

FINANCIAL RESULTS

Q3 2012

8 November 2012



Highlights Q3 2012

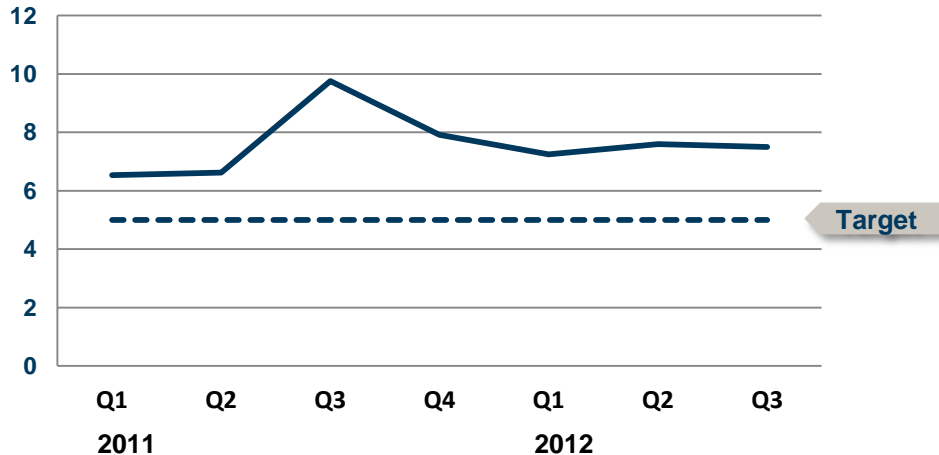
- ▶ Acceptable result in a challenging market
 - Low power prices partly offset by contracted volumes and somewhat higher production
 - Underlying EBITDA of NOK 1 185m (-32%)
 - Net profit of NOK 638m (NOK -1 583m)
- ▶ High investment activity, particularly in hydropower and wind power
 - Gross investments of NOK 9.9bn YTD 2012
 - Two onshore wind farms in Sweden decided
 - Acquisition of Dudgeon Offshore Wind Farm project outside the UK in partnership with Statoil
- ▶ Sheringham Shoal Offshore Wind Farm (317MW) completed



Health, safety and environment

Total Recordable Injuries rate

TRI-rate



▶ Health and safety Q3

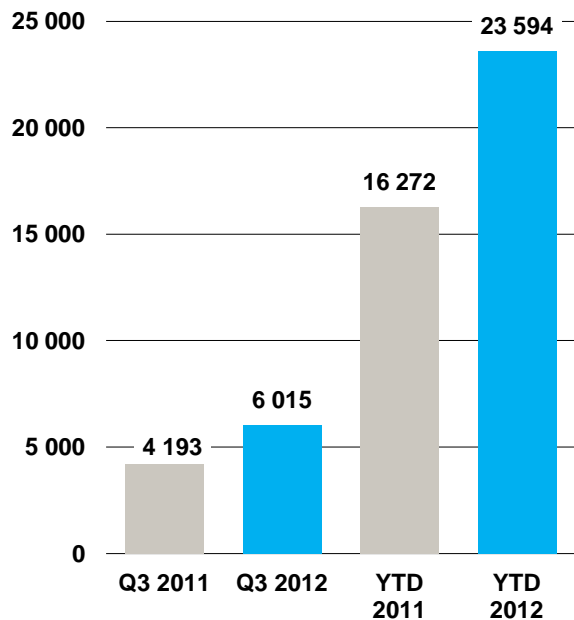
- One fatal accident in SN Power's Cheves project in Peru
- One fatal accident in Cetin project in Turkey
- Total Recordable Injuries (TRI) rate not meeting target
- Sick leave ytd 3.2%

▶ Environment Q3

- No serious environmental incidents

Gross operating revenues

NOK million



Δ Q3 12/Q3 11 + 43%
Δ YTD 12/YTD 11 + 45%

► Significant increase in underlying gross operating revenues¹ due to new energy services

- Nordic system price 20.9 EUR/MWh

↓ 42%

- Power generation 11.4 TWh

↑ 4%

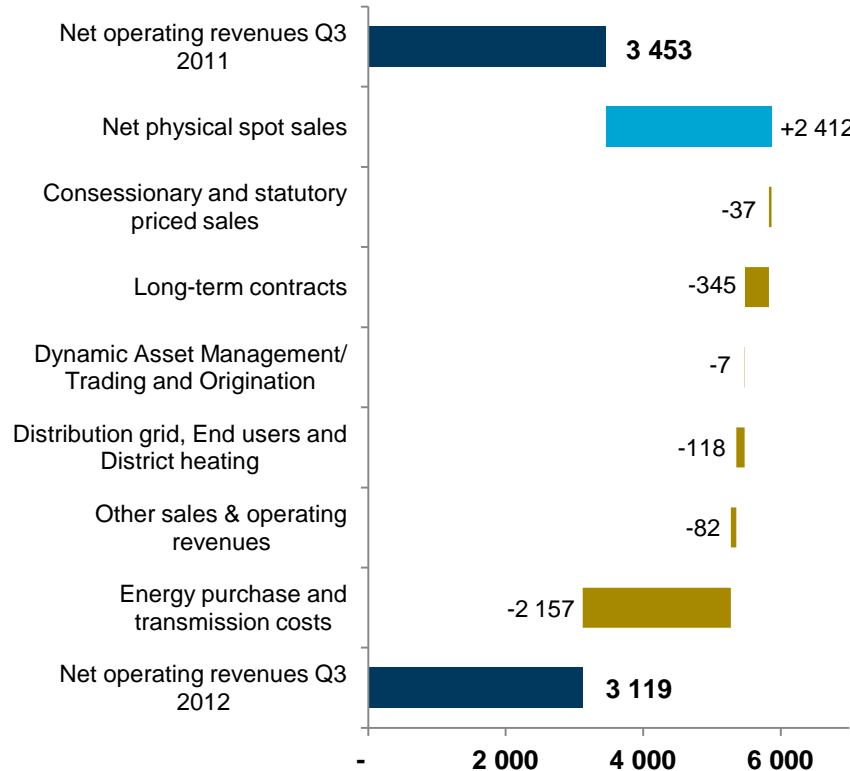
► Gross accounting of new energy services

- Constitutes several thousand MW

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

Net revenues breakdown¹

NOK million

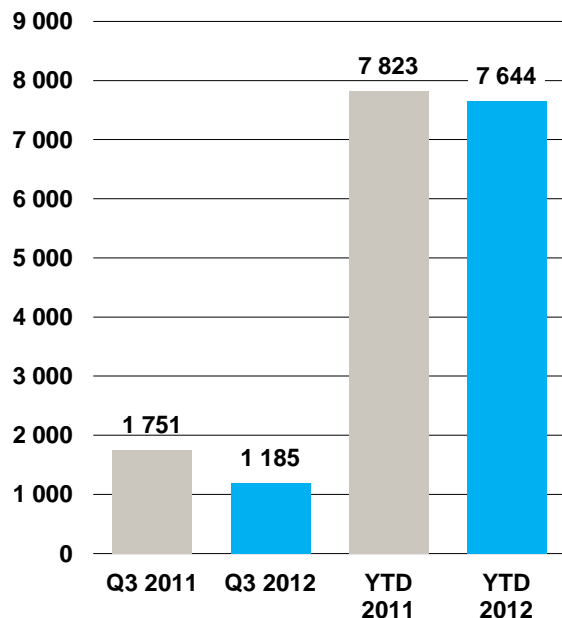


- ▶ Net operating revenues reduced compared with Q3 2011
- ▶ Significant increase in physical sales and energy purchases due to gross accounting of new energy services
- ▶ Stable revenues from long-term contracts but down in the accounts due to reclassification in Q3 2011
- ▶ Lower prices reduce revenues within retail

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

EBITDA

NOK million



Δ Q3 12/Q3 11 - 32%

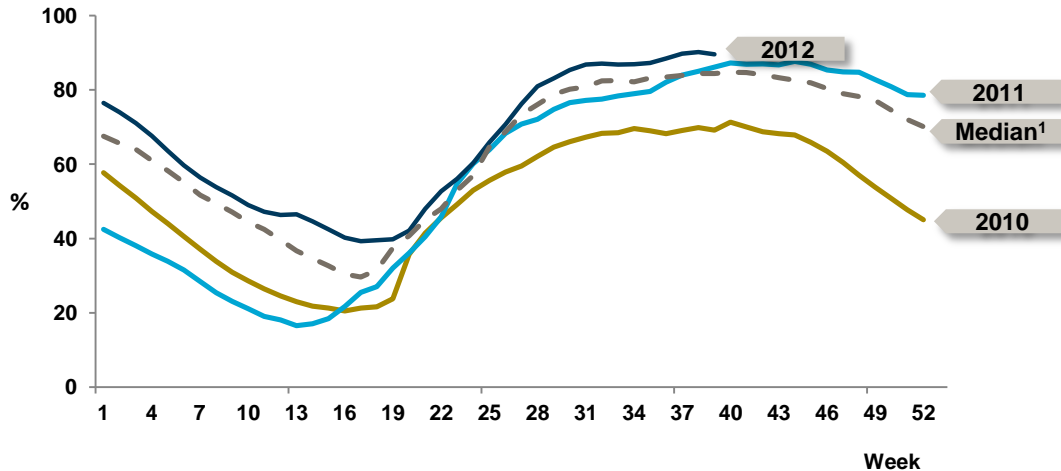
Δ YTD 12/YTD 11 - 2%

- ▶ Underlying EBITDA¹ reduced by 32% in Q3 and 2% YTD
- ▶ Somewhat higher quarterly power production did not offset fall in prices
- ▶ Significant contractual volumes
- ▶ Rise in operating costs due to increased number of employees, pension costs and property tax

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

Nordic hydro reservoirs

Nordic reservoir water levels

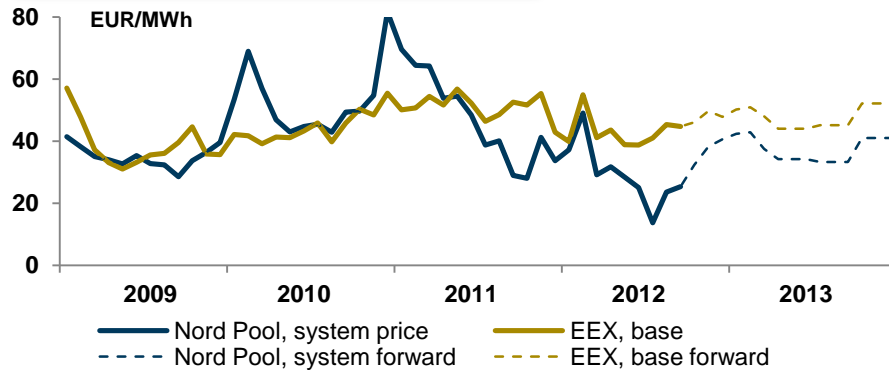


- ▶ High precipitation and reservoir inflow in Q3
- ▶ Flexibility for high production
- ▶ High Nordic power generation did not reduce surplus in reservoirs

¹ Median 1990-2007

Pressure on prices

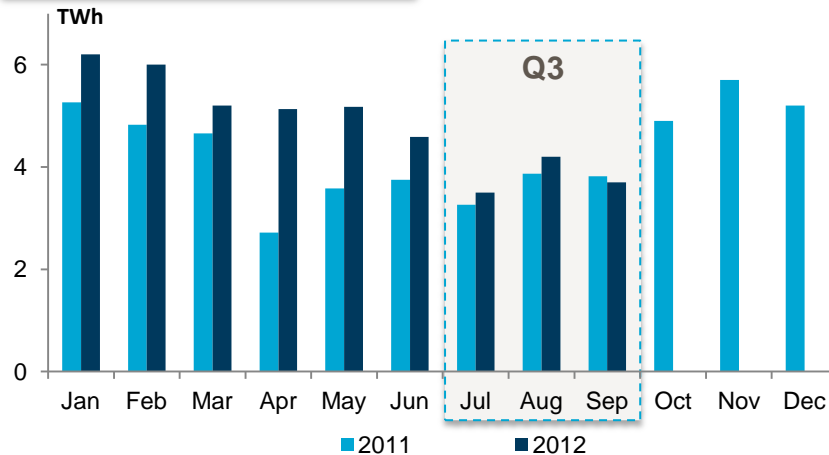
Electricity, average monthly price







- ▶ Price pressure in all main markets
 - Nordic system price: 20.9 EUR/MWh
↓ 42%
 - German spot price: 43.7 EUR/MWh
↓ 11%
- ▶ Current price pressure mainly caused by
 - High precipitation and hydro reservoir level in the Nordics
 - High renewable power production
 - Economic activity in Europe

Statkraft production

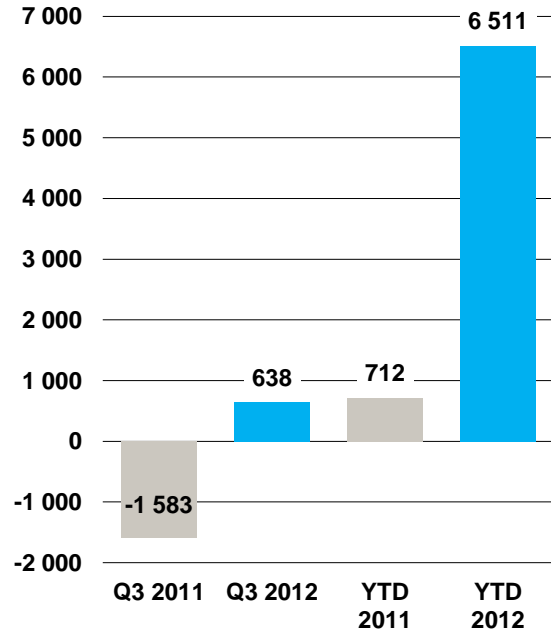
Monthly power generation



- ▶ Resource situation leads to relatively high power production in Q3
- ▶ Overall production  4%
- ▶ Hydropower production  10%
- ▶ Wind power production  26%
- ▶ Gas-fired power production  81%

Net profit

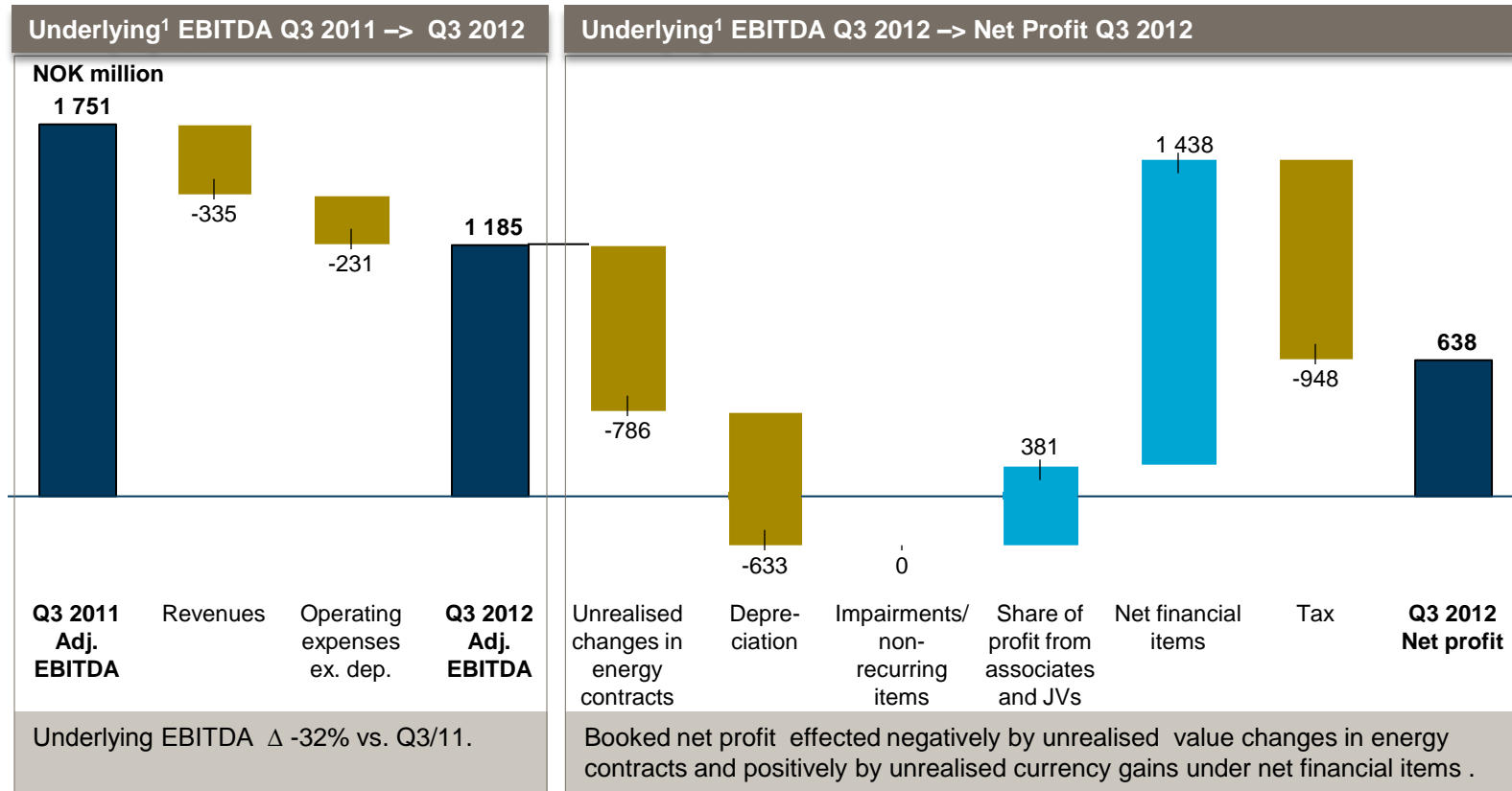
NOK million



| | |
|-----------------|--------|
| Δ Q3 12/Q3 11 | + 140% |
| Δ YTD 12/YTD 11 | + 814% |

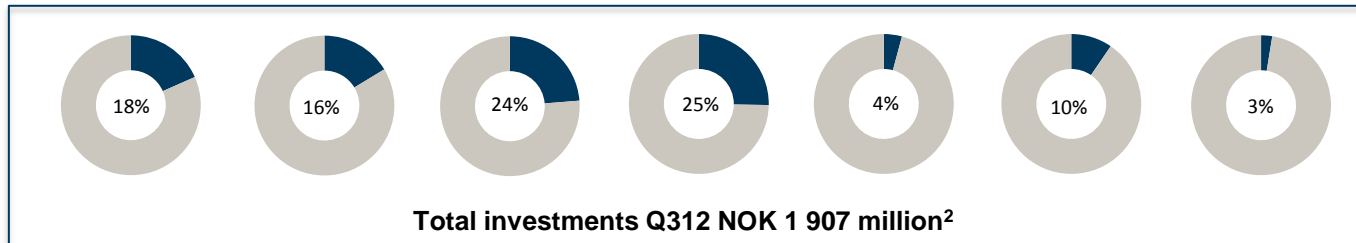
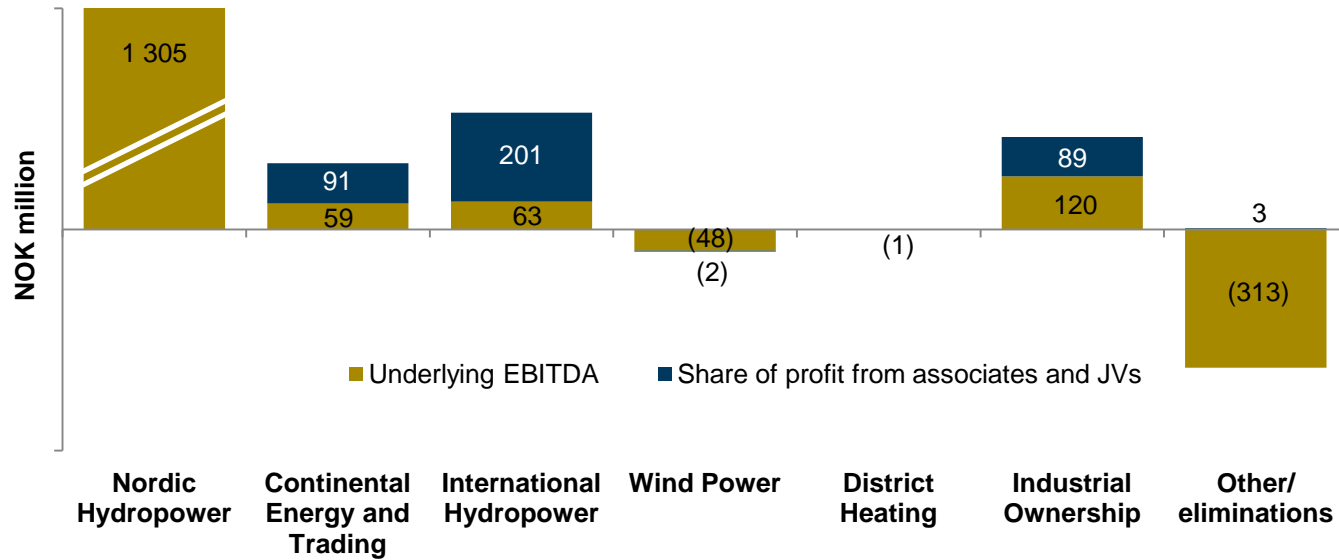
- ▶ Satisfactory operations in Q3 under price pressure
- ▶ Unrealised loss on energy contracts
- ▶ Unrealised currency gains
- ▶ Write-down of shareholding in E.ON in 2011

Net profit breakdown



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

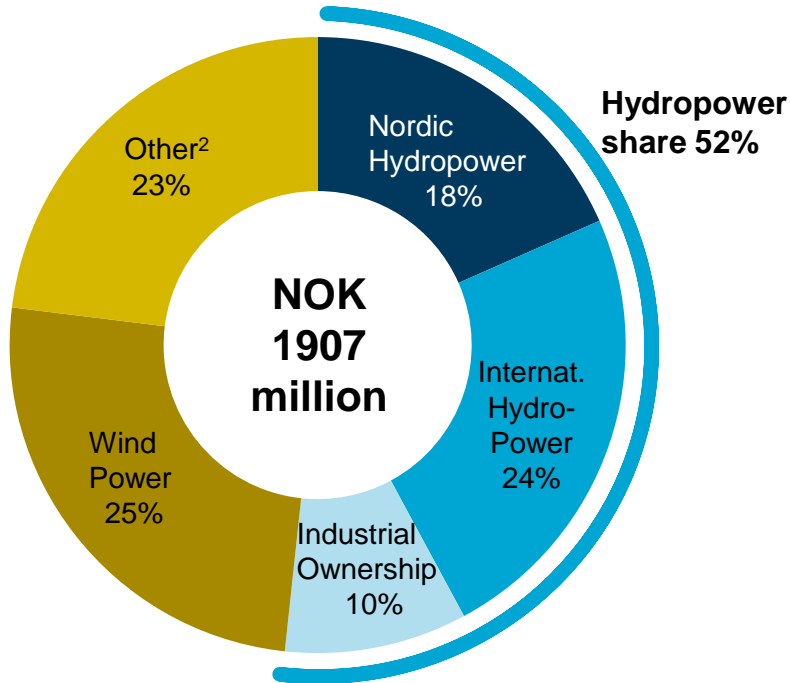
Segment financials



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

²Exclusive loans to third parties

Q3 capital expenditure¹

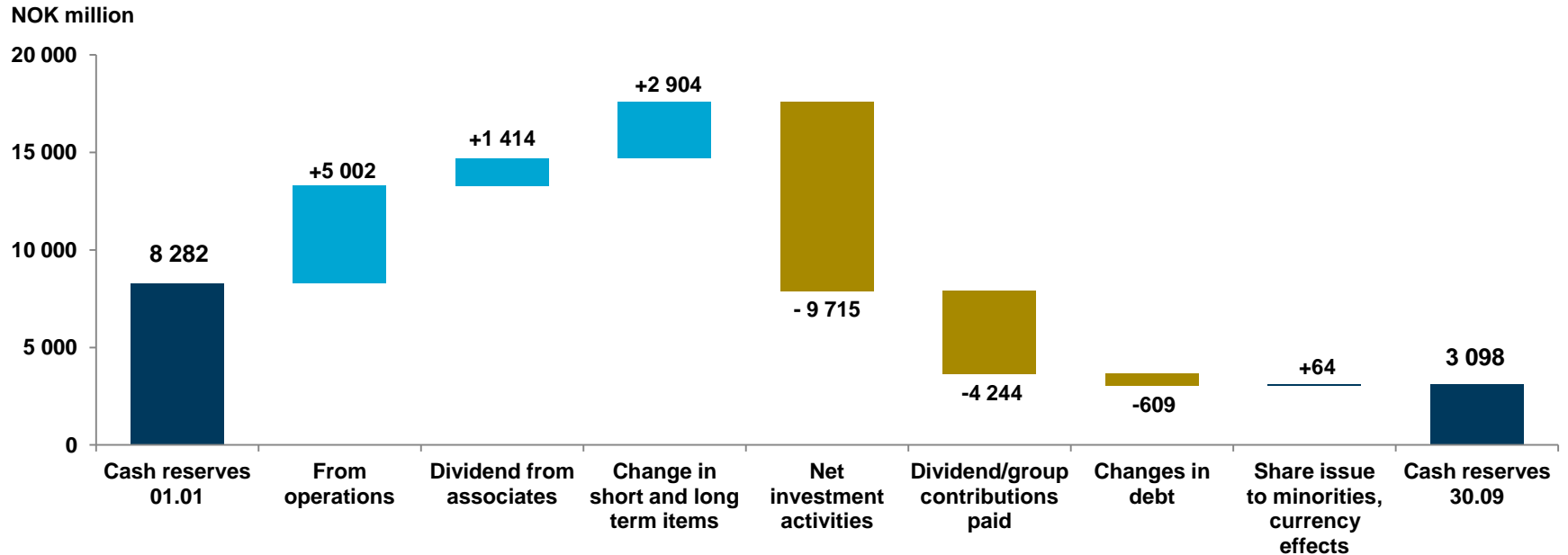


- ▶ A large number of projects under construction as a consequence of the ambitious investment program
- ▶ NOK 1.9 billion invested in Q3
 - 86% expansion
- ▶ Half of investments in hydropower
- ▶ NOK 7.5 billion invested YTD
- ▶ NOK 9.9 billion including loans to associates

¹ Exclusive loans to associates

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

Cash flow year-to-date

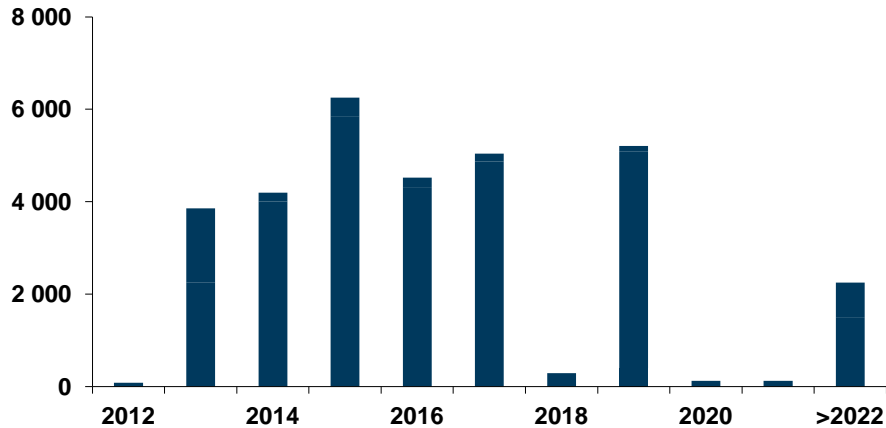


- ▶ High investments, payment of dividend and repayment of debt reduce cash reserves

Debt

DEBT REPAYMENT PROFILE

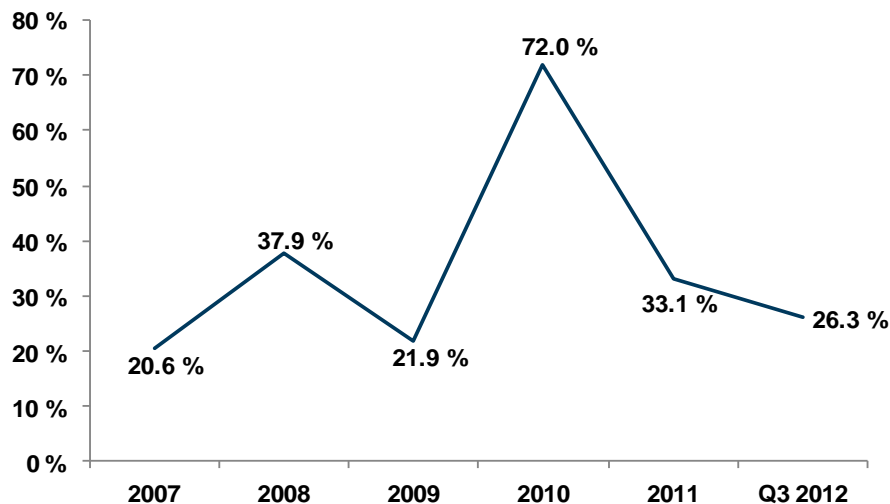
NOK million



- ▶ Net interest-bearing liabilities
NOK 33.2 billion (25.2)
- ▶ Gross interest-bearing liabilities
NOK 36.3 billion (39.9)
 - NOK 39%, EUR 47%, SEK 7%,
USD 7%
 - 63% floating interest
 - Interest-bearing debt ratio 36.2%
- ▶ NOK 3.3bn debt maturities in 2012,
NOK 2.2bn repaid in Q3

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 thresholds³
 - S&P: 18-20%
 - Moody's: "High mid-teens"

FFO of NOK 8 721 million (9 521 in 2011)

Net interest bearing debt of NOK 33 210 million (28 605 in 2011)

¹ Calculated 12 months rolling

² Rating agencies apply own adjustments

³ Please see rating publications on Statkraft's web page, under Financial information, for full assessments

Outlook

- ▶ Nordic hydro reservoirs above normal level
 - Moderate short-term spot price outlook, well above Q3-prices
 - Flexibility regarding high power generation
 - Solid long-term contract portfolio
- ▶ Focusing on project activities according to strategy
 - Well positioned in attractive markets
 - High activity within hydropower, onshore and offshore wind power

APPENDIX



Statement of Comprehensive Income

| NOK million | Third quarter | | Year to date | | The year |
|---|---------------|---------------|---------------|---------------|----------------|
| | 2012 | 2011 | 2012 | 2011 | 2011 |
| COMPREHENSIVE INCOME | | | | | |
| PROFIT AND LOSS | | | | | |
| Sales revenues | 5 199 | 4 559 | 21 255 | 15 989 | 20 756 |
| Other operating revenues | 141 | 247 | 637 | 740 | 1 447 |
| Gross operating revenues | 5 340 | 4 806 | 21 892 | 16 729 | 22 203 |
| Energy purchase | -2 780 | -96 | -9 356 | -1 774 | -3 894 |
| Transmission costs | -227 | | -763 | -875 | -1 215 |
| Net operating revenues | 2 333 | 4 441 | 11 773 | 14 080 | 17 094 |
| Salaries and payroll costs | -793 | -694 | -2 211 | -1 965 | -2 759 |
| Depreciation, amortisation and impairments | -633 | -563 | -1 843 | -1 743 | -3 564 |
| Property tax and licence fees | -362 | -300 | -1 041 | -905 | -1 254 |
| Other operating expenses | -779 | -708 | -2 343 | -2 373 | -3 314 |
| Operating expenses | -2 566 | -2 265 | -7 437 | -6 986 | -10 891 |
| Operating profit/loss | -234 | 2 176 | 4 336 | 7 093 | 6 203 |
| Share of profit/loss from associates and joint ventures | 381 | 251 | 1 352 | 979 | 898 |
| Financial income | 78 | 254 | 875 | 1 709 | 1 880 |
| Financial expenses | -295 | -401 | -972 | -1 214 | -1 548 |
| Net currency effects | 1 940 | -912 | 4 461 | -1 139 | 332 |
| Other financial items | -284 | -2 561 | -245 | -4 247 | -4 299 |
| Net financial items | 1 438 | -3 620 | 4 119 | -4 891 | -3 635 |
| Profit/loss before tax | 1 586 | -1 193 | 9 807 | 3 181 | 3 466 |
| Tax expense | -948 | -390 | -3 295 | -2 469 | -3 427 |
| Net profit/loss | 638 | -1 583 | 6 511 | 712 | 40 |
| Of which non-controlling interest | 47 | -16 | 369 | 187 | 264 |
| Of which majority interest | 591 | -1 566 | 6 142 | 526 | -224 |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Changes in fair value of financial instruments | 798 | -449 | 962 | -376 | -103 |
| Estimate deviation pensions | - | -23 | -15 | -23 | -936 |
| Items recorded in other comprehensive income in associates and joint arrangements | -80 | 20 | -241 | 126 | -517 |
| Currency translation effects | -1 802 | 1 742 | -3 807 | 411 | -171 |
| Other comprehensive income | -1 084 | 1 290 | -3 101 | 138 | -1 727 |
| Comprehensive income | -446 | -293 | 3 410 | 850 | -1 687 |
| Of which non-controlling interest | -279 | 189 | -48 | 123 | 186 |
| Of which majority interest | -167 | -482 | 3 458 | 727 | -1 873 |

Statement of Financial Position

| NOK million | 30.09.2012 | 30.09.2011 | 31.12.2011 |
|--|----------------|----------------|----------------|
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS | | | |
| Intangible assets | 3 440 | 2 539 | 3 108 |
| Property, plant and equipment | 83 681 | 79 000 | 81 240 |
| Investments in associates and joint ventures | 17 588 | 16 703 | 16 109 |
| Other non-current financial assets | 13 328 | 12 225 | 12 163 |
| Derivatives | 4 975 | 4 783 | 4 315 |
| Non-current assets | 123 012 | 115 249 | 116 935 |
| Inventories | 1 158 | 844 | 973 |
| Receivables | 11 688 | 13 012 | 12 010 |
| Short-term financial investments | 450 | 426 | 455 |
| Derivatives | 4 462 | 4 636 | 5 223 |
| Cash and cash equivalents (included restricted cash) | 3 098 | 14 702 | 8 282 |
| Current assets | 20 856 | 33 619 | 26 943 |
| Assets | 143 868 | 148 868 | 143 878 |
| EQUITY AND LIABILITIES | | | |
| Paid-in capital | 45 569 | 45 569 | 45 569 |
| Retained earnings | 11 398 | 15 422 | 12 840 |
| Non-controlling interest | 7 076 | 7 944 | 7 241 |
| Equity | 64 043 | 68 936 | 65 651 |
| Provisions | 21 928 | 18 390 | 21 403 |
| Long-term interest-bearing liabilities | 28 920 | 31 639 | 31 443 |
| Derivatives | 6 105 | 3 247 | 4 507 |
| Long-term liabilities | 56 954 | 53 277 | 57 353 |
| Short-term interest-bearing liabilities | 7 388 | 8 294 | 5 444 |
| Taxes payable | 3 521 | 3 416 | 3 396 |
| Other interest-free liabilities | 7 821 | 10 248 | 6 525 |
| Derivatives | 4 141 | 4 697 | 5 509 |
| Current liabilities | 22 871 | 26 655 | 20 874 |
| Equity and liabilities | 143 868 | 148 868 | 143 878 |

Statement of Cash Flow

| NOK million | Year to date | | The year |
|--|--------------|---------------|----------------|
| | 2012 | 2011 | 2011 |
| STATEMENT OF CASH FLOW | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit before tax | 9 807 | 3 181 | 3 466 |
| Profit/loss on sale of non current assets | -7 | 32 | -34 |
| Depreciation, amortisation and impairments | 1 843 | 1 743 | 3 564 |
| Profit/loss from the sale of business | - | -240 | -240 |
| Profit/loss from the sale of shares, and associates and joint ventures | - | - | -111 |
| Share of profit/loss from associates and joint ventures | -1 352 | -979 | -898 |
| Unrealised changes in value | -2 416 | 4 495 | 5 122 |
| Taxes | -2 873 | -2 451 | -3 284 |
| Cash flow from operating activities | 5 002 | 5 781 | 7 585 |
| Changes in long term items | -185 | -116 | 244 |
| Changes in short term items | 3 089 | -230 | 55 |
| Dividend from associates | 1 414 | 1 310 | 1 639 |
| Net cash flow operating activities | A | 9 320 | 6 745 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Investments in property, plant and equipment, maintenance | -668 | -460 | -1 129 |
| Investments in property, plant and equipment, new capacity* | -4 425 | -2 902 | -4 793 |
| Proceeds from sale of non-current assets | 42 | 144 | 318 |
| Business divestments, net liquidity inflow to the Group | - | 452 | 452 |
| Business combinations, net liquidity outflow from the Group** | 90 | -752 | -766 |
| Loans to third parties | -2 230 | -100 | -1 708 |
| Repayment of loans | 56 | 252 | 298 |
| Proceeds from sale of other companies | - | 66 | 66 |
| Considerations regarding investments in other companies*** | -2 580 | -757 | -940 |
| Net cash flow from investing activities | B | -9 715 | -8 202 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| New debt | 2 471 | 2 354 | 376 |
| Repayment of debt | -3 080 | -3 769 | -5 169 |
| Dividend and group contribution paid | -4 244 | -7 676 | -9 400 |
| Share issue in subsidiary to non-controlling interests | 149 | 1 114 | 1 094 |
| Net cash flow from financing activities | C | -4 704 | -7 977 |
| Net change in cash and cash equivalents | A+B+C | -5 099 | -11 780 |
| Currency exchange rate effects on cash and cash equivalents | -85 | -61 | 10 |
| Cash and cash equivalents 01.01 | 8 282 | 20 052 | 20 052 |
| Cash and cash equivalents 30.09 / 31.12 | 3 098 | 14 702 | 8 282 |
| Unused committed credit lines | 12 000 | 12 000 | 12 000 |
| Unused overdraft facilities | 2 200 | 1 600 | 2 200 |
| Restricted Cash | -758 | - | -786 |