

Q3/07 **STATKRAFT AS**

**INTERIM-
REPORT**

Q3

Key figures

STATKRAFT AS GROUP	Unit	Q3		Year to date		The year
		2007	2006	2007	2006	2006
Gross operating revenues	NOK mill.	3,117	3,469	10,975	12,331	16,200
Net operating revenues	NOK mill.	2,312	2,806	8,410	10,022	16,835
- of which unrealised changes in value	NOK mill.	-299	-469	-604	-1,403	1,865
EBITDA	NOK mill.	1,401	1,947	5,396	7,470	13,225
Operating result	NOK mill.	1,005	1,574	4,234	6,364	11,737
Share of income from associated companies	NOK mill.	448	-258	1,903	587	1,935
Net financial items	NOK mill.	238	-944	-259	-1,757	-2,274
- of which unrealised changes in value	NOK mill.	577	-724	679	-996	-1,131
Profit before tax	NOK mill.	1,691	372	5,878	5,194	11,398
Profit after tax	NOK mill.	1,048	-290	4,103	2,909	7,551
EBITDA% ¹⁾	%	54.5	69.6	54.7	72.0	70.1
Maintenance investments	NOK mill.	173	114	412	491	573
Investments in new generating capacity	NOK mill.	284	765	937	2,184	3,125
Investments in shareholdings	NOK mill.	789	172	1,695	598	750
Net changes in cash flow from operating activities	NOK mill.	1,797	1,140	5,886	7,608	6,544
Cash and cash equivalents	NOK mill.			3,461	2,985	1,758
Assets	NOK mill.			108,063	105,257	102,871
Interest-bearing debt ratio	%			46.7	42.7	42.0
Average spot price	NOK/MWh	157	483	186	399	391
Production, volume sold	TWh	8.3	9.5	29.1	36.1	45.6
Full-time jobs (equivalents)	No.			2,246	2,035	2,087

¹⁾ Adjusted for unrealised changes in value

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Highlights in the quarter

Electricity prices continued to fall in the third quarter of the year. The average spot price for the quarter was 68% lower than in the corresponding prior-year period. Statkraft also generated less power, which meant that earnings from underlying operations were lower than in the third quarter of 2006. However, the share of income from associated companies rose, while unrealised changes in the value of financial instruments had a significant impact on results. The Group posted respective pre- and post-tax profits of NOK 1,691 million (NOK 372 million), and NOK 1,048 million (loss of NOK 290 million) for the quarter.

The profit before tax for the first nine months of the year totalled NOK 5,878 million (NOK 5,194 million), while the profit after tax was NOK 4,103 (NOK 2,909 million).

At the end of the quarter, Statkraft and E.ON AG signed a letter of intent to exchange Statkraft's shareholding in E.ON Sverige AB (44.6%) for flexible power production assets and shares in E.ON AG. The total value of the swap deal is EUR 4.4 billion. In addition to shares in E.ON AG, the agreement covers one third of E.ON Sverige's hydropower plants and flexible gas power, hydropower and district heating assets, primarily in Germany. The assets included in the swap deal generate a combined annual output of between 7 and 8 TWh. A final agreement is expected to be formally signed during the first quarter of 2008, while the transaction is expected to be completed during the second or third quarter of the same year. Statkraft will become Europe's largest producer of renewable energy as a result of this agreement.

In September Statkraft and the Swedish hygiene and paper company SCA entered into a ten-year industrial power agreement to deliver annual power supplies of 500 GWh to SCA's Swedish business within the forestry industry. The two companies also established a joint venture (Statkraft's shareholding is 60%) to focus on initiatives within renewable energy in Sweden. The companies plan to construct seven wind farms in Västernorrland and Jämtland in Sweden with a combined potential annual output of around 2.8 TWh. Statkraft's total investment in the above project could eventually amount to around NOK 14 billion. The company also intends to look into the possibility of developing hydropower in

four watercourses where the SCA owns waterfall rights.

The gas turbines and steam boilers at the two gas power plants in Germany and at Kårstø Power Plant were started up for the first time during the third quarter, and the three gas power plants were also synchronised with their local electricity grids. These have a combined installed capacity of 1,600 MW (Statkraft's share: 1,200 MW).

In September Statkraft took the decision to start construction of the world's first prototype osmotic power plant at Södra Cells industrial park at Hurum. The facility will have an installed capacity of 2-4 kW, and represents an important step with regard to the future construction of commercial plants.

The new incineration plant at Heimdal heating centre and a new district heating pipeline from Heimdal to Midtbyen were officially opened on 27 September. The new incineration plant has an annual capacity of up to 120,000 tonnes and an associated heat generation capacity of 40 MW.

Plans to construct district heating plants in several places in Vestfold and Telemark were concretised during the third quarter. Together with AT Skog and Løvenskiold, Skagerak Energi founded Skien Fjernvarme (Skagerak's shareholding: 51%) as the first step in a process intended to realise a coordinated district heating initiative in Skien.

There was a major flood in the eastern part of Norway in July. Contingency measures were implemented in Numedalslågen and water was drawn off in advance to reduce the effects of the flood. We experienced few problems with our own plants, and many resources were used to provide external parties with information on forecasts and the development of the water situation during the flood.

The joint venture SN Power (Statkraft's shareholding: 50%) has entered into an agreement with the US energy company PSEG Global to purchase the latter's shares in the Peruvian company Electroandes SA for USD 390 million. The acquisition date was 17 October. Following the transaction, SN Power will have an installed capacity of around 300 MW in Peru and be one of the country's five largest power producers. The company has

also decided to start construction of a further hydropower plant with a capacity of 156 MW in the Tinguirirca watercourse south of Santiago in Chile, and has commenced construction of a wind farm in Canela to the north of the same

city. This is the company's first wind power project, and the 27 wind turbines will have a total installed capacity of around 50 MW.

Financial performance

Quarterly results

In the third quarter of 2007 the Group posted respective pre- and post-tax profits of NOK 1,691 million (NOK 372 million) and NOK 1,408 million (minus NOK 290 million). The increase compared with the third quarter 2006 is primarily attributable to unrealised changes in value and higher shares of income from associated companies. Adjusting for unrealised changes in the value of financial instruments in the Group and associated companies, the Group recorded a profit before tax of NOK 1,248 million (NOK 1,596 million) and a profit after tax of NOK 682 million (NOK 600 million). The result for the period was impacted by significantly lower production and spot prices.

Result for the year-to-date

The profit before tax for the first nine months of the year totalled NOK 5,878 million (NOK 5,194 million), while the profit after tax amounted to NOK 4,103 million (NOK 2,909 million). The above figures represent respective increases of 13% and 41% compared with the first nine months of 2006. However, results were significantly impacted by unrealised changes in the Group and associated companies, and adjusted for these effects the profit before tax fell by 32% and the profit after tax fell by 26%. Lower spot prices and production, which declined by 53% and 19% respectively compared with the first nine months of 2006, reduced the profit from underlying operations, while the contributions from associated companies improved significantly.

Return on investment

Statkraft's quarterly results are characterised by significant and irregular seasonal fluctuations. To even out the effects of these fluctuations, return figures are calculated for the previous 12-month rolling period.

The Group achieved a return on average capital employed (ROACE) before tax of 15.9%. The corresponding figure for the 2006 calendar year was 22.9%. These figures are adjusted for unrealised changes in the value of financial instruments and material non-recurring items in order to accurately reflect the performance of the Group's ordinary operations.

The return on equity after tax for the last 12 months was 21.2%. The total return on capital after tax was 9.3%, compared with 8.5% for the 2006 calendar year.

Operating revenues

The Group generated gross operating revenues of NOK 3,117 million in the third quarter, NOK 352 million less than in the corresponding prior-year period. Gross operating revenues for the first nine months of the year totalled NOK 10,975 million, NOK 1,356 million less than in 2006.

The Group generated 29.1 TWh of electricity in the first nine months of the year, 7.0 TWh less than in the comparable prior-year period. Water levels in the reservoirs have also increased significantly during the year. The average spot price fell by NOK 213/MWh to NOK 186/MWh during the first nine months of the year. The area price (NO1) was 96 NOK/MWh, 399 NOK/MWh lower than in the third quarter of 2006. This resulted in a decrease in revenues from net physical spot sales of NOK 4,908 million compared with the corresponding prior-year period. This was partially offset by an increase of NOK 1,542 million in income from hedging activities.

Operating revenues			
STATKRAFT AS GROUP	Year to date		The year
Figures in NOK million	2007	2006	2006
Net physical spot sales, incl. green certificates	2,858	7,767	9,239
Concessionary sales at statutory prices	149	136	195
Sales of electricity to industry at statutory prices	1,271	1,338	1,773
Long-term commercial contracts	1,192	1,006	1,494
Dynamic hedging	1,352	-190	28
Trading and origination	454	326	528
Distribution grid	1,010	1,402	1,933
End-users	2,048	565	806
District heating	209	189	271
Other/eliminations	-346	-758	-945
Sales revenues	10,197	11,779	15,321
Other operating revenues	778	552	879
Gross operating revenues	10,975	12,331	16,200

The increase in revenues from end-users is attributable to the consolidation of Fjordkraft, which contributed an increase in operating revenues for the year to-date of NOK 1,624 million compared with 2006. Trading and origination also improved compared with 2006.

In the first nine months of the year energy purchases totalled NOK 1,340 million. The increase of NOK 1,183 million compared with the previous year is primarily attributable to the consolidation of Fjordkraft as a subsidiary.

Transmission costs connected with the transport of power fell by NOK 128 million to NOK 621 million in the first nine months of the year. The reduction is attributable to the fact that the variable portions of the transmission tariff fell sharply as a result of reduced transfer volumes and lower electricity prices.

Unrealised changes in the value of energy contracts amounted to minus NOK 604 million in the first nine months of the year. In the corresponding prior-year period, these unrealised changes in value were minus NOK 1,403 million as a result of the strong increase in market prices during this first half of the year.

Operating expenses

Year-on-year operating expenses increased by NOK 518 million (14%) to NOK 4,176 million in the first nine months of the year.

Salaries and payroll costs rose by NOK 215 million to NOK 1,121 million. The increase is connected to the consolidation of Fjordkraft, new business, increased staffing levels in existing business, ordinary salary increases and higher provisions for pension liabilities.

Other operating expenses totalled NOK 1,160 million. The increase of NOK 155 million is primarily attributable to the consolidation of Fjordkraft, new business, project development and increases in supplier costs.

Operating profit

Operating profit in the third quarter of the year totalled NOK 1,005 million (NOK 1,574 million). The operating profit for the first nine months of the year amounted to NOK 4,234 million (NOK 6,364 million). Adjusted for unrealised changes in value, the above figures represent respective quarter-on-quarter and year-on-year decreases of 36% and 38%. The majority of the operating profit for the year-to-date is attributable to the Generation & Hedging segment (92%).

Share of income from associated companies

In isolation, the share of income from associated companies increased by NOK 706 million in the third quarter. The improvement is primarily attributable to the fact that E.ON Sverige posted a loss of NOK 187 million in the third quarter of 2006 as a result of low hydropower production, stoppages in parts of the nuclear power production and non-recurring effects. E.ON Sverige's profit for the

third quarter of 2007 is estimated at around NOK 170 million. In the third quarter of 2007 unrealised changes in the value of financial instruments for the associated companies totalled NOK 165 million (NOK 31 million).

A total of NOK 1,903 million in dividends was received from associated companies in the first nine months of the year. This represents an increase of NOK 1,316 million compared with the corresponding prior-year period. The share of income from regional Norwegian companies, primarily Agder Energi and BKK, is estimated at NOK 616 million, which represents an improvement of NOK 472 million. In the first nine months of the year E.ON Sverige contributed an estimated share of income of NOK 1,123 million, which corresponds to an increase of NOK 584 million, while SN Power contributed NOK 72 million, an improvement of NOK 67 million. The remainder of the improvement, NOK 193 million, relates to unrealised changes in the value of long-term power sales agreements in Germany (Herdecke).

Total unrealised changes in value from associated companies amounted to NOK 366 million (unrealised losses of NOK 352 million) in the nine months to 30 September 2007.

Financial items

At NOK minus 259 million, net financial items were NOK 1,498 million lower than in the first nine months of 2006.

The reduction is attributable to an improvement of NOK 1,674 million in the unrealised changes in value of the Group's interest-rate and currency agreements. The majority of this change arose in the third quarter of this year due to the appreciation of the Norwegian krone against the Swedish krona and euro by approximately NOK 0.03 and NOK 0.30 respectively during this period. The Norwegian krone depreciated against these two currencies in the third quarter of 2006.

Unrealised currency gains on long-term items connected with liabilities denominated in SEK and EUR accounted for NOK 719 million of the total changes in value of NOK 1,674 million. Fluctuations in foreign exchange rates during the current year also resulted in unrealised gains from the currency hedging of future cash flows in EUR, compared with an unrealised loss at the end of the third quarter of 2006. The change in the unrealised value of put options for E.ON Sverige also contributed to a decrease in net financial expenses compared

with the same period in 2006. The option that expires in December this year had a zero value at the end of the quarter.

Year-on-year interest costs on borrowings increased by a total of NOK 380 million compared with the first nine months of 2006. The rise is attributable to higher portfolio interest charges resulting from higher market interest rates, and increased loan volumes. Higher market interest rates were also responsible for the increase in interest income compared with the corresponding prior-year period. At the end of the first nine months of the year interest income totalled NOK 269 million, a rise of NOK 134 million.

The repayment of state-guaranteed loans resulted in a reduction in the guarantee premium payable to the Norwegian state. At the end of the first nine months of 2007 the overall portfolio of state-guaranteed loans totalled NOK 11.4 billion, compared with NOK 18.6 billion in the corresponding prior-year period.

The Group has three active loan portfolios, denominated in NOK, SEK and EUR respectively. The latter two portfolios are held at floating interest rates, while the former portfolio is exposed to around 65% floating interest rates. The average respective interest rates incurred in the first nine months of 2007 on loans denominated in NOK, SEK and EUR were 4.8%, 3.6% and 4.6%.

Taxes

Taxes totalled NOK 1,776 million in the first nine months of 2007, resulting in an effective tax rate of 30.2%. For comparative purposes, the respective effective tax rates for the first nine months of 2006 and the 2006 calendar year were 44.0% and 33.8%.

The tax expense is calculated by applying the estimated effective tax rate that is expected to be applied for the annual result. The tax expense was previously calculated on the basis of the taxable profits for the period.

Resource rent tax amounted to NOK 499 million in the first nine months of the year, which corresponds to 28% of the Group's total tax expense. The amount for the corresponding prior-year period was NOK 1,066 million (47% of the total tax expense). The decrease in resource rent tax can be ascribed to lower production and significantly lower average spot prices.

An increase in non-taxable income reduced the Group's tax expense by NOK 345 million compared with the previous year.

Cash flow and capital structure

Operating activities generated a cash flow of NOK 3.0 billion in the first nine months of the year, which represents a decrease of NOK 4.2 billion compared with the corresponding prior-year period. Changes in short-term and long-term committed capital increased by NOK 1.5 billion, while the dividend from associated companies totalled NOK 1.4 billion. The net cash flow from operating activities for the first nine months of 2007 was therefore NOK 5.9 billion, compared with NOK 7.6 billion in the corresponding prior-year period.

Investments in the first nine months of the year totalled NOK 3.2 billion, where NOK 0.5 billion related to gas power projects in Norway and Germany, NOK 1.2 billion to capital deposits in SN Power, 0.1 billion to capital deposits in Telenor Cinclus and NOK 1.4 billion to plant and operating assets.

Statkraft AS issued three bond loans under the EMTN scheme (Euro Medium Term Note Programme) in the first nine months of the year. These have terms of 6, 10.5 and 15 years and respective volumes of EUR 300 million, EUR 600 million and NOK 1,500 million. The euro loans are listed on the London Stock Exchange, while the Norwegian loan is listed on the Oslo Stock Exchange. The new borrowing was taken out to finance loan maturities and new investments. Total new borrowings in the first nine months of 2007 amounted to NOK 9.9 billion, while NOK 4.6 billion was repaid in borrowings. NOK 6.3 billion was also paid in dividends and Group contributions during the third quarter.

Net liquidity changed by NOK 1.7 billion during the first nine months of the year. At the balance sheet date the Group's cash and cash equivalents totalled NOK 3.4 billion, compared with NOK 1.8 billion at the start of the year.

Interest-bearing debt totalled NOK 36.6 billion at the end of the third quarter 2007, compared with NOK 32.0 billion at the start of the year. The interest-bearing debt ratio was 46.5%, compared with 42.0% at the end of 2006. The share of debt denominated in EUR is geared to the company's assets recognised in EUR, while the share of debt denominated in SEK fell slightly.

Current assets, excluding cash and cash equivalents, totalled NOK 12.6 billion, while short-term interest-free liabilities amounted to NOK 19.3 billion.

Statkraft had equity of NOK 42.0 billion at the end of the third quarter of 2007. This corresponds to 38.8% of total capital. The decrease of 4.3% compared with the start of the year is attributable to higher total capital and the payment of dividends.

Business areas

KEY FIGURES AS PER Q3 2007					
BUSINESS AREAS	Statkraft AS	Generation	New	Regional	Other ¹⁾
Figures in NOK million	Group	& Markets	Energy		
INCOME STATEMENT Q3 2007					
Gross operating revenues	10,975	6,693	325	4,405	-448
Energy purchases and transmission costs	-1,961	-537	-8	-1,415	0
Unrealised changes in value energy contracts	-604	-597	0	-54	-61
Net operating revenues	8,410	5,559	316	3,044	-509
Operating profit	4,234	3,307	68	1,073	-214
Share of income from associated companies	1,903	92	72	616	1,123
Profit before financial items and tax	6,138	3,399	141	1,689	909
BALANCE SHEET AS OF 30 September 2007					
Property, plant, equipment, intangible assets	57,664	33,051	1,601	23,142	93
Investments in associated companies	31,841	862	2,098	10,888	17,993
Other assets	18,558	14,597	122	2,411	1,428
Total assets	108,063	48,510	3,821	36,441	19,514
Capital employed, basic	39,941	23,002	1,492	17,080	-1,633
Maintenance investments	412	230	0	182	0
Investments in new generating capacity	937	498	102	303	34
Investments in shareholdings	1,695	374	1,200	121	0

¹⁾ Includes the investment in E.ON Sverige

The structure of the business areas reflects Statkraft's strategic priorities, according to which activities are divided into three core operating areas. The company has further areas including Group functions and financial investments.

Generation & Markets

KEY FIGURES				
GENERATION & MARKETS	Unit	Year to date		The year
		2007	2006	2006
Gross operating revenues	NOK mill.	6,693	8,801	11,307
Energy purchases and transmission costs	NOK mill.	-537	-682	-898
Unrealised changes in value energy contracts	NOK mill.	-597	-1,305	1,913
Net operating revenues	NOK mill.	5,559	6,814	12,322
EBITDA	NOK mill.	3,871	5,357	10,251
Operating profit	NOK mill.	3,307	4,812	9,519
Share of income from associated companies	NOK mill.	92	-101	-95
Profit before financial items and tax	NOK mill.	3,399	4,711	9,425
Maintenance investments	NOK mill.	230	328	271
Investments in new generating capacity	NOK mill.	498	1,540	2,195
Investments in shareholdings	NOK mill.	374	328	471
Full-time jobs (equivalents)	No.	827	717	759
Share of Group's gross operating revenues	%	61	71	70
Share of Groups's full-time jobs (equivalents)	%	37	35	36

The Generation & Markets' business area ranges from the operation and maintenance of hydropower plants in the Nordic region to extensive physical and financial trade in power across the whole of Europe. The business area has a total hydropower production capacity of 33 TWh. The business is experiencing a growth phase, and the two gas power plants in

Herdecke and Knapsack in Germany, and the Kårstø gas power plant in Norway are due to enter operation in autumn 2007. Production assets are generally flexible.

Highlights in the quarter

The third quarter was characterised by stable operations of the core activities, the build-up of operational and market activities associated with the gas power plants, as well as continuing joint projects within the Nordic region's operating organisation.

Statkraft entered into a number of agreements with the Swedish paper manufacturer SCA during the third quarter. The agreements primarily relate to long-term power supplies, joint construction of wind power and joint studies of the construction of potential hydropower facilities at SCA's properties in Sweden. This will result in the business area supplying an annual power capacity of 500 GWh to Ortvikens Pappersbruk over a ten-year period, starting in the spring of 2009, and the possible expansion of hydropower capacity to a total potential annual output of 630 GWh.

Activities in Southeast Europe are expanding, and on 12 September the business area was granted a licence for power trading in Serbia.

Financial performance

Generation & Markets' profit before financial items and tax for the first nine months of the year was NOK 1,312 million lower than in the corresponding prior-year period.

Power sales revenues fell by NOK 2,141 million as a result of lower prices and output. Transmission costs fell by NOK 198 million for the same reason. Unrealised changes in the value of energy contracts were negative in the first nine months of the year. However, the negative effect was NOK 708 million lower than in the corresponding prior-year period. Operating expenses increased by NOK 259 million as a result of new business, increased staffing levels and higher property tax. The share of profits from associated companies rose by NOK 193 million as a result of unrealised changes in the value of long-term power sales agreements in Herdecke, Germany.

The Generation & Trading segment contributed NOK 3,152 million, which corresponds to 90%

of the business area's profit before financial items and tax. Industrial contracts and concessionary sales generated 9.2 TWh of production at the end of the third quarter, and resulted in revenues that were NOK 304 million lower in the first nine months of the year than they would have been had the same output been sold at spot prices. At NOK 1,358 million, dynamic hedging for the Nordic hydropower portfolio generated a strong financial result for the year-to-date. The Trading & Origination segment, including trading activities in Europe, posted a profit of NOK 209 million before financial items and tax. All the portfolios are exceeding their profit targets, both in the Nordic region and in the rest of Europe.

Operations

At the end of the first nine months of 2007, output totalled 22.4 TWh and was thus 7.6 TWh less than in the corresponding prior-year period. The business area achieved a utility-adjusted downtime of 2.37% for the year-to-date, 1.1% better than targeted.

The sickness absence rate in the business area is stable and was 3.3% in the third quarter of 2007. There were three lost-time injuries in the third quarter, bringing the total for the year-to-date to five. There have been a further 15 injuries in 2007 that have not resulted in absence from work. Although the injury figures represent an improvement on the previous year, they remain unsatisfactory.

The business area experienced one serious environmental non-compliance in the third quarter at Kolsi Power Plant in Finland. There have been one serious environmental non-compliance and 16 less serious environmental non-compliances in the year-to-date.

New Energy

KEY FIGURES

NEW ENERGY	Unit	Year to date		The year
		2007	2006	2006
Gross operating revenues	NOK mill.	325	174	286
Energy purchases and transmission costs	NOK mill.	-8	-3	-1
Unrealised changes in value energy contracts	NOK mill.	0	0	0
Net operating revenues	NOK mill.	316	171	285
EBITDA	NOK mill.	119	21	57
Operating profit	NOK mill.	68	-18	5
Share of income from associated companies	NOK mill.	72	5	5
Profit before financial items and tax	NOK mill.	141	-13	9
Maintenance investments	NOK mill.	0	0	0
Investments in new generating capacity	NOK mill.	102	288	370
Investments in shareholdings	NOK mill.	1,200	253	253
Full-time jobs (equivalents)	No.	62	44	51
Share of Group's gross operating revenues	%	3	1	2
Share of Group's full-time jobs (equivalents)	%	3	2	2

The purpose of the New Energy business unit is to safeguard future growth in the Group's electricity output through the development and construction of environment-friendly generating capacity. New Energy is thus responsible for the development and construction of new hydro-, wind and gas power facilities, and manages the Group's shareholding in Småkraft AS and SN Power. New Energy is also responsible for the Group's R&D activities. Statkraft aims to be a leading player in the development of environment-friendly energy in Europe.

Highlights in the quarter

The gas turbines and steam boilers at the two gas power plants in Germany and at Kårstø Power Plant were started for the first time during the third quarter, and the three gas power plants were synchronised with the local electricity grids. All three power plants are expected to be completed during the fourth quarter of 2007.

In September Statkraft decided to start construction of the world's first prototype osmotic power plant at Södra Cells industrial park at Hurum. The plant will have a capacity of 2-4 kW, and represents an important step with regard to the future construction of commercial plants. The construction brings Statkraft's total investment in the development of osmotic power to around NOK 100 million.

In September the jointly-owned company SN Power entered into an agreement with the US energy company PSEG Global to purchase the latter company's shares in the Peruvian

company Electroandes SA for USD 390 million. Following the transaction SN Power will have an installed capacity of around 300 MW in Peru and be one of the country's five largest power producers. The company has also decided to construct a further hydropower plant with a capacity of 156 MW in the Tinguirica watercourse south of Santiago in Chile. The plant is being constructed as part of a joint venture (50/50) with the Australian company Pacific Hydro. SN Power has also started work on the development of a wind farm in Canela north of Santiago. This is the company's first wind power project, and the 27 wind turbines will have a total installed capacity of around 50 MW.

Following the signing of an agreement with SCA in Sweden, Statkraft Development has acquired the opportunity to develop around 2.8 TWh wind power at SCA's site in central Sweden. Project development is set to start immediately, and there will be a strong focus on this area in the years to come. The plants will be owned by a joint venture in which Statkraft's shareholding will be 60%. Statkraft and SCA will also use the agreement to look into the possibility of building hydropower plants in four watercourses where SCA owns the waterfall rights. By using modern technology and expertise it should be possible to leverage these opportunities by balancing environmental and economic considerations.

Financial performance

The business area posted a profit before financial items and tax of NOK 141 million for the first nine months of the year, compared with a loss of NOK 13 million for the corresponding prior-year period. Gross operating revenues totalled NOK 325 million for the period, an increase of NOK 151 million compared with 2006. The increase is attributable to the recognition of income from fines totalling NOK 141 million imposed as a result of the delayed completion of the three gas power plants.

New Energy owns three wind farms with a total installed capacity of 244 MW. The wind farms' production was generally in line with expectations for the third quarter of the year. Year-on-year operating revenues from the wind farms fell by NOK 12 million to NOK 99 million in the first nine months of 2007, despite the fact that there were three wind farms in operation in 2007 compared with two in first nine months of 2006. The reduction is attributable to generally low prices. The business area's operating costs increased by

NOK 59 million to NOK 248 million in the first nine months of the year as a result of the start of operation of Kjøllefjord Wind Farm and increased activity levels within project development, innovation and technology monitoring.

Operations

New Energy is responsible for constructing the gas power plants in Knapsack and Herdecke in Germany and Kårstø in Norway. All the projects are proceeding in line with budget, while, as previously reported, the Knapsack and Herdecke projects are behind schedule due to welding problems being experienced by a subcontractor to the Siemens EPC contractor. When completed, the projects will be owned and accounted for by the Generation & Markets business area.

The Norwegian Ministry of Petroleum and Energy (OED) has made a final decision to reject the licence application for the Magerøya wind farm. The application was rejected on the grounds of expected conflicts with reindeer husbandry and the Norwegian Defence. However, the OED is yet to make a final decision on the appeals relating to the Skallhalsen wind farm in Finnmark and Selbjørn wind farm in Hordaland. Based on the expectation that the authorities will wish to place a greater focus on renewable energy in the future and thus arrange more favourable future framework conditions, Statkraft is continuing to focus strongly on wind power in Norway. The current support scheme for wind power is insufficient to guarantee profitable construction of wind power plants.

New Energy's Norwegian market hydropower portfolio is limited. The only major investment project under preparation is a new aggregate 2 at Svartisen. The aggregate is expected to take around 2.5 years to construct and be completed in spring 2011. The OED is expected to make a final decision on the construction of a new power plant at Eiriksdalen in Høyanger in the spring of 2008. The new power plant would replace the two existing power plants.

Innovation work during the quarter focused on the decisions to construct a prototype osmosis plant, establish an international network for ocean energy, and further develop the innovation process towards starting commercial activities. The ocean energy network includes a collaboration initiative between the Norwegian University of Science and Technology (NTNU) and the University of

Uppsala, which will reinforce the company's presence in Trondheim. In connection with this, the business area has started to investigate the possibility of constructing an energy and environmental centre in Trondheim together with Trondheim Energi.

At the end of the quarter, Småkraft AS had eight hydropower plants with a total expected annual production of 134 GWh under construction. The company recorded a small loss in the third quarter. This is attributable to a number of factors including low electricity prices and unforeseen stoppages in operations at the lower power plant in Ofteidal. If adopted, the Norwegian government's proposed changes to the rules used to calculate resource rent tax for small-scale power plants will adversely affect the outlook for Småkraft.

Work relating to project development is being implemented in Asia, Africa and Latin America through SN Power. The company's operational plants generated good earnings in the first nine months of the year due to efficient ongoing operations and high electricity prices. As discussed earlier, budget overruns and delays have been experienced at the partly owned construction projects in Chile (50% owned by SN Power) and India (44%). Electricity prices have followed an upward trend in Chile and India in 2006 and 2007, which has helped safeguard the profitability of both projects. Statkraft's 50% shareholding in SN Power's profit for the first nine months of the year amounted to NOK 72 million. This represents an improvement of NOK 67 million compared with the corresponding prior-year period. This includes NOK 20 million relating to unrealised currency gains from the recent depreciation of the US dollar.

The business unit's sickness absence rate is low and was 0.9% for the first nine months of the year. No injuries have been recorded for the year-to-date.

Regional

KEY FIGURES

REGIONAL	Unit	Year to date		The year
		2007	2006	2006
Gross operating revenues	NOK mill.	4,405	3,386	4,711
Energy purchases and transmission costs	NOK mill.	-1,415	-220	-140
Unrealised changes in value energy contracts	NOK mill.	54	-97	-47
Net operating revenues	NOK mill.	3,044	3,069	4,333
EBITDA	NOK mill.	1,592	2,171	3,019
Operating profit	NOK mill.	1,073	1,674	2,351
Share of income from associated companies	NOK mill.	616	144	753
Profit before financial items and tax	NOK mill.	1,689	1,818	3,103
Maintenance investments	NOK mill.	182	144	35
Investments in new generating capacity	NOK mill.	303	356	0
Investments in shareholdings	NOK mill.	121	17	0
Full-time jobs (equivalents)	No.	1,176	1,105	1,095
Share of Group's gross operating revenues	%	40	27	29
Share of Groups's full-time jobs (equivalents)	%	52	54	52

The Regional business unit is responsible for managing and developing Statkraft's shareholdings in Norwegian regional power utilities. Statkraft participates in the entire value chain through its shareholdings in these companies. Trondheim Energi, Skagerak Energi and Fjordkraft are included in the consolidated financial statements. BKK and Agder Energi are reported as associated companies.

Highlights in the quarter

The power trading company Fjordkraft has been included in the consolidated financial statements since 1 January 2007. Fjordkraft and Trondheim Energi Kraftsalg are responsible for the Group's power sales to private customers and smaller enterprises. Fjordkraft has continued the very good start it made to the year, and posted an operating profit of NOK 158 million in the third quarter of the year.

The new waste incineration plant at Heimdal district heating centre in Trondheim and the new district heating pipeline from Heimdal to Midtbyen were formally opened by Mayor of Trondheim Rita Ottervik on 27 September. The new incineration plant has an annual capacity of up to 120,000 tonnes and a heat production capacity of 40 MW.

Trondheim Energi Nett took initiatives to bundle grid distribution companies in Central Norway in the first half of the year and has proposed a merging of power and end-user activities for TrønderEnergi, Malvik Everk and Orkdal Energi. It is currently unclear whether

the other companies intend to proceed with the process.

Statkraft has previously taken legal action relating to the tax treatment of interest on the purchase of shares in Agder Energi in 2001/2002. The amount in dispute is in excess of NOK 100 million. Statkraft lost the case, and the appeal was rejected by Appeal Committee of the Supreme Court. The ruling will not result in an increased tax expense for the Group, as the amount in question has been recognised in the income statement and been paid.

Plans to construct district heating facilities in several places in Vestfold and Telemark were concretised during the third quarter. Together with AT Skog and Løvenskiold, Skagerak Energi founded Skien Fjernvarme (in which Skagerak owns a 51% shareholding) as a first step on the way to realising a uniform district heating initiative in Skien.

Financial performance

The Regional business unit recorded gross operating revenues of NOK 4,405 million in the first nine months of 2007, which corresponds to 40% of Group revenues. The business area posted an operating profit of NOK 1,073 million during the third quarter, which represents a decrease of NOK 1,674 million against the corresponding prior-year period. There was a significant year-on-year reduction in the market price of electricity, which had a particularly adverse effect on the subsidiary Skagerak Energi.

The associated companies Agder Energi and BKK, and associated companies in Trondheim Energi, Skagerak Energi and Fjordkraft, contributed NOK 616 million. This represents an increase of NOK 472 million compared with 2006, and is primarily attributable to significantly higher output and favourable financial hedging transactions.

The business unit posted an overall profit before financial items and tax of NOK 1,689 million. This represents a fall of NOK 129 million compared with the corresponding prior-year period and corresponds to 28% of the Group's total profit before financial items and tax.

The Generation & Hedging segment accounted for NOK 1,154 million of the Regional business unit's profit before financial items and tax. Grid operations contributed NOK 368 million, power sales to end-users NOK 143 million and district heating NOK 42 million. The net effect from other segments and shared services was a negative contribution of NOK 18 million.

Operations

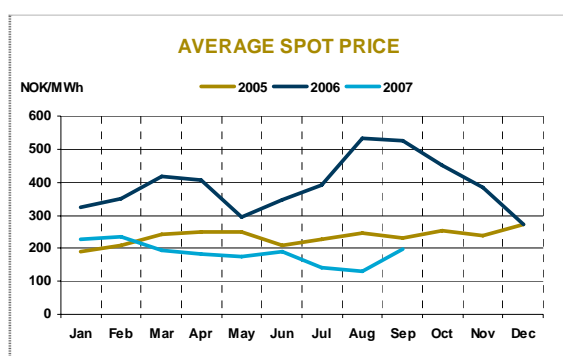
The business unit's companies generally maintained stable operations and production levels in the third quarter of the year.

The sickness absence rate in the business unit was 3.7% for the first nine months of the year. There were three lost-time injuries in the third quarter, bringing the total number of lost-time injuries for the year to 12. There have been a further 11 injuries in 2007 that did not result in absence from work.

Markets

The Nordic power market

In the first nine months of 2007 the spot price in the Nordic market was significantly lower than in the corresponding prior-year period. Prices were impacted by a strong hydrologic balance. Precipitation was higher and consumption lower than normal due to the relatively warm weather. The average spot price for the first nine months of 2007 was NOK 186 MWh, compared with NOK 399 MWh for the corresponding period in 2006 and NOK 228 MWh in 2005.



Total power consumption in the Nordic region was 1.0 TWh lower in the first nine months of the year than in the same period in 2006, a reduction of 0.3%. Total year-on-year consumption in Norway increased by 1.3% compared with 2006, primarily as a result of higher pump power consumption. At the end of the third quarter, general consumption in Norway totalled 60.2 TWh, which represents a fall of 0.8% compared with the corresponding prior-year period. The first nine months of the year, and in particular the first quarter, were significantly milder than normal and consumption adjusted for temperature fluctuations in the period was 62.9 TWh, an increase of 0.4% compared with the previous year.

The Nordic power generation area produced 7.1 TWh more (2.5%) electricity in the first nine months of the year than in the corresponding prior-year period. Production was considerably higher in the Nordic area in the third quarter of 2007 (84.0 TWh) than in the comparable prior-year quarter (74.5 TWh). Output from Norwegian hydropower plants was a record high in the third quarter, totalling 32.7 TWh, an increase of 8.7 TWh compared with the corresponding prior-year period. In the first nine months of the year Norway made net exports of 9.0 TWh, compared with net exports of 1.9 TWh in the nine months to September 2006. Net imports to the Nordic market totalled 0.7 TWh. Although low production and high imports were expected in light of the low level of water in the reservoirs at the start of 2007, large volumes of precipitation and low consumption meant that the opposite proved to be the case. The Nordic market primarily imported from Russia, while it made net exports to Germany.

POWER CONSUMPTION AND OUTPUT IN THE NORDIC AREA

TWh	Q3			Change 2006-2007
	2007	2006	2005	
Nordic consumption	287.8	288.8	282.5	-0.3 %
Nordic output	287.2	280.0	283.6	2.6 %
Net Nordic imports (+) / exports (-)	0.6	8.8	-1.1	-
Norwegian consumption	90.6	89.4	90.4	1.3 %
Norwegian output	99.5	91.3	98.5	9.0 %
Norwegian imports (+) / exports (-)	-8.9	-1.9	-8.1	-

Sources: "Nord Pool Nordic electricity market information" for the weeks 39/2007, 39/2006 and 39/2005, and "Nord Pool Landsrapport Norge" (Nord Pool Country Report Norway) for the weeks 39/2007, 39/2006 and 39/2005.

At the end of September 2007 the water level in the Nordic region's reservoirs was 107.0% of normal levels and 90.3% of maximum reservoir capacity.

HSE and the workforce

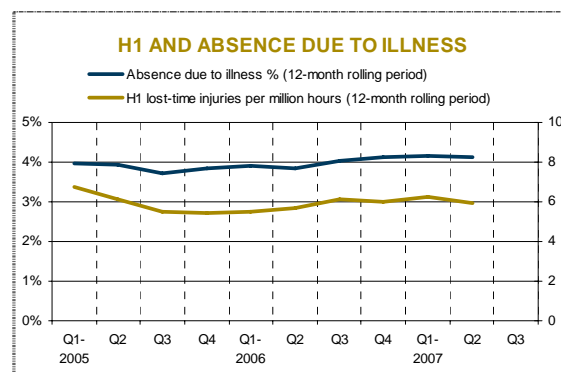
At the end of the third quarter of 2007 the Group employed the equivalent of 2,246 full-time employees, 159 more than at the end of 2006. The increase is attributable to the consolidation of Fjordkraft, project development, innovation activities and the development of gas expertise.

KEY FIGURES, HSE			
STATKRAFT AS GROUP	Q3		
	2007	2006	2005
Full-time jobs (equivalent) 30 June	2,246	2,035	1,939
H1 (lost-time injuries per million hours)	5.9	5.6	2.4
H2 (all injuries per million hours)	15.8	16.8	17.1
F (days lost through injury per million hours)	22	27	46
Absence due to illness (%)	3.5	3.9	3.7

Six lost-time injuries were recorded in the Group in the third quarter of 2007, compared with five in the third quarter of 2006. The H1 indicator for the third quarter of the year was 5.9. This is a slightly worse result than in the corresponding prior-year period (5.6). Lost-time injuries were equally distributed between Trondheim Energi and the Generation & Markets business area, with each incident resulting in two to six days of absence. This resulted in an F indicator (number of days lost per million working hours) of 22, which is lower than in the corresponding prior-year period (27). There were a total of 16 injuries in the Group in the third quarter, compared with 15 in the corresponding prior-year period. This resulted in an H2 indicator of 15.8 (16.8). There were also six lost-time injuries among the Group's suppliers. The causes of all the incidents were investigated, and remedial measures were taken where relevant. The results highlight the need for an increased focus on risk evaluation with regard to health and safety in connection with work planning.

The sickness absence rate for the third quarter was 3.5 %, compared with 3.9% in the third quarter of 2006. The target for the Statkraft Group is to achieve a sickness absence rate of less than 4%. A joint health project, "Energy for Life", which aims to encourage physical activity and health-promoting measures in each unit is being implemented throughout the Group in 2007. Many units reported increased levels of physical activity. The health project will be evaluated in the fourth quarter, when possible

ways of continuing the project will be assessed.



The Group experienced one serious environmental non-compliance in the third quarter. This involved a leakage from a generator at Kolsi Power Plant in Finland which resulted in the discharge of 2,000 litres of hydraulic oil into a nearby river. Finnish rescue services led the work to manage the oil and a defective generator was immediately taken out of operation. No material environmental damage has yet been demonstrated as a result of the incident, and the Finnish rescue services concluded that it was not necessary to recover the thinly liquid oil. The incident has been included in the ongoing environment risk project that is reviewing the risk of pollution at the Group's plants.

There were also four less serious environmental non-compliances in the third quarter; the discharge of 300 kilos of halon at Tokke Power Plant, breaches of minimum water flow requirements at Daleelva, an oil spillage at the Aura power plant group, and observation of film on the water at the Mår power plant group. Three less serious environmental non-compliances were recorded during the third quarter. All non-compliances and incidents were managed in accordance with the units' non-compliance systems.

To improve the Group's coordination of work at both an operating and strategic level within health and safety and external environment, two specialist networks became operable during the course of the third quarter. Group policies for the environment and health and safety were also prepared and authorised. A project was also initiated in the third quarter to establish a joint management system for the environment within the Group.

Outlook

High inflows into the water reservoirs during the first nine months and relatively good snow reservoirs at the start of the year have resulted in a robust resource situation, while forward contract prices indicate higher prices for the end of the year. This will provide the basis for a relatively high power production in the fourth quarter and higher income from ongoing power sales. The Group also expects to achieve an increased contribution from hedging operations in 2007 than in 2006. In overall terms, the forecasts point to a further good annual result for the Statkraft Group in 2007, while the result of underlying operations is expected to be slightly weaker than in 2006. However, significant uncertainty attaches to price developments and thus revenue and profit forecasts.

Further work on the letter of intent between Statkraft and E.ON on the exchange of shares for assets will require considerable attention from the entire organisation. There is still a significant amount of work to be done before final agreements can be signed. This is scheduled for the first quarter of 2008. Incorporation of the new assets at Statkraft will also require extensive preparatory work.

On the development side, the current focus is on the testing and commissioning of Statkraft's two gas power plants in Germany and Naturkraft's plant at Kårstø in Norway. All three gas power plants will enter operation during autumn 2007. Considerable attention continues to be paid to the development of operational and market activities in connection with the gas power plants.

Following the merger of Statoil and Hydro, the merged company will be a co-owner in, and co-toller and gas supplier to the Kårstø gas power plant. The new situation further highlights the need for a flexible option for selling gas in the market. Statkraft is actively involved with initiatives to find solutions for this problem.

The Group focuses strongly on innovation and the development of new technologies for power production. Work on the development of profitable new investments in water, wind and gas power in the Norwegian and European markets will be continued. High priority will be given to the follow-up of the agreement with SCA and options for wind power construction in Sweden. The agreement represents a new method of collaboration between energy consumers and producers. Statkraft will actively endeavour to find appropriate solutions with other industrial businesses.

In its national budget for 2008 the government proposed that Statkraft pay the Norwegian state a dividend for 2007 corresponding to 98% of its consolidated profit after tax and minority interests. In the long-term, a dividend set at such a high level will impact Statkraft's opportunities with regard to continued innovation, growth and investment in new environment-friendly capacity. The board would like to emphasise that a dividend level of this size will have unfortunate consequences for the long-term business development.

Oslo, 31 October 2007
The Board of Directors of Statkraft AS

Statkraft AS Group Interim Financial Statements

INCOME STATEMENT

Figures in NOK million	Third quarter		Year to date		The year
	2007	2006	2007	2006	2006
Sales revenues	2,720	3,270	10,197	11,779	15,321
Other operating revenues	397	199	778	552	879
Gross operating revenues	3,117	3,469	10,975	12,331	16,200
Energy purchase	-302	-50	-1,340	-157	-190
Transmission costs	-204	-144	-621	-749	-1,040
Unrealised changes in value energy contracts	-299	-469	-604	-1,403	1,865
Net operating revenues	2,312	2,806	8,410	10,022	16,835
Salaries and payroll costs	-400	-320	-1,121	-906	-1,320
Depreciation and write-downs	-396	-373	-1,161	-1,106	-1,488
Property tax and licence fees	-244	-215	-734	-641	-854
Other operating expenses	-268	-324	-1,160	-1,005	-1,436
Operating expenses	-1,307	-1,232	-4,176	-3,658	-5,098
Operating profit	1,005	1,574	4,234	6,364	11,737
Share of profit from associated companies	448	-258	1,903	587	1,935
Financial income	58	106	283	186	279
Financial expenses	-397	-326	-1,221	-947	-1,422
Unrealised changes in value currency and interest	577	-724	679	-996	-1,131
Net financial items	238	-944	-259	-1,757	-2,274
Profit before tax	1,691	372	5,878	5,194	11,398
Taxes	-643	-662	-1,776	-2,285	-3,847
Net profit	1,048	-290	4,103	2,909	7,551
Of which minority interest	-19	64	51	240	387
Of which majority interest	1,067	-354	4,052	2,669	7,164

BALANCE SHEET

Figures in NOK million	30/09/07	30/09/06	31/12/06
ASSETS			
Intangible assets	6,727	8,099	7,117
Property, plant and equipment	50,937	50,505	51,159
Investments in subsidiaries and associates	31,841	28,105	30,442
Other financial fixed assets	2,488	1,006	1,457
Fixed assets	91,993	87,715	90,174
Inventories	173	53	55
Receivables	4,574	3,513	3,883
Short-term financial investments	365	370	505
Derivatives	7,498	10,621	6,495
Cash and cash equivalents	3,461	2,985	1,758
Current assets	16,070	17,542	12,697
Total assets	108,063	105,257	102,871
EQUITY AND LIABILITIES			
Paid-in capital	31,973	31,569	31,569
Retained earnings	7,171	5,341	9,751
Minority interests	2,640	3,923	2,943
Equity	41,784	40,833	44,263
Provisions	10,430	10,195	12,687
Long-term interest-bearing liabilities	33,047	20,606	25,583
Long-term liabilities	43,477	30,801	38,271
Short-term interest-bearing liabilities	3,513	9,811	6,437
Taxes payable	2,041	4,349	2,161
Other interest-free liabilities	6,464	3,547	2,760
Derivatives	10,784	15,916	8,979
Current liabilities	22,802	33,623	20,337
Equity and liabilities	108,063	105,257	102,871

CHANGES IN EQUITY

Figures in NOK million	30/09/07	30/09/06	31/12/06
Paid-in capital 01.01	31,569	31,553	31,553
Change in group contribution	404	-	-
Mergers with subsidiaries	-	16	16
Paid-in capital 30.09 / 31.12	31,973	31,569	31,569
Retained earnings 01.01	9,751	6,984	6,984
Net profit for the period	4,052	2,669	7,164
Dividend and Group contribution	-5,598	-4,387	-4,387
Estimate deviation pensions	-26	-	-480
Change in translation differences	-1,123	91	925
Change in equity in associated companies	-	-	-439
Other	115	-16	-16
Retained earnings 30.09 / 31.12	7,171	5,341	9,751
Minority interests 01.01	2,943	3,839	3,839
Net profit for the period	51	240	387
Capital reduction and dividends	-406	-176	-1,232
Estimate deviation pensions	-	-	-58
Change in translation differences	-16	20	7
Other	68	-	-
Minority interests 30.09 / 31.12	2,640	3,923	2,943
Equity 30.09 / 31.12	41,784	40,833	44,263

CASH FLOW STATEMENT

Figures in NOK million	Year to date		The year
	2007	2006	2006
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	5,878	5,194	11,398
Gain/ loss on sales of fixed assets	-9	-2	-6
Ordinary depreciation and write-downs	1,161	1,106	1,488
Share of profits from associated companies	-1,903	-587	-1,935
Unrealised changes in value contracts	-75	2,399	-734
Taxes	-2,041	-873	-2,169
Cash flow from operating activities	3,011	7,237	8,042
Changes in long-term items	-786	354	-659
Changes in current items	2,269	-1,070	-1,926
Dividend from associates	1,392	1,087	1,087
Net cash flow from operating activities	5,886	7,608	6,544
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in property, plant and equipment	-1,348	-2,674	-3,648
Proceeds from sales of fixed assets	16	52	63
Loans to third parties	-174	-10	-20
Repayment of loans to third parties	-	-	5
Investments in other companies	-1,695	-598	-750
Proceeds from sales of other companies	-	-	-
Net cash flow from investing activities	-3,201	-3,230	-4,350
CASH FLOW FROM FINANCING ACTIVITIES			
New long-term debt	9,897	515	6,584
Repayment of long-term debt	-4,613	-1,413	-5,367
Capital reduction	-	-72	-1,035
Dividend paid	-6,263	-4,793	-4,990
Net cash flow from financing activities	-979	-5,763	-4,808
Net change in cash and cash equivalents	1,706	-1,385	-2,614
Currency effect on cash flows	-3	-4	-2
Cash and cash equivalents 01.01	1,758	4,374	4,374
Cash and cash equivalents 30.09 / 31.12	3,461	2,985	1,758
Unused committed credit lines	5,000	5,000	5,000
Unused overdraft facilities	400	600	600

Comments on the financial statements

Framework conditions and important accounting policies

The consolidated interim financial statements for the third quarter of 2007, the nine months ending 30 September, have been prepared in accordance with IFRSs (International Financial Reporting Standards) and include Statkraft AS and its subsidiaries and associated companies. The interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting. The figures for 2006 have been restated in accordance with IFRSs for comparative purposes. The interim financial statements do not provide the same scope of information as the annual financial statements and must therefore be viewed in connection with the 2006 consolidated financial statements. Reference is also made to the transition document issued as an annex to the stock exchange notification on 10 May 2007 that reconciles the income statement and balance sheet for 2006 under Norwegian GAAP and IFRSs.

Unsettled issues relating to IFRSs – concessionary power sales

The correct accounting treatment to be adopted for concessionary power sales contracts with financial settlement is unclear. Statkraft has decided not to incorporate concessionary power contracts in the financial statements until a solution as to the preferred

accounting treatment has been established in accordance with IAS 39. As of 30 September 2007 Statkraft's concessionary power contracts with financial settlement had a volume of 500 GWh and an average price of NOK 87 per MWh.

Taxes

The tax expense is calculated by applying the estimated effective tax rate that is expected to be applied for the annual result. The tax expense was previously calculated on the basis of the taxable profits for the period.

Estimates

Estimates and assumptions are reviewed on an ongoing basis and are based on past experience and other factors, including expectations of future events that are regarded as likely under current circumstances. The Group prepares estimates and makes assumptions/presumptions with regard to the future. By definition, the accounting estimates that are made as a result of the above processes will rarely fully correspond with the final outcome. Deviations between estimates and actual figures are recognised in the period in which these become known if such deviations relate to this period. If the deviations relate to both the current and future periods, the deviation is recognised over the various affected periods.

Statkraft AS Group Segment Overview

SEGMENTS

Figures in NOK million	Statkraft AS Group	Generation & Hedging	Trading & Origination	Distribution grid	Retail sales	District heating	Development	Other	Group functions and eliminations
Third quarter 2007									
Gross operating revenues	3,117	2,247	169	347	433	48	7	88	-221
Operating profit	1,005	825	154	42	43	5	-50	66	-80
Share of profits from associated companies	448	158	16	48	-9	-4	0	217	23
Profit before financial items and tax	1,453	983	169	91	34	1	-50	283	-58
Year to date 2007									
Gross operating revenues	10,975	7,748	461	1,143	2,078	209	31	251	-945
Operating profit	4,234	3,878	209	308	162	46	-127	77	-319
Share of profits from associated companies	1,903	629	-27	102	-19	-4	0	1,171	52
Profit before financial items and tax	6,137	4,507	182	410	143	42	-128	1,248	-267
Balance sheet 30.09.07									
Investment in associated companies	31,841	6,125	2,665	1,486	304	70	9	19,818	1,366
Other assets	76,222	55,844	4,830	6,340	971	1,546	262	507	5,923
Total assets	108,063	61,969	7,494	7,826	1,275	1,615	270	20,324	7,289
Current liabilities	22,802	14,173	4,661	439	428	550	91	108	2,351
Long-term non-interest-bearing liabilities	10,430	8,684	79	703	75	56	23	140	670
Long-term interest-bearing liabilities	33,047	-	-	-	-	-	-	-	33,047
Total liabilities	66,279	22,857	4,740	1,142	503	606	115	248	36,068
Ordinary depreciation and write-downs year to date	1,161	767	6	284	22	35	1	2	46
Maintenance investments	412	301	4	44	-	27	-	36	-
Investments in new capacity	937	674	-	86	-	119	17	41	-
Investments in shareholdings	1,695	1,518	55	-	-	-	10	112	-
Third quarter 2006									
Gross operating revenues	3,469	2,894	141	511	152	34	5	69	-338
Operating profit	1,574	1,322	141	251	-53	-2	-31	-1	-53
Share of profits from associated companies	-258	52	12	23	-8	-2	0	-285	-50
Profit before financial items and tax	1,316	1,374	153	274	-61	-4	-31	-286	-103
Year to date 2006									
Gross operating revenues	12,331	10,419	407	1,549	543	189	22	193	-993
Operating profit	6,364	5,767	221	556	-30	37	-87	13	-114
Share of profits from associated companies	587	238	19	90	-8	0	0	337	-87
Profit before financial items and tax	6,951	6,004	240	646	-38	37	-87	350	-202
Balance sheet 30.09.06									
Investment in associated companies	28,105	9,028	26	1,937	329	55	4	16,741	-16
Other assets	77,152	68,751	964	6,248	319	1,055	519	501	-1,206
Total assets	105,257	77,779	990	8,186	648	1,111	524	17,241	-1,221
Current liabilities	33,623	23,682	-567	573	710	52	408	204	8,562
Long-term non-interest-bearing liabilities	10,195	8,091	26	653	331	394	12	65	623
Long-term interest-bearing liabilities	20,606	-	-	-	-	-	-	-	20,606
Total liabilities	64,424	31,772	-541	1,226	1,041	446	420	270	29,791
Ordinary depreciation and write-downs year to date	1,106	728	4	295	11	24	-	-	43
Maintenance investments	491	400	-	50	-	0	-	41	0
Investments in new capacity	2,184	1,899	-	71	-	214	-	0	-
Investments in shareholdings	598	575	-	-	-	-	-	23	-
The year 2006									
Gross operating revenues	16,200	13,478	673	1,959	872	272	35	305	-1,394
Operating profit	11,737	10,911	335	551	79	58	-130	149	-216
Share of profits from associated companies	1,935	486	37	111	21	0	0	1,404	-124
Profit before financial items and tax	13,672	11,397	372	662	100	58	-130	1,553	-339
Balance sheet 31.12.06									
Investment in associated companies	30,442	9,112	44	1,962	299	56	4	19,028	-64
Other assets	72,429	56,987	937	5,997	543	1,552	268	490	5,657
Total assets	102,871	66,098	982	7,959	842	1,607	272	19,518	5,593
Current liabilities	20,337	14,162	1,503	548	258	481	273	233	2,879
Long-term non-interest-bearing liabilities	12,687	10,829	60	795	305	104	23	93	477
Long-term interest-bearing liabilities	25,583	-	-	-	-	-	-	-	25,583
Total liabilities	58,607	24,991	1,563	1,343	562	585	296	326	28,940
Ordinary depreciation and write-downs	1,488	973	6	400	15	32	-	-	62
Maintenance investments	573	371	-	115	2	52	-	33	-
Investments in new capacity	3,125	2,674	8	111	-	332	-	-	-
Investments in shareholdings	750	734	-	-	-	-	-	16	-

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INCOME STATEMENT

Figures in NOK million	Third quarter		Year to date		The year
	2007	2006	2007	2006	2006
Other operating revenues	81	74	254	283	362
Salaries	-59	-43	-155	-118	-172
Depreciation and write-downs	-9	-9	-26	-24	-35
Other operating expenses	-59	-64	-218	-200	-288
Operating expenses	-127	-116	-399	-343	-495
Operating profit	-46	-42	-145	-60	-133
Financial income	668	253	1,527	851	10,641
Financial expenses	-287	-698	-1,119	-1,440	-1,773
Net financial items	381	-445	408	-588	8,867
Profit before tax	335	-487	263	-648	8,734
Taxes	-105	125	-204	161	-1,636
Net profit for the period	230	-362	59	-487	7,098

BALANCE SHEET

Figures in NOK million	30/09/07	30/09/06	31/12/06
ASSETS			
Deferred tax asset	2	-	20
Property, plant and equipment	91	85	83
Investments in subsidiaries and associates	46,017	41,964	35,444
Other financial fixed assets	17,713	24,791	25,975
Fixed assets	63,823	66,840	61,521
Receivables	6,008	3,262	12,930
Cash and cash equivalents	2,519	1,320	1,152
Current assets	8,527	4,582	14,082
Assets	72,350	71,422	75,603
EQUITY AND LIABILITIES			
Paid-in capital	31,973	31,569	31,569
Retained earnings	1,748	-499	1,432
Equity	33,721	31,070	33,001
Provisions	436	586	399
Long-term interest-bearing liabilities	32,295	27,312	28,691
Long-term liabilities	32,731	27,898	29,091
Current liabilities	5,898	12,454	13,511
Equity and liabilities	72,350	71,422	75,603

CASH FLOW STATEMENT

Figures in NOK million	Year to date		The year
	2007	2006	2006
Net cash flow from operating activities	4,397	-23	114
Net cash flow from investing activities	-2,485	-1,138	-696
Net cash flow from financing activities	-544	-676	-1,423
Net change in cash and cash equivalents	1,368	-1,837	-2,005
Cash and cash equivalents 01.01	1,152	3,157	3,157
Cash and cash equivalents 30.09 / 31.12	2,520	1,320	1,152

Equity

Figures in NOK million	30/09/07	30/09/06	31/12/06
Paid-in capital 01.01	31,569	31,553	31,553
Mergers with subsidiaries	-	16	16
Paid-in capital 31.12	31,569	31,569	31,569
Retained earnings 01.01	1,432	5	5
Innfusjonering datterselskap	276	-	6
Implementation of new accounting principle	-	-16	-23
Estimate deviation pensions	-20	-	-56
Net profit for the period	59	-487	7,098
Group contribution	-	-	-4,836
Dividend	-	-	-762
Retained earnings 30.09 / 31.12	1,747	-498	1,432
Equity 30.09 / 31.12	33,316	31,071	33,001

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