	–	–	–
Other financial costs	-1	-3	–	–
Changes in investment property	–	–	–	–
Gain (loss) on financial assets held at fair value	84	103	-21	–
Disposals of investment properties	–	–	–	–
Gain (loss) on derivatives	–	–	–	–
Depreciation and amortisation	-281	-347	-570	-446
Restructuring activities	–	–	–	–
Income (expense) on discontinued operations	–	–	1	–
Pre-tax profit	**1,030**	**206**	**-36**	**-98**
Current taxes	-96	-63	-6	18
Deferred taxes	–	–	–	–
Net profit	**934**	**143**	**-42**	**-80**
BALANCE SHEET				
Investment property	6,729	7,252	9,221	10,934
Other non-current assets	1,010	983	966	1,140
Total non-current assets	**7,739**	**8,235**	**10,187**	**12,074**
Cash and cash equivalents	59	64	901	52
Other current assets	4,221	5,251	4,644	5,011
Total current assets	**4,280**	**5,315**	**5,545**	**5,063**
Total assets	**12,019**	**13,550**	**15,732**	**17,137**
Total equity	**4,346**	**4,239**	**4,062**	**3,955**
Non-current borrowings	4,100	5,200	8,338	7,427
Non-current borrowings, shareholder loans	537	1,635	1,873	1,873
Deferred tax liabilities	–	–	–	–
Other non-current liabilities	381	370	344	336
Total non-current liabilities	**5,018**	**7,206**	**10,555**	**9,636**
Total current liabilities	**2,654**	**2,105**	**1,115**	**3,547**
Total equity and liabilities	**12,019**	**13,550**	**15,732**	**17,138**
CASH FLOW STATEMENT				
Pre-tax profit	1,030	206	-36	-98
... of which changes in investment property	–	–	–	–
Depreciation and amortisation	281	347	570	446
Tax paid	-48	-85	-51	-37
Adjustment for items not in cash flow	-932	-118	-203	-125
Cash flow from operating activities before changes in working capital	**331**	**350**	**280**	**186**
Changes in working capital	229	-84	87	-9
Cash flow from operating activities	**560**	**266**	**367**	**177**
Cash flow from investment activities	**-1,209**	**-1,442**	**-1,671**	**-1,756**
Cash flow from financing activities	**708**	**1,180**	**2,143**	**729**
Cash and cash equivalents at beginning of period	–	59	64	901
Cash flow for period	59	5	839	-850
Cash and cash equivalents at end of period	**59**	**64**	**901**	**52**

Source: company. FY–full year.

Figure 21. Bane NOR Eiendom rating scorecard

Subfactors	Impact	Score
Operating environment	20.0%	bbb+
Market position, size and diversification	12.5%	a-
Portfolio assessment	12.5%	a-
Operating efficiency	5.0%	bbb-
Business risk assessment	50.0%	bbb+
Ratio analysis		bbb-
Risk appetite		bbb+
Financial risk assessment	50.0%	bbb
Indicative credit assessment		**bbb+**
Liquidity		Adequate
ESG		Adequate
Peer calibration		Neutral
Stand-alone credit assessment		**bbb+**
Support analysis		+2 notches
Issuer rating		**A**
Outlook		Stable
Short-term rating		**N2**

Figure 22. Capital structure ratings

Seniority	Rating
Senior unsecured	A

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