

FINANCIAL RESULTS

Q3 2013

7 November 2013



Highlights Q3 2013

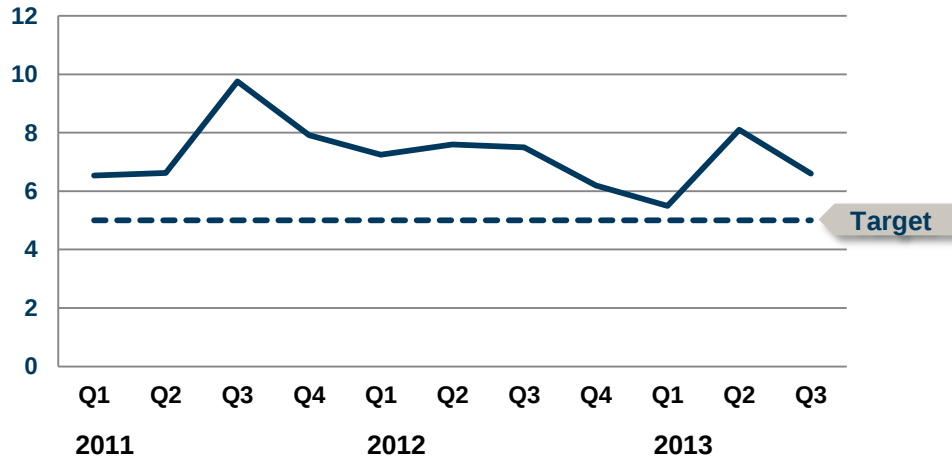
- ▶ Solid result from operations
 - Higher Nordic power prices and increased production capacity
 - Underlying EBITDA of NOK 1 867 million
- ▶ Currency effects impact net profit
 - Unrealised loss in financial items giving net loss of NOK -1 681 million
 - Offset by translation effects (NOK 2 119 million)
- ▶ High development project activity
 - Gross investment of NOK 2.2 billion
 - One onshore wind farm in the UK and one in Sweden opened
 - New district heating production plant in Norway in operation
 - Total rehabilitation of hydropower plant in the Philippines completed
- ▶ Asset swap to reduce cross-ownership and optimize operations
 - Agreement signed where Statkraft sells Svelgen 1 and 2 to Svelgen Kraft and acquires Sogn og Fjordane Energiverk's 35% share in Leirdøla



Health, safety and environment

Total Recordable Injuries rate¹

TRI-rate



► Health and safety Q3

- One fatal accident in August in SN Power's Cheves project in Peru
- Injury rate above target
- Sick leave ytd 3.0% well below target

► Environment Q3

- No serious environmental incidents

¹TRI rate: Number of injuries per million hours worked

Solid underlying EBITDA

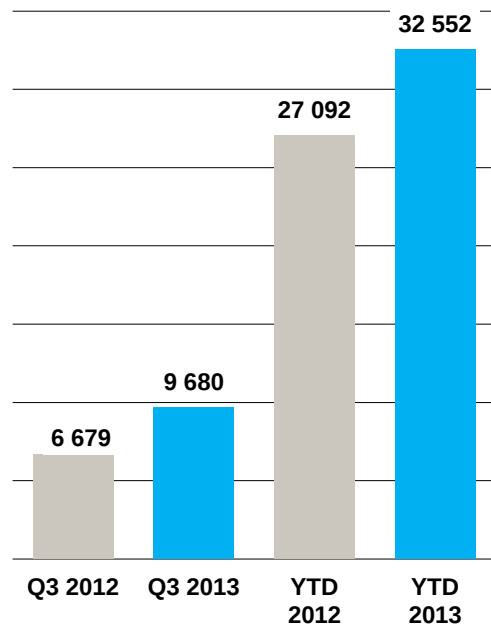
NOK million	Q3 2013	Q3 2012	YTD 2013	YTD 2012
Gross revenues ¹	9 680	6 679	32 552	27 092
EBITDA ¹	1 867	1 253	8 602	7 830
Net profit/loss	-1 681	638	-2 147	6 511

- ▶ Significantly higher Nordic prices
- ▶ Marginally lower production
- ▶ New production capacity from wind power production and transferred power plants
- ▶ Net profit affected by currency effects due to weakening of NOK against EUR

¹Adjusted for unrealised changes in value on energy contracts and significant non-recurring items

Gross operating revenues

NOK million



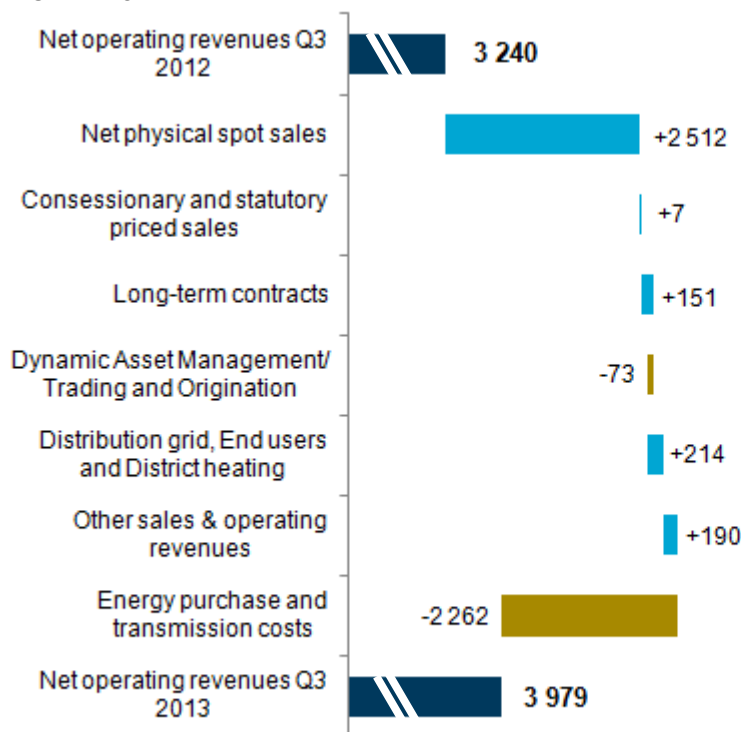
Δ Q3 13/Q3 12 + 45%
Δ YTD 13/YTD 12 + 20%

- ▶ Higher prices offset lower production
 - Nordic system price 35.9 EUR/MWh
↑ 72%
 - Total power generation 11.2 TWh
↓ 2%
- ▶ Increase in underlying gross operating revenues¹ influenced by
 - New capacity from wind farms in UK and Sweden
 - Transfer of leased power plants from Statkraft SF
 - Increase in long term contracts

¹Adjusted for unrealised changes in value on energy contracts and significant non-recurring items

Net revenues breakdown

NOK million



- ▶ Net operating revenues¹ increased compared with Q3 2012
- ▶ Price effect influencing physical sale
- ▶ Increase in physical sales and energy purchases also due to market activities
- ▶ Long-term contracts increased by higher volume and price indexation
- ▶ Increased revenues within retail partly offset by power purchases
- ▶ Transferred leased plants contribute to increased other sales

¹Adjusted for unrealised changes in value on energy contracts and significant non-recurring items

Statkraft production

Monthly power generation



Change from 2012:

Q3 production

↓ 2%

- ▶ Hydropower production ↓ 2%
- ▶ Wind power production ↑ 53%
- ▶ Gas-fired power production ↓ 100%

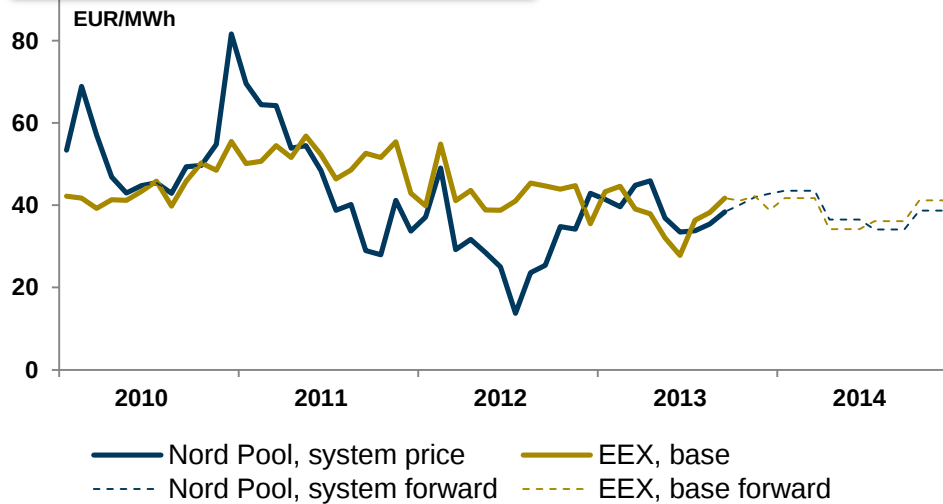
YTD production

↓ 9%

- ▶ Hydropower production ↓ 10%
- ▶ Wind power production ↑ 48%
- ▶ Gas-fired power production ↓ 28%

Prices up in the Nordic, down in Germany

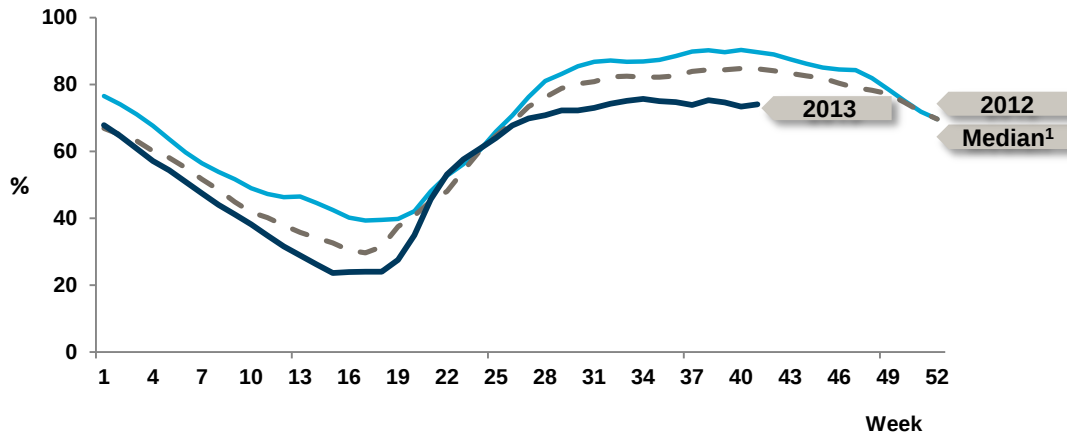
Electricity, average monthly price



- ▶ Compared with Q3 2012 weaker hydrological balance drives prices up in the Nordic
 - System price: 35.9 EUR/MWh  72%
- ▶ Increasing share of renewables and high coal-fired power drive prices down in Germany
 - Spot price: 38.8 EUR/MWh  11%
- ▶ The YTD average price
 - System price: 38.9 EUR/MWh  33%
 - Spot price: 37.9 EUR/MWh  12%

Nordic hydro reservoirs

Nordic reservoir water levels

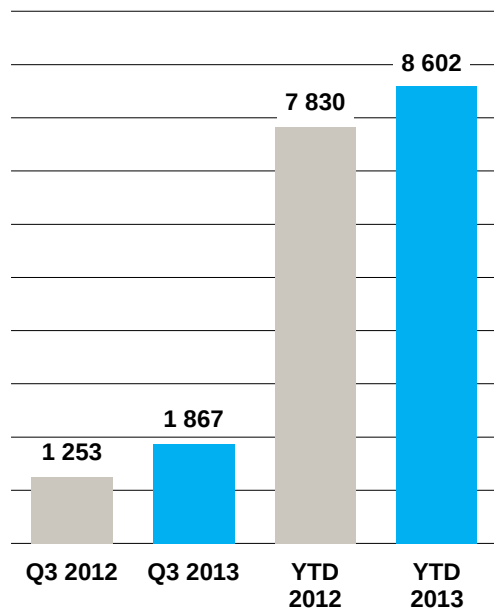


- ▶ Below normal inflow and reduction in reservoir levels during Q3
- ▶ At the end of September Nordic reservoirs were 90.6 TWh corresponding to 88.4% of normal

¹ Median 1990-2012

Underlying EBITDA – up by 49%

NOK million



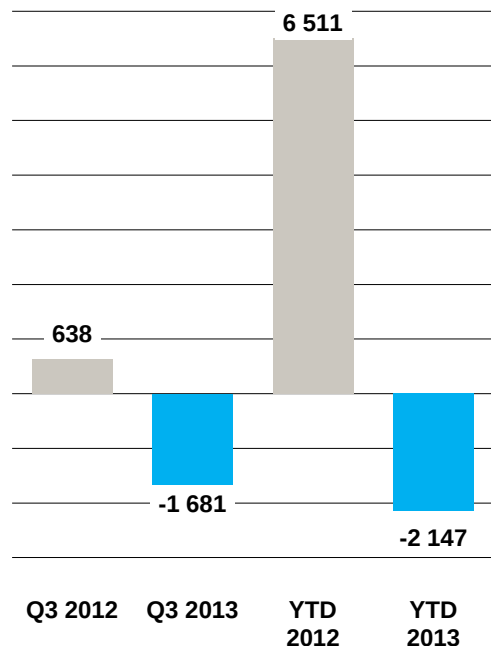
Δ Q3 13/Q3 12 + 49%
Δ YTD 13/YTD 12 + 10%

- ▶ Underlying EBITDA¹ increased by 49% in Q3 and 10% YTD
- ▶ Primarily due to price effects
- ▶ New wind farms and transferred leased power plants improves production capacity
- ▶ Slight increase in long-term contracts
- ▶ Moderate increase in operating costs

¹Adjusted for unrealised changes in value on energy contracts and significant non-recurring items

Weakened NOK influences net profit

NOK million

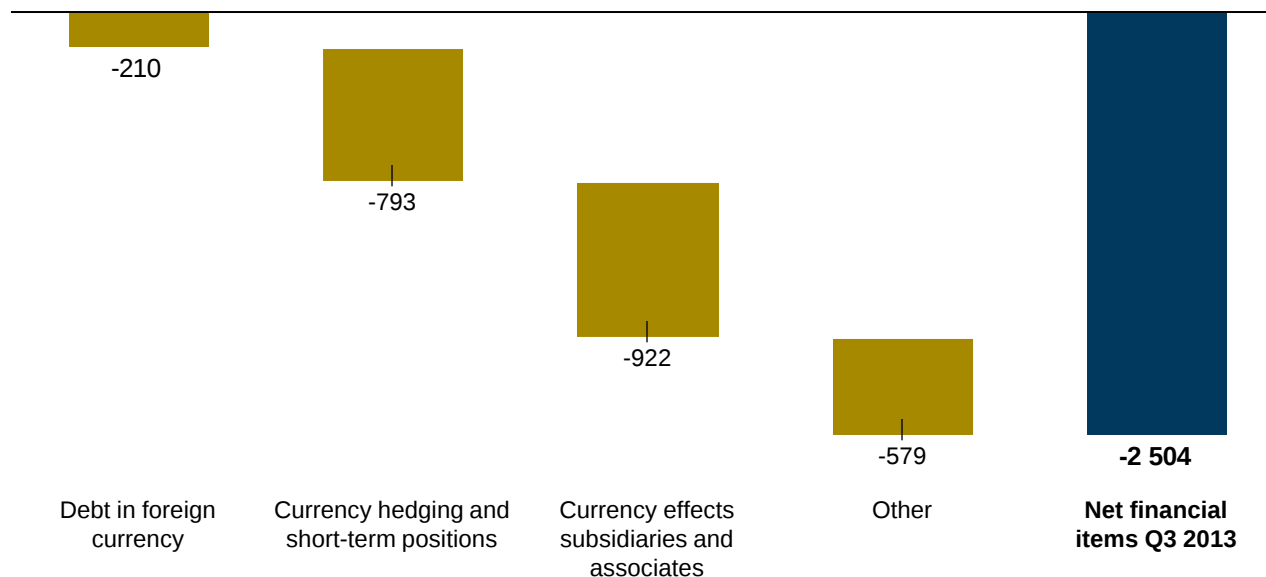


- ▶ Negative net profit in Q3 and YTD
- ▶ Weakening NOK against EUR and other currency fluctuations
- ▶ 2012 profits were characterized by positive currency effects
- ▶ Currency effects are mainly unrealised
- ▶ The effects are more than offset by currency translation effects included in other comprehensive income strengthening equity

Currency effects – equalized in equity

Breakdown Net financial items Q3 2013

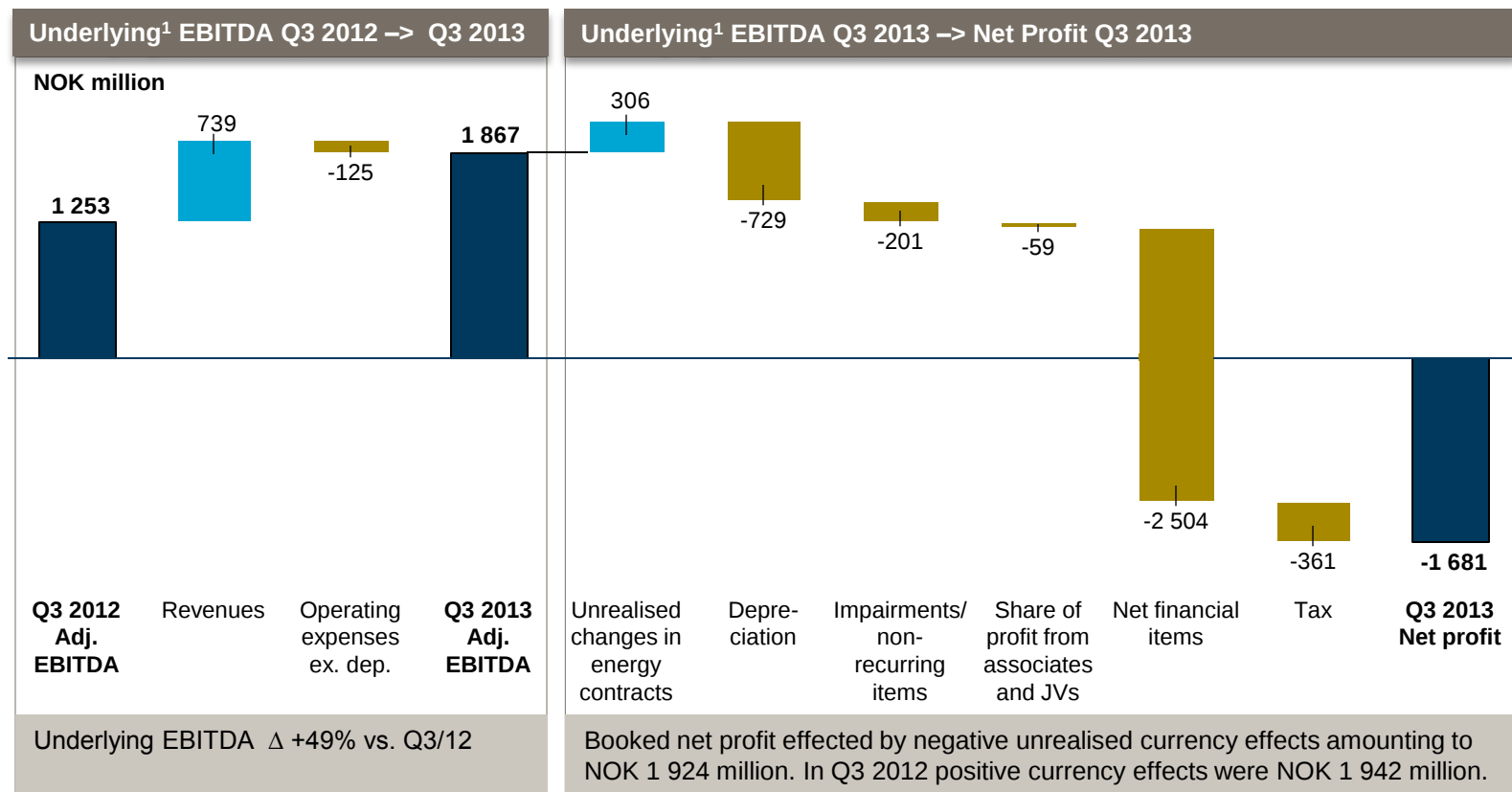
NOK million



In Q3 2013 NOK 1 731 million is unrealised.

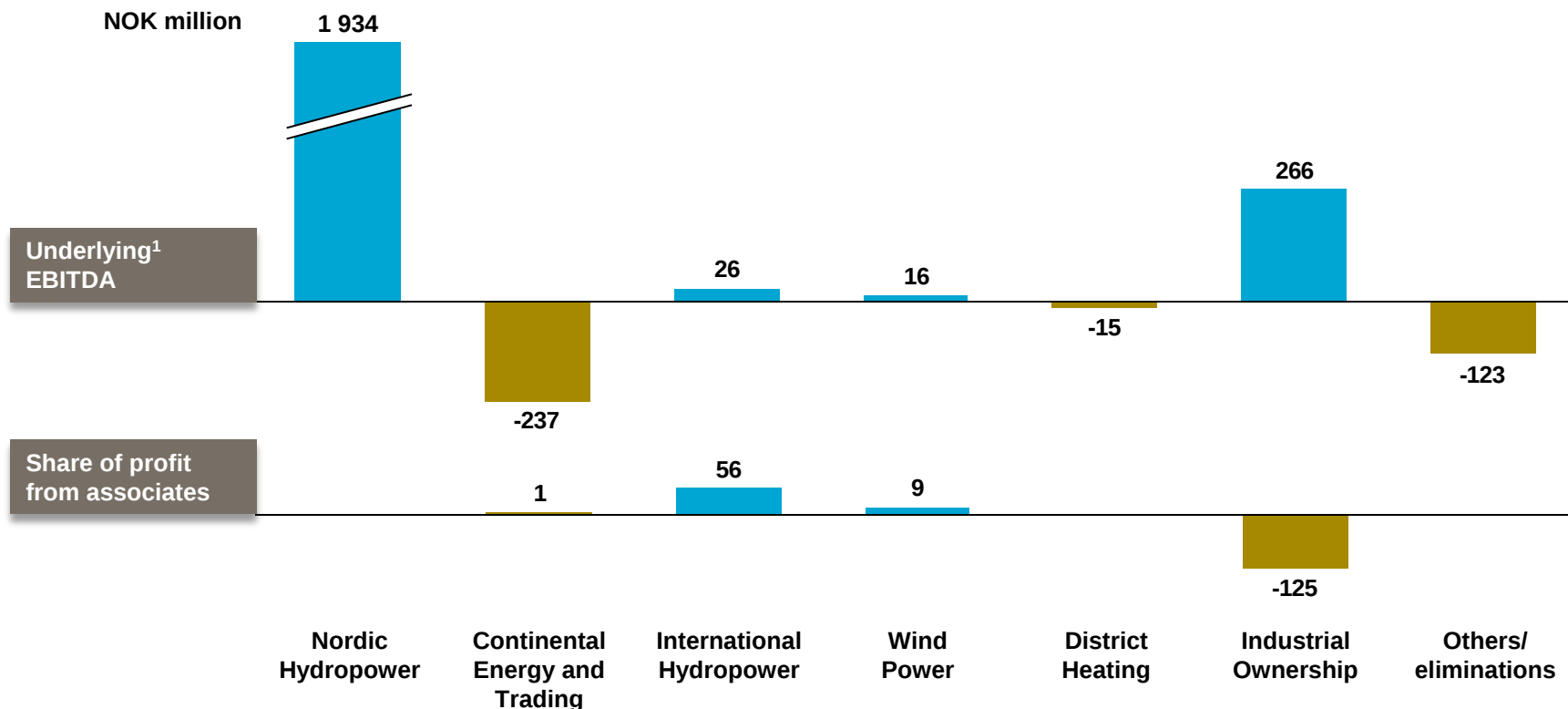
Equity strengthened through corresponding currency translations by NOK 2 119 million

Net profit breakdown



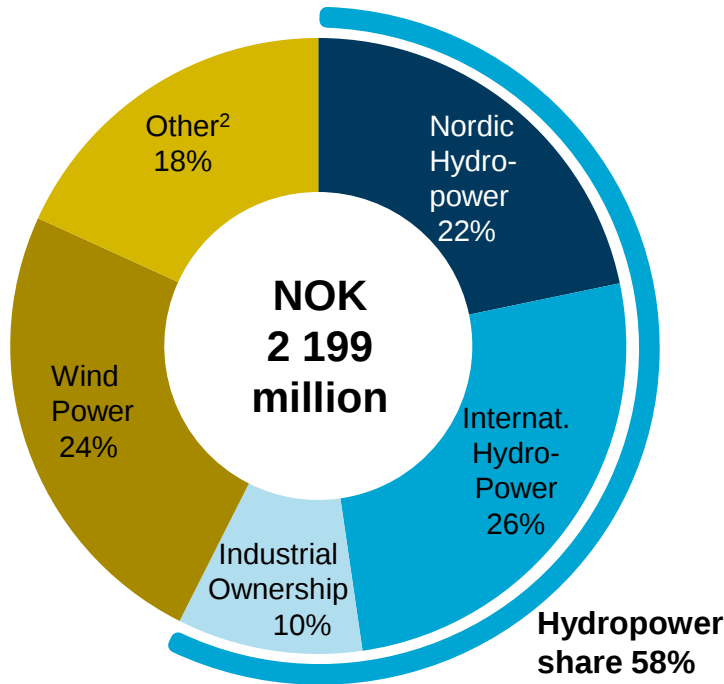
¹Adjusted for unrealised changes in value on energy contracts and significant non-recurring items

Segment financials



- Due to implementation of IFRS 11 in 2013, five partly owned companies are consolidated with Statkraft's share (proportionate method), while they previously were presented as share of profit from associates and JV's (equity method).

Q3 capital expenditure¹



- ▶ A large number of projects under construction under current investment program
- ▶ NOK 2.2 billion invested in Q3
 - 89% expansion
- ▶ 58% of investments in hydropower, 24% in wind power

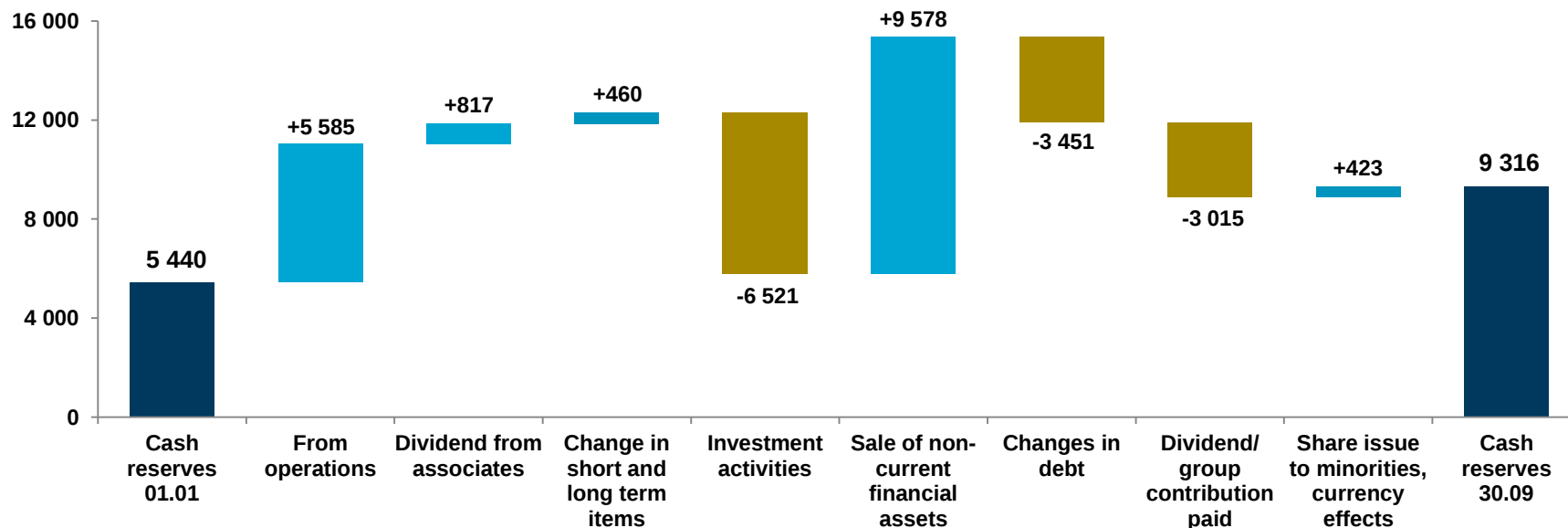
¹ Exclusive loans to associates

² Including District heating, Small-scale hydropower and Continental energy and trading

Solid cash position

Cash flow year-to-date

NOK million

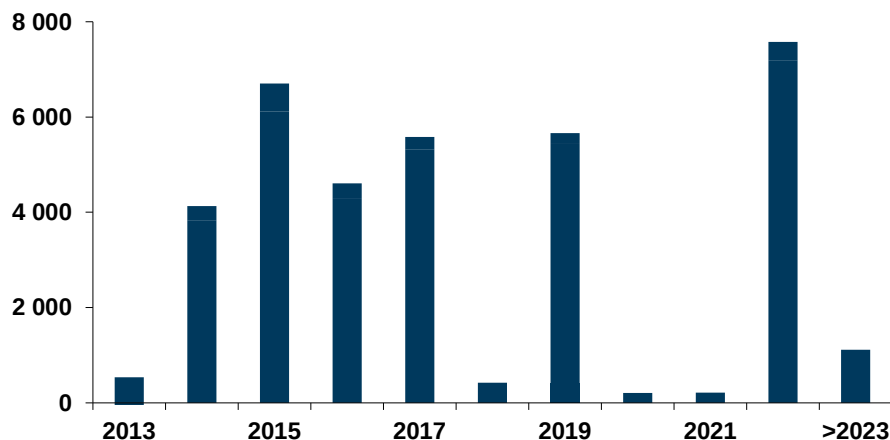


- ▶ Sale of non-current assets mainly regards E.ON SE shares (NOK 8.515 million) and Sheringham Shoal transmission grid (NOK 957 million)

Long-term debt – even maturity profile

Debt repayment profile

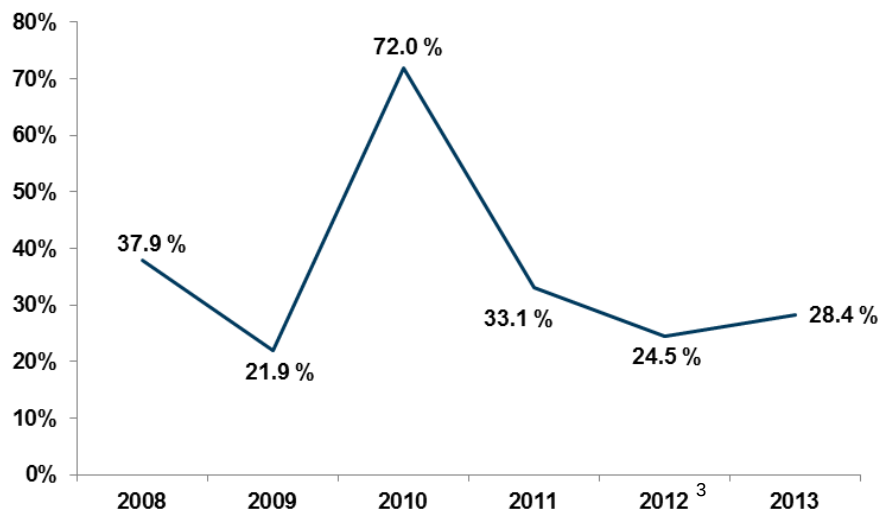
NOK million



- ▶ Net interest-bearing liabilities
NOK 28.7 billion (35.0 at end of 2012)
 - NOK 47%, EUR 26%, SEK 5%,
GBP 15%, USD 7%
 - 61% floating interest
 - Interest-bearing net debt ratio 29.9%
(35.9% at end of 2012)
- ▶ NOK 0.5 billion debt maturities in remaining 2013

Financial strength and rating

FFO/net debt¹ (unadjusted²)



FFO of NOK 8 131 million (8 580 in 2012)

Net interest bearing debt of NOK 28 668 million (34 960 in 2012)

Rating targets

- ▶ Maintaining current ratings with S&P and Moody's, and a minimum of BBB+/Baa1
 - Current ratings A-/Baa1
- ▶ Indicated FFO/Net Debt thresholds⁴
 - S&P: 18-20%
 - Moody's: "High mid-teens"

¹ Calculated 12 months rolling

² Rating agencies apply own adjustments

³ 2012 recalculated after implementation of IFRS 11 in 2013

⁴ Please see rating publications on Statkraft's web page, under Financial information, for full assessments

Outlook

- ▶ Solid operating earnings
 - Somewhat higher short-term Nordic power prices but lower production than in 2012
 - Positive impact from new production capacity
 - Large hydro reservoir capacity gives high production flexibility
 - Solid long-term contract portfolio stabilizes earnings
- ▶ Maintain robust financial position
 - Adapt investment level to retain a strong financial position and maintain rating ambitions
- ▶ Strengthening International Hydropower
 - Intention to restructure and prolong cooperation between Statkraft and Norfund
 - Ambition towards becoming a leading international company in pure energy

APPENDIX



Statement of Comprehensive Income

NOK million	Third Quarter		Year to date		The year
	2013	2012	2013	2012	2012
COMPREHENSIVE INCOME					
PROFIT AND LOSS					
Sales revenues	9 560	5 959	32 513	25 050	36 447
Other operating revenues	415	160	1 117	637	1 103
Gross operating revenues	9 975	6 119	33 630	25 687	37 550
Energy purchase	-5 377	-3 351	-16 131	-12 701	-18 172
Transmission costs	-227	-227	-717	-763	-1 026
Net operating revenues	4 371	2 540	16 782	12 223	18 352
Salaries and payroll costs	-814	-798	-2 288	-2 225	-3 046
Depreciation, amortisation and impairments	-918	-643	-2 265	-1 876	-4 814
Property tax and licence fees	-420	-363	-1 246	-1 045	-1 345
Other operating expenses	-976	-825	-2 428	-2 353	-3 469
Operating expenses	-3 128	-2 630	-8 227	-7 498	-12 674
Operating profit/loss	1 243	-90	8 554	4 724	5 679
Share of profit/loss from associates and joint ventures	-59	281	400	1 069	871
Financial income	75	57	179	843	996
Financial expenses	-357	-295	-972	-984	-1 301
Net currency effects	-1 924	1 942	-6 878	4 460	4 468
Other financial items	-298	-285	-1 156	-250	-1 822
Net financial items	-2 504	1 419	-8 827	4 068	2 341
Profit/loss before tax	-1 320	1 610	127	9 862	8 890
Tax expense	-361	-972	-2 273	-3 351	-4 220
Net profit/loss	-1 681	638	-2 147	6 511	4 671
Of which non-controlling interest	58	47	269	369	230
Of which majority interest	-1 738	591	-2 415	6 142	4 440
OTHER COMPREHENSIVE INCOME					
Changes in fair value of financial instruments	-198	798	-599	962	337
Estimate deviation pensions	-63	-	186	-15	1 045
Items recorded in other comprehensive income in associates and joint arrangements	-	-80	145	-241	320
Currency translation effects	2 119	-1 802	7 918	-3 807	-4 536
Other comprehensive income	1 858	-1 084	7 650	-3 101	-2 833
Comprehensive income	177	-446	5 503	3 410	1 838
Of which non-controlling interest	4	-279	658	-48	-156
Of which majority interest	172	-167	4 845	3 458	1 994

Statement of Financial Position

NOK million	30.09.2013	30.09.2012	31.12.2012	31.12.2011
STATEMENT OF FINANCIAL POSITION				
ASSETS				
Intangible assets	3 812	3 468	3 242	3 136
Property, plant and equipment	98 491	89 483	88 665	85 195
Investments in associates and joint ventures	15 545	16 225	15 924	15 080
Other non-current financial assets	2 791	13 329	10 714	12 163
Derivatives	4 994	5 524	5 397	4 687
Non-current assets	125 634	128 028	123 942	120 261
Inventories	1 310	1 165	1 588	977
Receivables	8 617	7 201	9 604	9 272
Short-term financial investments	453	450	457	455
Derivatives	4 457	4 549	4 996	5 356
Cash and cash equivalents (included restricted cash)	9 316	3 583	5 440	8 605
Current assets	24 153	16 948	22 084	24 664
Assets	149 787	144 976	146 026	144 925
EQUITY AND LIABILITIES				
Paid-in capital	49 104	45 569	45 569	45 569
Retained earnings	10 779	11 357	9 934	12 840
Non-controlling interest	7 487	7 116	6 934	7 241
Equity	67 370	64 043	62 437	65 651
Provisions	20 481	21 929	20 035	21 350
Long-term interest-bearing liabilities	35 993	29 268	33 517	31 820
Derivatives	4 918	6 239	6 038	4 673
Long-term liabilities	61 391	57 436	59 591	57 842
Short-term interest-bearing liabilities	2 183	7 410	7 108	5 467
Taxes payable	3 494	3 530	3 246	3 411
Other interest-free liabilities	11 239	8 377	9 341	6 960
Derivatives	4 110	4 180	4 303	5 596
Current liabilities	21 026	23 497	23 999	21 433
Equity and liabilities	149 787	144 976	146 026	144 925

Statement of Cash Flow

NOK million	Third Quarter 2013	2012	The year 2012
STATEMENT OF CASH FLOW			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	127	9 862	8 890
Profit/loss on sale of non current assets	-92	-7	-28
Depreciation, amortisation and impairments	2 265	1 876	4 814
Profit/loss from the sale of business	117	-	-
Profit/loss from the sale of shares, and associates and joint ventures	-153	-	-81
Share of profit/loss from associates and joint ventures	-400	-1 069	-871
Unrealised changes in value	6 191	-2 650	-1 452
Taxes	-2 471	-2 903	-4 426
Cash flow from operating activities	5 585	5 108	6 846
Changes in long term items	-459	-131	-225
Changes in short term items	919	3 107	1 710
Dividend from associates	817	1 414	1 958
Net cash flow operating activities	A	6 862	9 499
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in property, plant and equipment, maintenance	-797	-668	-1 065
Investments in property, plant and equipment, new capacity*	-5 722	-6 328	-8 396
Proceeds from sale of non-current assets	9 578	42	126
Business divestments, net liquidity inflow to the Group	327	-	-
Business combinations, net liquidity outflow from the Group**	69	90	-54
Loans to third parties	-439	-449	-670
Repayment of loans	62	11	8
Considerations regarding investments in other companies	-23	-2 418	-2 433
Net cash flow from investing activities	B	3 057	-9 721
CASH FLOW FROM FINANCING ACTIVITIES			
New debt	389	2 477	7 919
Repayment of debt	-3 840	-3 097	-4 573
Dividend and group contribution paid	-3 015	-4 244	-4 293
Share issue in subsidiary to non-controlling interests	108	149	167
Net cash flow from financing activities	C	-6 358	-780
Net change in cash and cash equivalents	A+B+C	3 561	-2 974
Currency exchange rate effects on cash and cash equivalents	315	-85	-191
Cash and cash equivalents 01.01	5 440	8 605	8 605
Cash and cash equivalents 30.09/31.12	9 316	3 583	5 440
Unused committed credit lines	12 000	12 000	12 000
Unused overdraft facilities	2 214	2 200	2 205
Restricted Cash	-261	-758	-232