

STATEMENT REGARDING MANDATORY OFFER FROM GEVERAN TRADING CO LTD

The information in this statement comprises a translation of the Norwegian language statement (Nw.: Uttalelse vedrørende pliktig tilbud fra Geveran Trading Co Ltd), and is qualified in its entirety by the Norwegian statement. In the event of any inconsistencies between the Norwegian and English text, the Norwegian version shall prevail.

This statement is made by the board of directors (the "Board") of Norwegian Property ASA ("Norwegian Property") in accordance with Section 6-16 of the Norwegian Securities Trading Act in connection with the mandatory offer from Geveran Trading Co Ltd ("Geveran") to acquire all the issued and outstanding shares in Norwegian Property not already owned by Geveran against a consideration of NOK 10.00 in cash per share (the "Offer"), made in an offer document dated 17 December 2014 (the "Offer Document").

Geveran is represented on the Board of Norwegian Property by the Board member Cecilie Astrup Fredriksen. Cecilie Astrup Fredriksen was elected as Board member at the extraordinary general meeting in Norwegian Property held on 10 October 2014. Cecilie Astrup Fredriksen is currently employed in Frontline Corporate Services and is also a director of Marine Harvest ASA, Ship Finance International Ltd, Northern Offshore Ltd and North Atlantic Drilling Ltd, companies affiliated with Geveran. Further, Espen D. Westernen, an advisor of Frontline Corporate Services and Seatankers Management, companies affiliated with Geveran, was elected as deputy Board member at the said general meeting. Neither Cecilie Astrup Fredriksen nor Espen D. Westernen has participated in the assessment of the Offer or related discussions in the Board of Norwegian Property or in the handling of this statement. The Oslo Stock Exchange has, in its capacity as take-over authority of Norway pursuant to Section 6-16 (4) of the Norwegian Securities Trading Act, decided that the Board, without the Board member Cecilie Astrup Fredriksen and the deputy Board member Espen D. Westernen, shall submit the statement on behalf of Norwegian Property.

INTRODUCTION

Norwegian Property is a focused and fully integrated real estate company with 39 properties located in the Oslo area and Stavanger in Norway. The portfolio, which has a total fair value of NOK 15.2 billion according to Norwegian Property's 2014 Q3 Report and the third party valuations reflected therein, is characterized by central locations and attractive premises with high quality tenants. The Norwegian Property group's properties consist largely of office premises with associated warehousing and car parking, as well as retail and restaurant space. The company has identified four value drivers for long-term value creation; Marketing / letting, Property management, Property development and Transactions / finance.

On 21 November 2014, Geveran acquired 25,633,104 shares in Norwegian Property at a price of NOK 10.00 per share. Through this acquisition, and as announced in a stock exchange announcement on 24 November 2014, Geveran's ownership in Norwegian Property increased to 205,910,242 shares, representing 37.54% of the issued share capital and the associated voting rights. As a result of this share acquisition Geveran passed the threshold for triggering a mandatory offer pursuant to Chapter 6 of the Norwegian Securities Trading Act.

In the announcement on 24 November 2014, Geveran announced its intention to make a mandatory offer for the remaining shares in Norwegian Property within four weeks. On 18 December 2014, Geveran made the Offer on the terms as further specified in the Offer Document.

The Offer Document has been approved by the Oslo Stock Exchange in accordance with Section 6-14 of the Norwegian Securities Trading Act and shall have been submitted to all shareholders of

Norwegian Property with known residence, except for shareholders who reside in a jurisdiction where the Offer cannot legally be made.

Below is a short summary of the Offer based on the information in the Offer Document.

FURTHER DETAILS ON THE OFFER

The price offered in the Offer is NOK 10.00 per share in cash.

The acceptance period for the Offer is from and including 18 December 2014 to and including 15 January 2015 at 16:30 hours (CET). Geveran may extend the acceptance period, one or more times, so that the aggregate acceptance period amounts up to a total of six weeks (in which case it would expire on 29 January 2015). According to the Offer Document, settlement is expected to take place as soon as possible, and no later than two weeks after the end of the acceptance period, i.e. not later than 30 January 2015 (subject to extension of the acceptance period, in which case settlement of the Offer will be made no later than 13 February 2015 assuming maximum extension of the acceptance period).

The Board calls attention to the fact that the acceptance of the Offer by the shareholders will be irrevocable, and that the acceptance thus cannot be withdrawn once the receiving agent for the Offer has received the acceptance.

The Offer is not subject to any conditions.

The Offer will be financed with existing funds available to Geveran. Geveran has in accordance with Section 6-10 (7) of the Norwegian Securities Trading Act provided a bank guarantee, issued by DNB Bank ASA, covering Geveran's obligation to pay for the shares to be purchased pursuant to the Offer. The text of the bank guarantee is set out in Appendix 1 to the Offer Document.

The obligation to make a repeated mandatory offer pursuant to Section 6-6 of the Norwegian Securities Trading Act does not apply if Geveran, as a result of the Offer, becomes the owner of shares representing 40% or more, or 50% or more, of the voting rights in Norwegian Property. If Geveran does not obtain an aggregate holding of shares representing 50% or more of the voting rights in Norwegian Property in connection with the Offer, Geveran will, however, be required under Chapter 6 of the Norwegian Securities Trading Act to make a new mandatory offer if it subsequently acquires additional shares in Norwegian Property and thereby reaches or passes the 40% or 50% threshold (as applicable).

If Geveran, as a result of the completion of the Offer, or otherwise, acquires and becomes the owner of 90% or more of the shares and an equivalent right of the voting rights which may be cast at the general meeting, then Geveran will have the right to resolve (and the remaining shareholders in Norwegian Property will have a right to require) a compulsory acquisition of the shares in Norwegian Property. In such event, Geveran may also on certain terms complete a compulsory acquisition of the shares that are not owned by Geveran without first carrying out a mandatory offer pursuant to the preceding paragraph. The Board of Norwegian Property notes that the Offer Document states that Geveran intends to make such compulsory acquisition of shares in Norwegian Property if Geveran, as a result of the Offer, a subsequent mandatory offer or otherwise, acquires and holds 90% or more of the total issued shares representing 90% or more of the voting rights in Norwegian Property.

THE OFFER'S SIGNIFICANCE FOR THE COMPANY

Geveran has informed in the Offer Document that Geveran, following the completion of the Offer, and assuming an outcome of the Offer which makes it possible, intends to keep Norwegian Property as a

listed company with a broad ownership structure with itself as a large shareholder. Geveran further states that it intends to continue its support to Norwegian Property's business concept which is to create value through growth from ownership, development and management of prime commercial properties located in the most attractive clusters in Oslo and in other key growth areas. Geveran also informs in the Offer Document that there are currently no plans for reorganisation of Norwegian Property as a result of the Offer.

The Board of Norwegian Property notes that with its current shareholding Geveran is able to veto any decisions at the general meeting of Norwegian Property requiring 2/3 majority of the votes and capital (such as amendments to Norwegian Property's articles (*Nw: vedtekter*), including changes in Norwegian Property's share capital). The Board further notes that in the event that Geveran reaches an ownership of 50% of the share capital through the Offer or otherwise, Geveran is able to decide upon matters at the general meeting requiring a majority of the votes (such as election of board members and members of the nomination committee and proposals to distribute dividend). Finally, the Board notes that in the event that Geveran reaches an ownership of 2/3 of the share capital through the Offer or otherwise, Geveran is able to decide upon matters at the general meeting requiring 2/3 majority of the votes and capital (such as any amendments to Norwegian Property's articles (*Nw: vedtekter*), including changes in share capital).

Due to lack of presence by shareholders at general meetings, the real influence by shareholders has historically been higher than their formal ownership shares, so also at Norwegian Property's general meetings.

Furthermore, the Board will also refer to the fact that in the event that Geveran ends up with a shareholding of more than 50% of the share capital in Norwegian Property, such ownership share will trigger certain change of control-rights for Norwegian Property's lenders as set out in the respective loan agreements, which rights will, based on already initiated discussions with certain of the lenders, be dealt with if this situation should occur.

EMPLOYEES

Geveran informs in the Offer Document that the Offer itself will not have legal, economic or work-related consequences for the employees of Norwegian Property.

ASSESSMENT AND RECOMMENDATION

The Board has reviewed the Offer Document and evaluated factors that the Board considers as material for the assessment of whether the Offer should be accepted by the shareholders of Norwegian Property.

Skandinaviske Enskilda Banken AB (publ.), Oslo Branch ("SEB") has been engaged as financial adviser to Norwegian Property in connection with the Offer, and has submitted a fairness opinion dated 7 January 2015. SEB has assessed the Offer based on various generally accepted valuation methods and the conclusion reflects SEB's best assessment of fair financial value of Norwegian Property at the time of the statement. The methodologies include various trading multiple assessments, discounted cash flow model, dividend discount model, evaluations of equity research target prices and historic offer premiums. SEB concludes that the Offer from Geveran is below the fair value range defined by SEB as per the date hereof and from a financial point of view. The fairness opinion from SEB is attached to this statement.

The Board notes that Geveran in the Offer Document states that it intends to keep Norwegian Property as a listed company with a broad ownership structure with itself as a large shareholder, to continue its

support to Norwegian Property's existing business concept and that Geveran currently has no plans for reorganisation of Norwegian Property as a result of the Offer. Furthermore, Geveran informs that the Offer itself will not have legal, economic or work-related consequences for the employees of Norwegian Property.

The Board also notes that as at the date hereof, Geveran controls 37.57% (including acceptances under the Offer) of Norwegian Property's outstanding shares. Based on Geveran's current shareholding, and possibly increased holding upon completion of the Offer, Geveran is likely to have a significant influence over the election of directors to the Board and other matters that shall be put to a vote for shareholders, ref the Board's notes to this effect above.

The Board also refers to the fact that the offer price of NOK 10.00 per share represents a discount of 0.50% to the closing price for the Norwegian Property share on the Oslo Stock Exchange on 21 November 2014 (which was the last trading day before announcement of Geveran's intention to make a mandatory offer of the remaining shares in Norwegian Property). Moreover, the offer price represents a premium of approximately 2%, 8% and 12% to the volume-weighted average price of the Norwegian Property share on the Oslo Stock Exchange for the 3 month, 6 month and 12 month periods ending on 21 November 2014, respectively. The offer price is below what the Board considers to be the historical average acquisition premium in public cash offers in the Norwegian market. The offer price values the shares in Norwegian Property at approximately NOK 5,484 million.

Based on inter alia the above circumstances, including SEB's fair value assessment, it is the Board's overall assessment that the Offer is 5% – 15% below the fair value of the Norwegian Property shares. Based on this, the Board of Norwegian Property does not recommend the shareholders of Norwegian Property to accept the Offer. The Offer does however represent a liquidity event for shareholders looking to monetize their position in Norwegian Property, even when considering that Norwegian Property is in the middle of its peer group in terms of daily trading of the outstanding shares.

The Board emphasises that estimation of underlying values is highly uncertain and sensitive to a number of assumptions. Further, Geveran is likely to have a significant influence over Norwegian Property, and there can be no assurance as to the future trading price of Norwegian Property's shares. The Board therefore strongly advises shareholders to carefully review their options in light of the factors set out herein and any other available information, and to make an independent evaluation whether or not to accept the Offer.

This statement is unanimous.

Board member Bjørn Henningsen has informed the Board that he does not intend to accept the Offer with respect to shares held by a company affiliated with him. Board members Camilla Hagen Sørli and Nils K. Selte have informed the Board that with respect to shares held by Canica AS no decision has currently been made as to whether to accept the Offer or not. Board member Nils K. Selte has informed the Board that with respect to shares held by a company affiliated with him personally no decision has currently been made as to whether to accept the Offer or not. The CEO, Olav Line has informed the Board that he does not intend to accept the Offer with respect to shares held by him.

7 January 2015

The Board of Directors of Norwegian Property ASA