

FINANCIAL RESULTS

Q1 2013

8 May 2013



Highlights Q1 2013

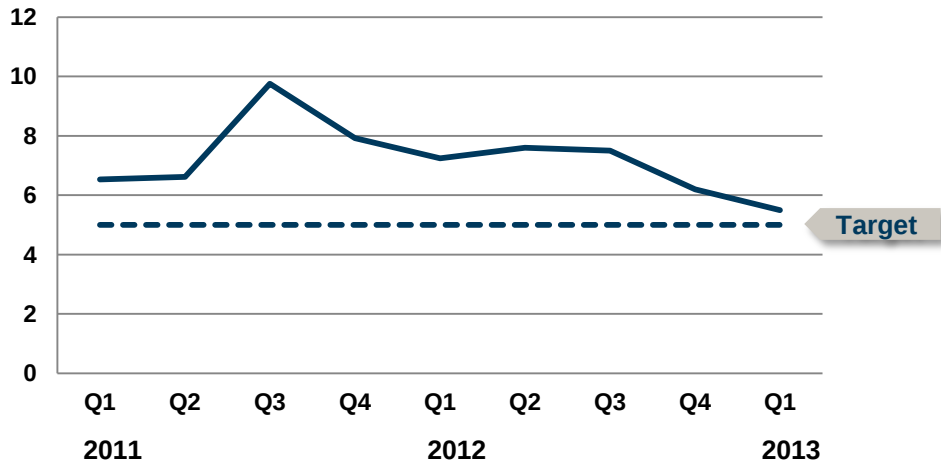
- ▶ Satisfactory results from operations
 - Higher Nordic power prices and increased production capacity
 - Underlying EBITDA on a level with Q1 last year
- ▶ Currency fluctuations effect net profit negatively
 - Unrealised loss in value of financial items
 - Offset by translation differences strengthening equity
- ▶ Investment activity according to plan
 - Gross investments of NOK 1.7 billion
 - Future activities to be adjusted to market outlook and financial capacity
- ▶ Decision to put German gas-fired power plant Frank Robert in cold reserve
- ▶ Sale of all shares in E.ON in Q1/early Q2
 - Release of capital for own investments



Health, safety and environment

Total Recordable Injuries rate

TRI-rate



- ▶ Health and safety Q1
 - ▶ TRI rate improved (5.5), close to target (5.0)
 - ▶ Sick leave ytd 3.9%
- ▶ Environment Q1
 - ▶ No serious environmental incidents

Key figures

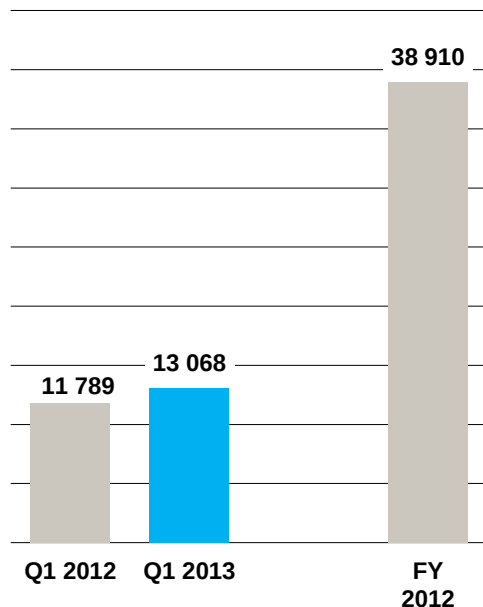
NOK million	Q1 2013	Q1 2012	2012
Revenues ¹	13 068	11 789	38 910
EBITDA ¹	4 180	4 212	11 347
Net profit	443	3 430	4 671

- ▶ Improved revenues due to higher prices, production in line with last year
- ▶ EBITDA on a level with last year
- ▶ Weakened NOK against EUR brings net profit down

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

Gross operating revenues¹

NOK million



Δ Q1 13/Q1 12 + 11%

► Increase in underlying gross operating revenues¹ due to higher price

- Nordic system price 42.0 EUR/MWh

↑ 9%

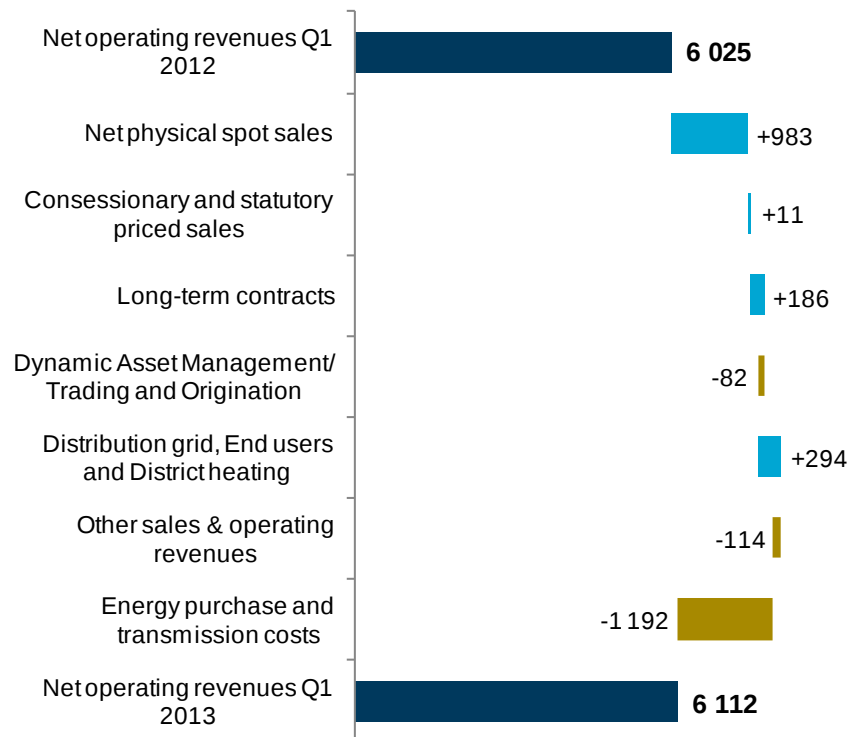
- Power generation 17.4 TWh



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

Net revenues breakdown¹

NOK million

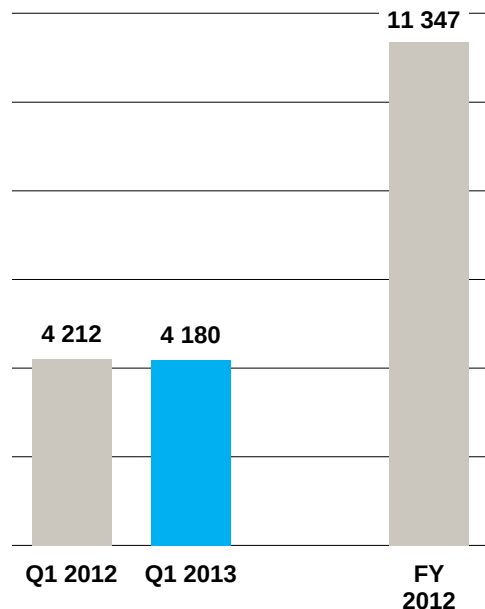


- ▶ Net operating revenues increased slightly compared with Q1 2012
- ▶ Increase in physical sales due to
 - Higher Nordic power prices
 - Offshore wind farm Sheringham Shoal in operation
- ▶ Increase in long-term contracts owing to higher volume and indexed prices
- ▶ Increased revenues within retail due to higher volume and prices

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

Underlying EBITDA¹

NOK million



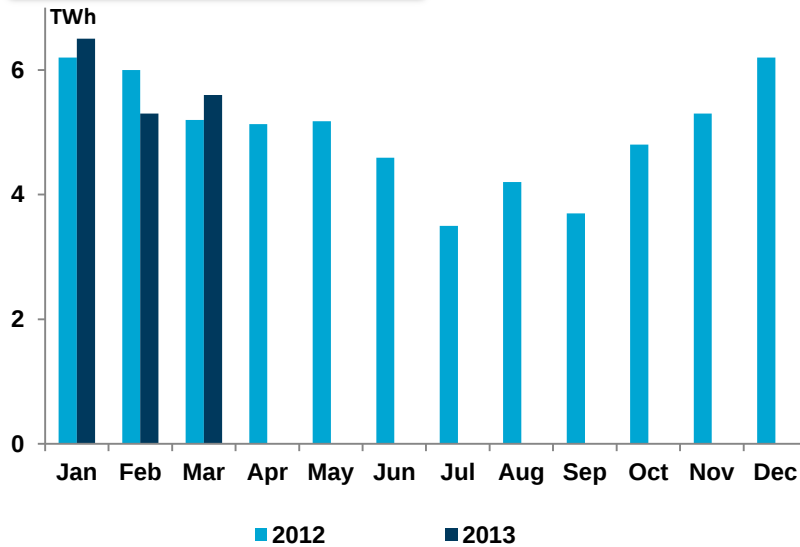
Δ Q1 13/Q1 12 - 1%

- ▶ Underlying EBITDA¹ on a level with Q1 2012
- ▶ Higher quarterly Nordic system price
- ▶ Higher prices and volume on long-term contracts and retail sale
- ▶ Moderate increase in operating costs, mostly due to property tax

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

Statkraft production

Monthly power generation



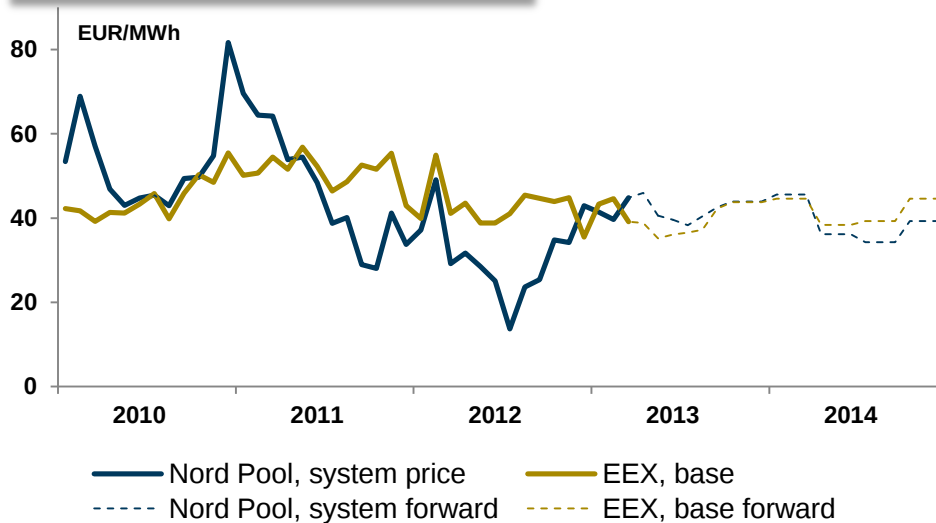
Change from 2012:

Q1 production 17.4 TWh

- ▶ Hydropower production
- ▶ Wind power production
- ▶ Gas-fired power production

Prices up in the Nordic, down in Germany

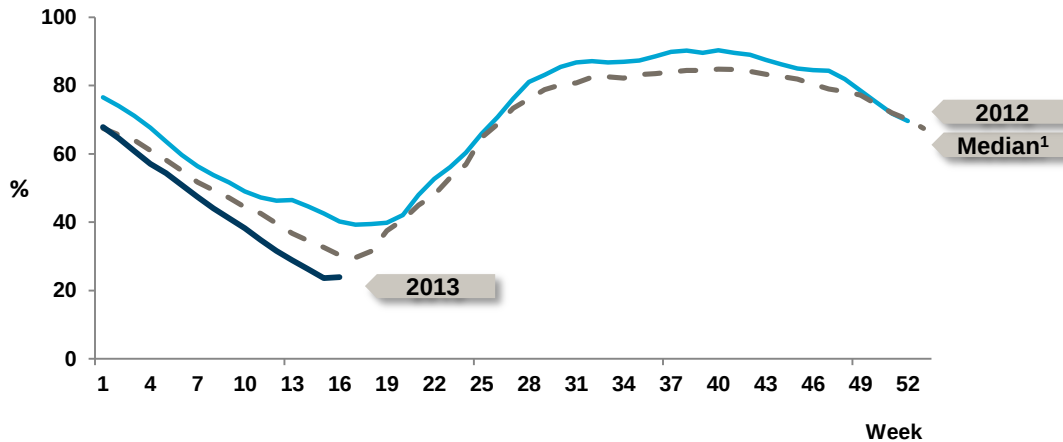
Electricity, average monthly price



- ▶ Increased demand and lower reservoirs drives prices up in the Nordic
 - System price: 42.0 EUR/MWh  9%
- ▶ Increasing share of renewables and thermal power drive prices down in Germany
 - Spot price: 42.3 EUR/MWh  7%
- ▶ In March the average price in Germany was lower than the Nordic system price

Nordic hydro reservoirs

Nordic reservoir water levels

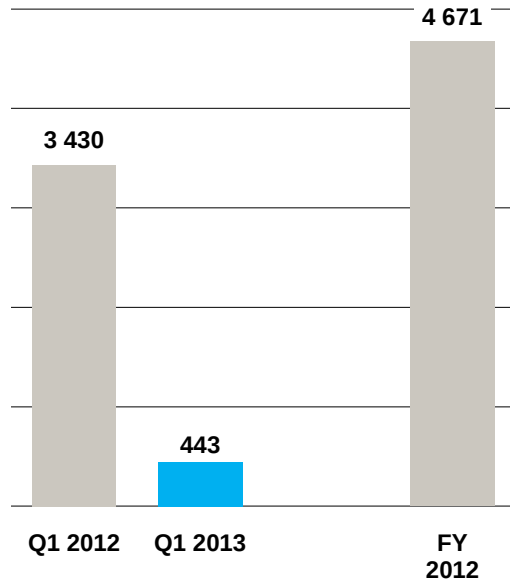


- ▶ Reduction in reservoir level throughout Q1
 - Below normal inflow
 - Increase in consumption (+6%)
- ▶ Nordic reservoirs of 35 TWh corresponding to 80.7% of normal

¹ Median 1990-2012

Net profit

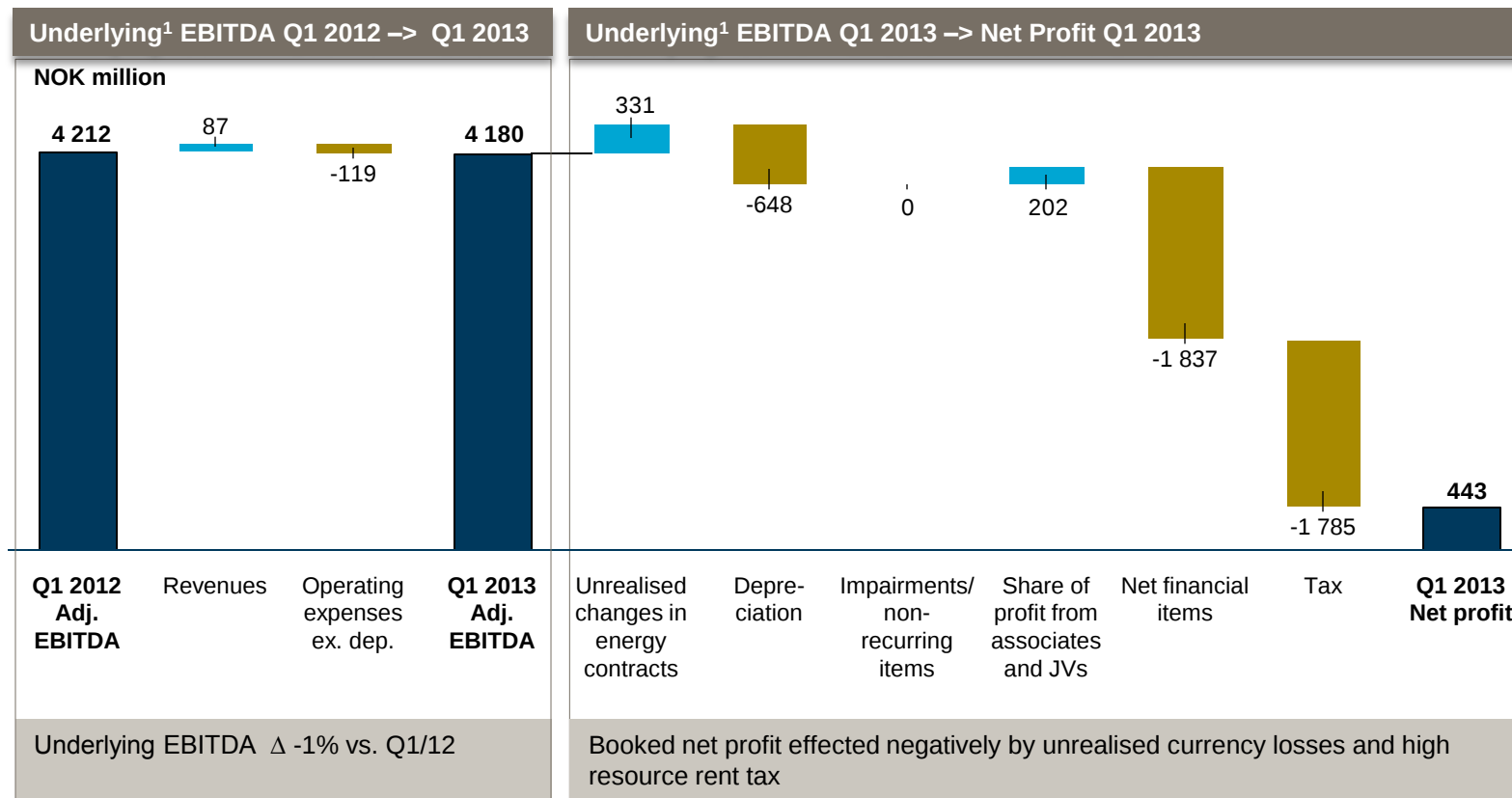
NOK million



Δ Q1 13/Q1 12 - 87%

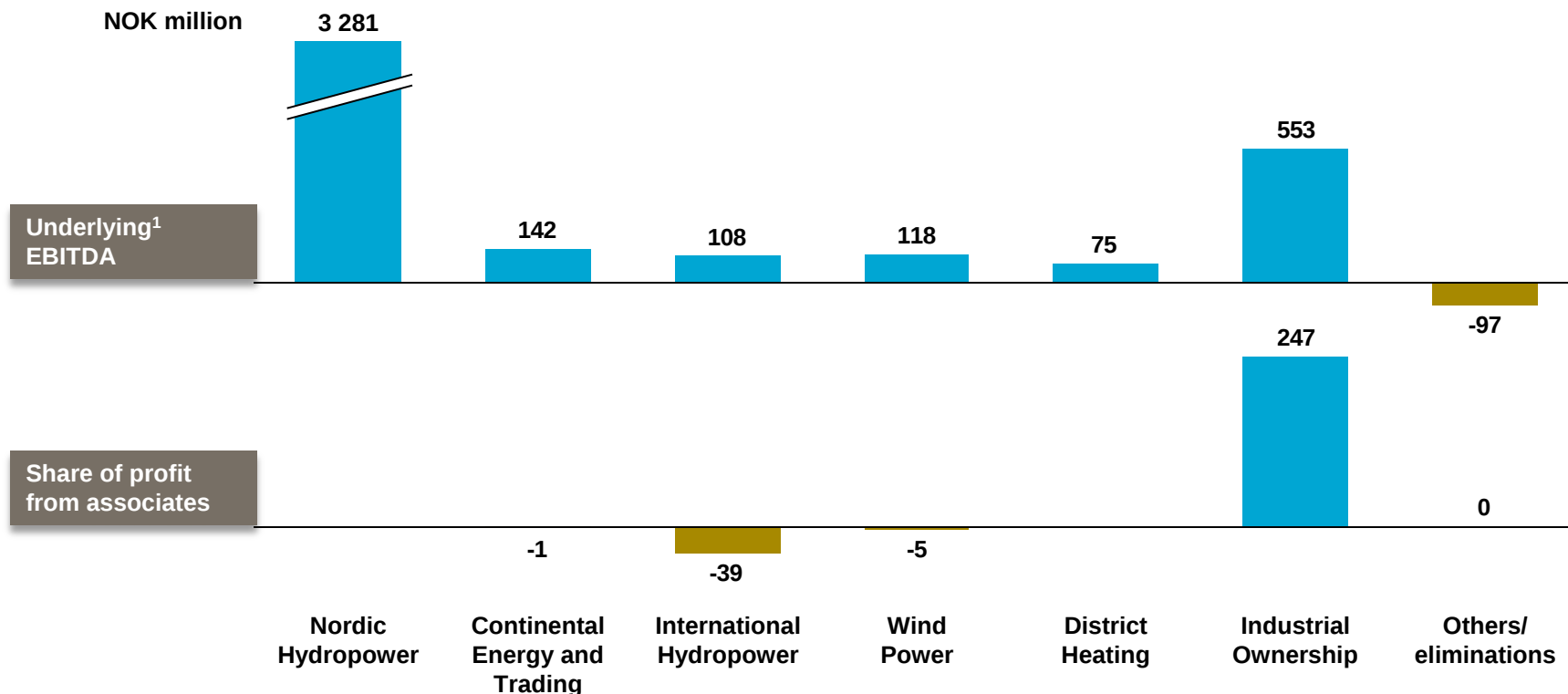
- ▶ Low net profit in Q1 mainly due to
 - Weakened NOK against EUR causing currency losses, mostly unrealised
 - Higher taxation due to higher resource rent tax and de-recognition of tax loss forwards

Net profit breakdown



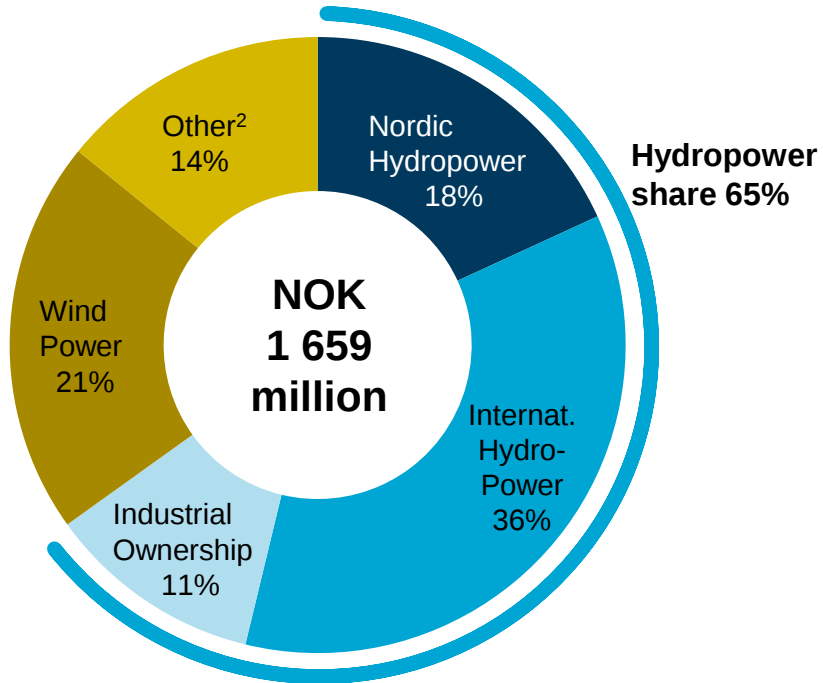
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Segment financials



- 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).

Q1 capital expenditure¹

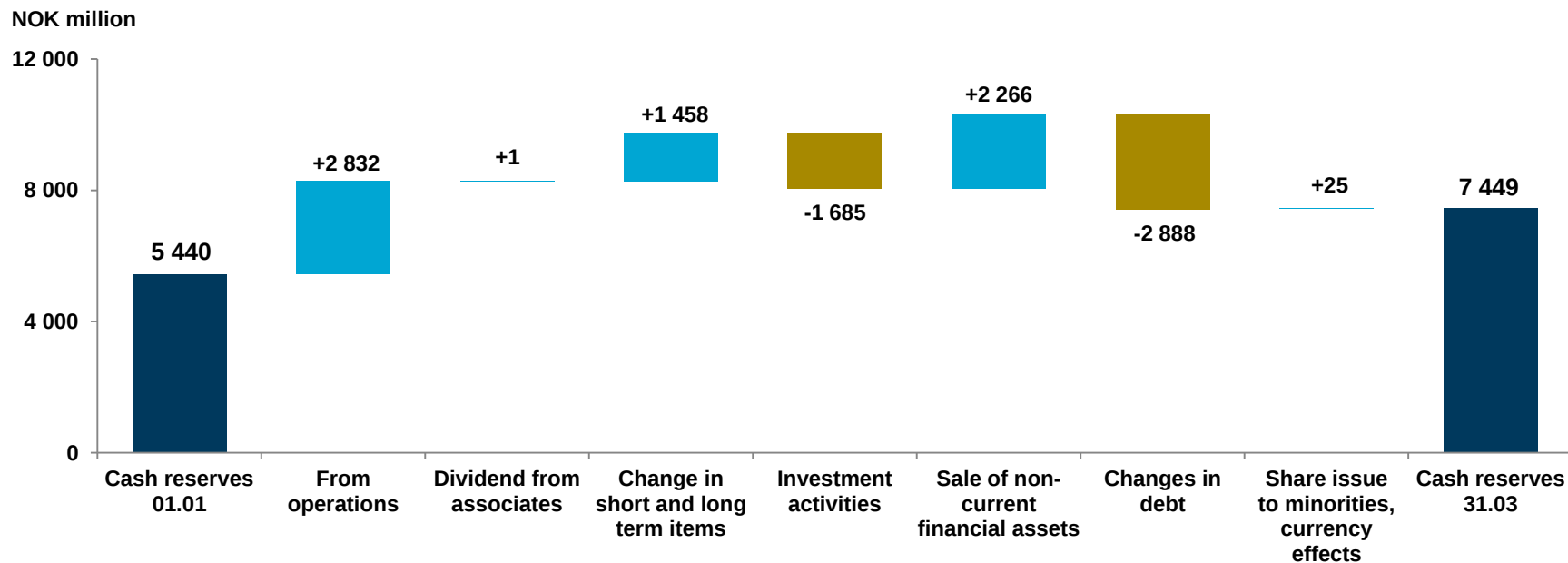


- ▶ A large number of projects under construction as a consequence of the ambitious investment program
- ▶ NOK ~1.7 billion invested in Q1
 - 87% expansion
- ▶ 65% of investments in hydropower, 21% in wind power

¹ Exclusive loans to associates

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

Cash flow year-to-date

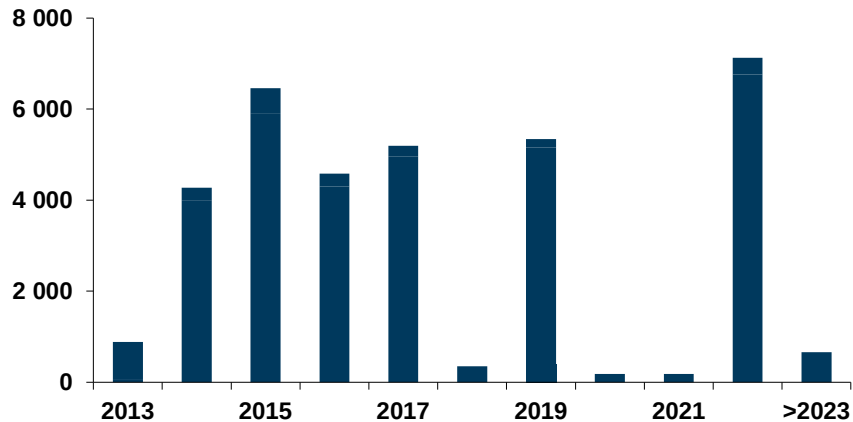


- Sale of non-current assets regards E.ON SE shares. Remaining shares sold in early Q2 at NOK 6,254 million.

Long-term debt

Debt repayment profile

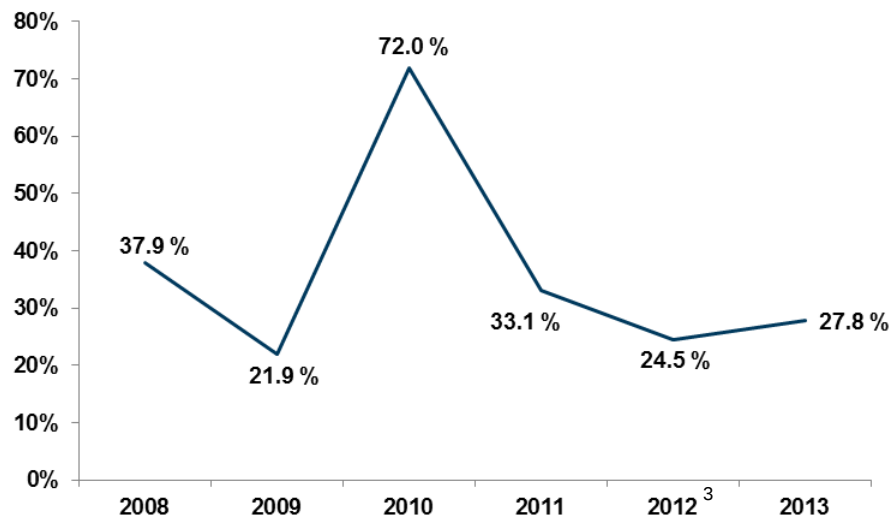
NOK million



- ▶ Net interest-bearing liabilities
NOK 32.0 billion (29.7)
 - NOK 45%, EUR 41%, SEK 7%,
USD 7%
 - 64% floating interest
 - Interest-bearing net debt ratio 32.8%
- ▶ NOK 0.9 billion debt maturities in remaining 2013

Financial strength and rating

FFO/net debt¹ (unadjusted²)



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"

FFO of NOK 8 915 million (8 580 in 2012)

Net interest bearing debt of NOK 32 028 million (34 960 in 2012)

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
 - Nordic power prices likely to be somewhat higher in 2013 than in 2012
 - Statkraft has high reservoir capacity and flexible hydro management
 - Solid long-term contract portfolio stabilize earnings
- ▶ Project activities according to plan
 - Selected investments in European renewable energy
 - Growth in hydropower outside Europe
- ▶ Investment plan adjusted to financial capacity

APPENDIX



Statement of Comprehensive Income

NOK million	First quarter		The year
	2013	2012	2012
COMPREHENSIVE INCOME			
PROFIT AND LOSS			
Sales revenues	12 591	11 041	36 447
Other operating revenues	190	342	1 103
Gross operating revenues	12 781	11 383	37 550
Energy purchase	-6 034	-5 162	-18 172
Transmission costs	-303	-314	-1 026
Net operating revenues	6 443	5 907	18 352
Salaries and payroll costs	-827	-801	-3 046
Depreciation, amortisation and impairments	-648	-616	-4 814
Property tax and licence fees	-408	-335	-1 345
Other operating expenses	-698	-678	-3 469
Operating expenses	-2 580	-2 429	-12 674
Operating profit/loss	3 863	3 477	5 679
Share of profit/loss from associates and joint ventures	202	418	871
Financial income	38	80	996
Financial expenses	-302	-364	-1 301
Net currency effects	-1 006	1 371	4 468
Other financial items	-567	-74	-1 822
Net financial items	-1 837	1 013	2 341
Profit/loss before tax	2 228	4 909	8 890
Tax expense	-1 785	-1 479	-4 220
Net profit/loss	443	3 430	4 671
Of which non-controlling interest	110	210	230
Of which majority interest	333	3 220	4 441
OTHER COMPREHENSIVE INCOME			
Changes in fair value of financial instruments	-215	892	337
Estimate deviation pensions	183	-	1 045
Items recorded in other comprehensive income in associates and joint ventures	-	-35	320
Currency translation effects	2 676	-1 846	-4 536
Other comprehensive income	2 644	-989	-2 833
Comprehensive income	3 087	2 441	1 838
Of which non-controlling interest	447	7	-156
Of which majority interest	2 639	2 434	1 994

Statement of Financial Position

NOK million	31.03.2013	31.03.2012	31.12.2012	31.12.2011
STATEMENT OF FINANCIAL POSITION				
ASSETS				
Intangible assets	2 885	3 291	3 242	3 136
Property, plant and equipment	90 949	85 878	88 665	85 195
Investments in associates and joint ventures	16 568	17 116	15 924	15 080
Other non-current financial assets	8 564	12 983	10 714	12 163
Derivatives	5 133	6 346	5 397	4 687
Non-current assets	124 100	125 614	123 942	120 261
Inventories	1 181	711	1 588	977
Receivables	10 164	9 511	9 604	9 272
Short-term financial investments	464	466	457	455
Derivatives	5 457	3 592	4 996	5 356
Cash and cash equivalents (included restricted cash)	7 449	8 002	5 440	8 605
Current assets	24 714	22 282	22 084	24 664
Assets	148 813	147 896	146 026	144 925
EQUITY AND LIABILITIES				
Paid-in capital	45 569	45 569	45 569	45 569
Retained earnings	12 573	15 268	9 934	12 840
Non-controlling interest	7 381	7 369	6 934	7 241
Equity	65 524	68 206	62 437	65 651
Provisions	20 612	21 300	20 035	21 350
Long-term interest-bearing liabilities	34 432	29 762	33 517	31 820
Derivatives	5 400	5 162	6 038	4 673
Long-term liabilities	60 444	56 223	59 591	57 842
Short-term interest-bearing liabilities	5 237	7 693	7 108	5 467
Taxes payable	3 100	2 516	3 246	3 411
Other interest-free liabilities	9 799	8 455	9 341	6 960
Derivatives	4 709	4 805	4 303	5 596
Current liabilities	22 845	23 467	23 999	21 433
Equity and liabilities	148 813	147 896	146 026	144 925

Statement of Cash Flow

NOK million	First quarter 2013	2012	The year 2012
STATEMENT OF CASH FLOW			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	2 228	4 909	8 890
Profit/loss on sale of non current assets	2	-15	-28
Depreciation, amortisation and impairments	648	616	4 814
Profit/loss from the sale of shares, and associates and joint ventures	158	-	-81
Share of profit/loss from associates and joint ventures	-202	-418	-871
Unrealised changes in value	1 195	-809	-1 452
Taxes	-1 197	-2 086	-4 426
Cash flow from operating activities	2 832	2 197	6 846
Changes in long term items	-127	-97	-225
Changes in short term items	1 585	1 622	1 710
Dividend from associates	1	271	1 958
Net cash flow operating activities	A	4 291	3 993
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in property, plant and equipment, maintenance	-207	-185	-1 065
Investments in property, plant and equipment, new capacity*	-1 401	-1 692	-8 396
Proceeds from sale of non-current assets	2 266	40	126
Business combinations, net liquidity outflow from the Group	-	93	-54
Loans to third parties	-126	-336	-670
Repayment of loans	57	1	8
Considerations regarding investments in other companies	-8	-2 383	-2 433
Net cash flow from investing activities	B	-4 462	-12 484
CASH FLOW FROM FINANCING ACTIVITIES			
New debt	507	649	7 919
Repayment of debt	-3 395	-764	-4 573
Dividend and group contribution paid	-	-	-4 293
Share issue in subsidiary to non-controlling interests	-	137	167
Net cash flow from financing activities	C	-2 888	-780
Net change in cash and cash equivalents	A+B+C	1 984	-2 974
Currency exchange rate effects on cash and cash equivalents	25	-156	-191
Cash and cash equivalents 01.01	5 440	8 605	8 605
Cash and cash equivalents 31.03/31.12	7 449	8 002	5 440
Unused committed credit lines	12 000	12 000	12 000
Unused overdraft facilities	1 867	2 136	2 205
Restricted Cash	-272	-715	-232