

FINANCIAL RESULTS THIRD QUARTER 2009

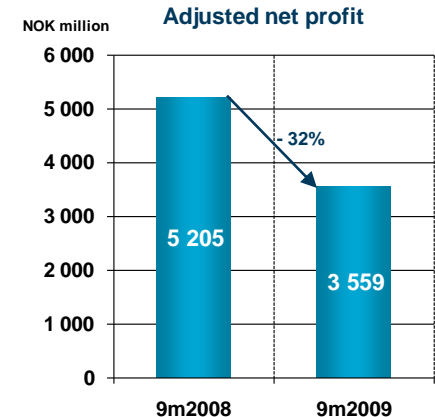
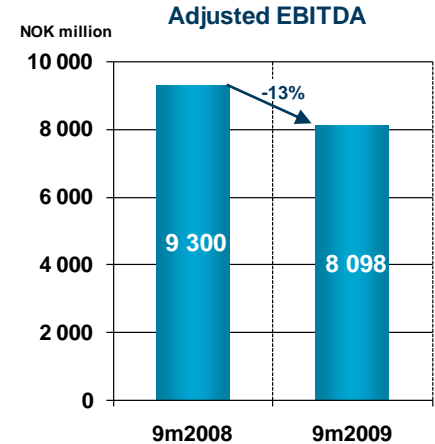
12 NOVEMBER 2009



Statkraft
PURE ENERGY

YEAR TO 30 SEPTEMBER 2009 IN BRIEF

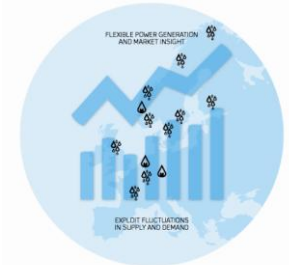
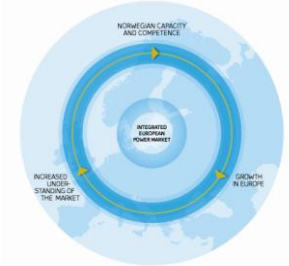
- > Lower earnings due to market conditions
- > Adjusted EBITDA MNOK 8 098 (9 300)¹
- > Adjusted net profit MNOK 3 559 (5 205)¹
 - Associates MNOK 826 (1 816)
 - Net financial expenses MNOK -335 (-1 354)
- > Significant price drop compared with 9m2008, driven by economic recession
 - Average Nord Pool system price down by 19% (yoy)
 - Average EEX spot price down by 40% (yoy)
 - Decline in fuel prices
 - Reduced demand within energy-intensive industries
- > Efficiency and cost reduction measures to be implemented



1: Adjusted for material non-recurring items and unrealised changes in value
2008-figures in brackets

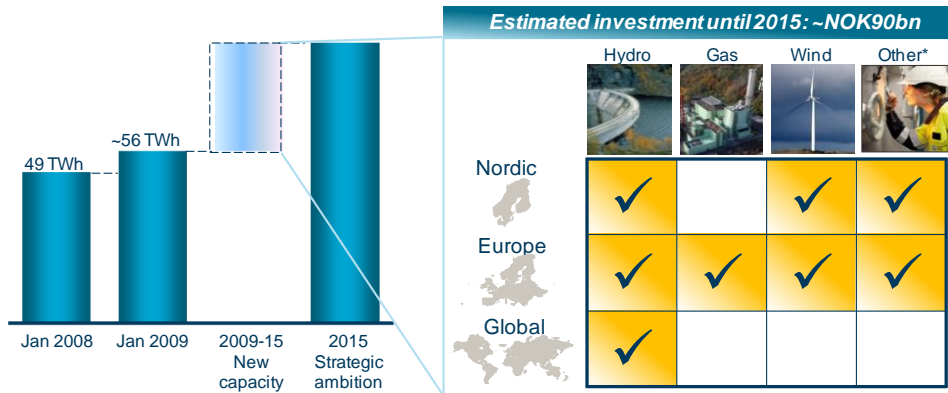
OPERATIONAL HIGHLIGHTS – Q3

- > Continued strengthening of position as Europe's leading renewable energy supplier
 - Energy cooperation agreement with Södra signed
 - Development of wind power
 - Maximum investments of NOK 8.5bn - not yet decided
 - Power supply to Södra's Norwegian activities
 - Grid merger between Statkraft's subsidiary Trondheim Energi Nett and TrønderEnergi Nett decided
 - 51% stake to TrønderEnergi, with obligation to buy remaining stake in 2013
 - Solar power agreement with Solar Utility SpA to acquire 8 power projects in Italy
 - Agreement with Elkem to build energy recovery facility
 - Licence to build Berry Burn Wind Farm in the UK



INITIATIVES TO IMPROVE FINANCIAL POSITION

- > Weakened earnings, market outlook, and unresolved capital situation
- > Efficiency measures, capex adjustments and asset restructuring being considered in order to improve profitability and maintain financial strength



- > Board of directors submitted a proposal to the Norwegian government on February 4th
 - > NOK 8bn equity injection to meet strategic goals
 - > Modification of dividend policy

FINANCIAL REVIEW



Statkraft
PURE ENERGY

INCOME STATEMENT - ACTUAL

3rd quarter		NOK million	Year to date		Year
2009	2008		2009	2008	2008
4 588	4 778	Gross operating revenues	17 518	16 723	25 061
-1 400	-966	Energy purchase and transmission costs	-4 415	-3 645	-5 743
-1 023	1 191	Unrealised changes in value energy contracts	-2 169	965	4 283
2 165	5 002	Net operating revenues	10 934	14 042	23 601
-1 745	-1 306	Operating expenses before depreciation	-5 005	-3 777	-5 430
421	3 697	EBITDA	5 929	10 265	18 171
-629	-441	Depreciations and write-downs	-1 921	-1 343	-1 553
-209	3 256	Operating profit (EBIT)	4 009	8 922	16 618
549	164	Share of profit from associates and joint ventures	1 202	902	935
-341	-393	Net financial expenses	-1 704	-1 354	23 369
3 756	-427	Unrealised changes in value currency and interest contract	5 544	-536	-3 102
3 415	-820	Net financial items	3 840	-1 892	20 266
3 756	2 600	Profit before tax	9 050	7 934	37 820
-1 111	-1 218	Taxes	-3 112	-3 333	-4 558
2 645	1 381	Net profit	5 938	4 599	33 262

FINANCIAL HIGHLIGHTS

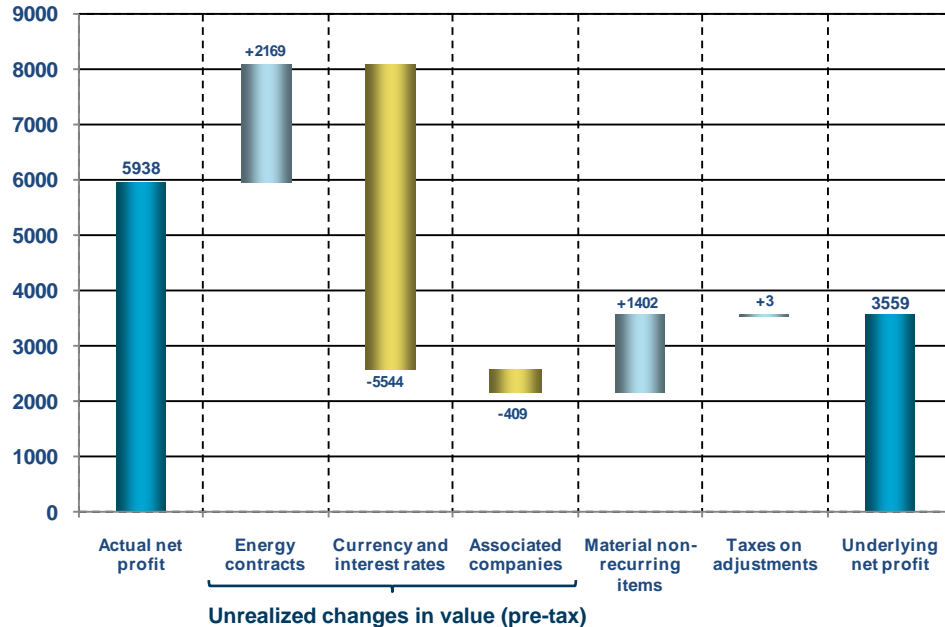
Underlying operations

NOK million	9m2009	9m2008	+/-
<u>Gross operating revenues</u>	<u>17 518</u>	<u>16 723</u>	<u>5 %</u>
<u>Adjusted EBITDA¹</u>	<u>8 098</u>	<u>9 300</u>	<u>-13 %</u>
<u>Adjusted EBIT¹</u>	<u>6 177</u>	<u>7 957</u>	<u>-22 %</u>
<u>Adjusted net profit¹</u>	<u>3 559</u>	<u>5 205</u>	<u>-32 %</u>
<u>Cash flow from operating activities</u>	<u>3 842</u>	<u>6 003</u>	<u>-36 %</u>
<u>Net investments</u>	<u>3 358</u>	<u>2 133</u>	<u>+57 %</u>
<u>Interest-bearing debt</u>	<u>48 496</u>	<u>39 566</u>	<u>8 930</u>
<u>Adjusted ROACE before tax¹</u>	<u>17.0%</u>	<u>24.0%</u>	<u>-7.0</u>

1: Adjusted for material non-recurring items and unrealised changes in value

ADJUSTMENTS TO UNDERLYING RESULT

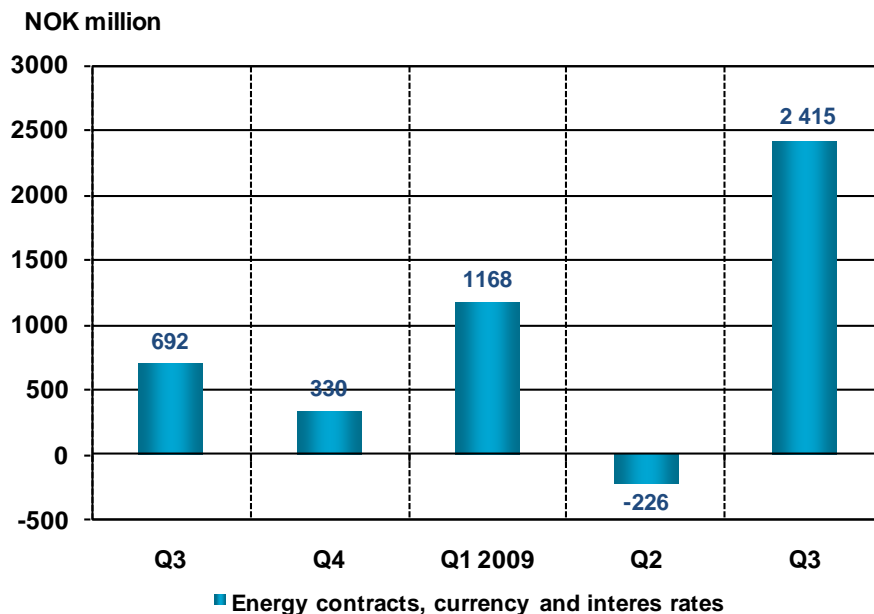
NOK million - 9m 2009



- > Currency and interest rates gains due to NOK appreciation
 - Agio on internal debt from Statkraft Treasury Centre (MNOK +3 500)
 - Disagio on E.on shares (MNOK -3 055)
 - Agio on EUR and SEK debt (MNOK +2 672)
 - Agio on currency derivatives (MNOK +1 547)
- > Energy contracts mainly related to disagio on derivatives linked to dynamic hedging contracts
- > Non-recurring items
 - Final settlement E.ON asset swap: MNOK +149
 - Write-down Naturkraft: MNOK -33
 - Currency effects related to E.ON swap -1518

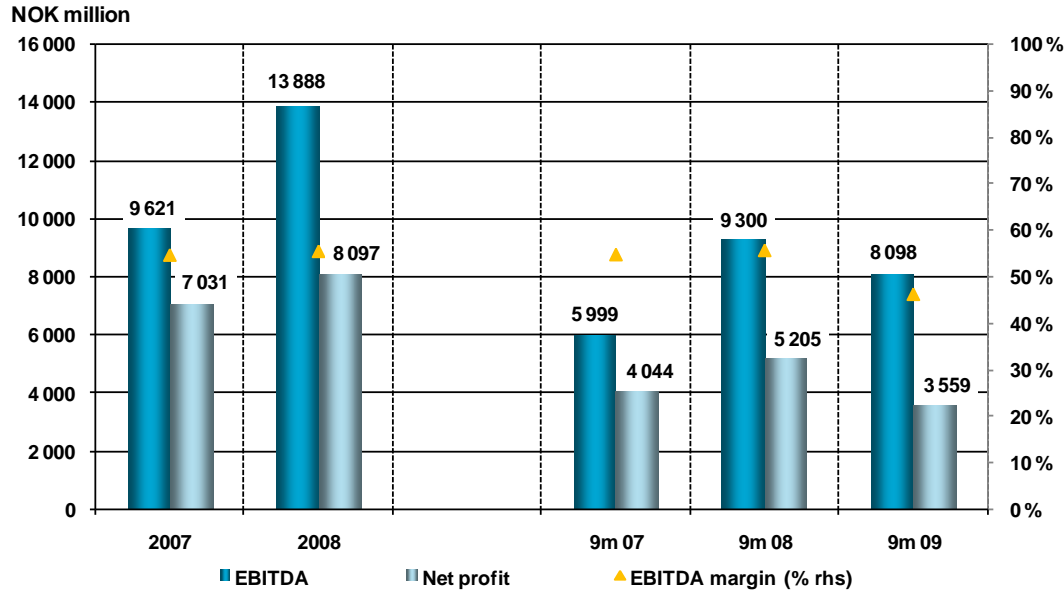
PROFIT AFTER TAX – ADJUSTMENTS

--> Unrealised changes in value give high volatility



- Q3 2009 (after tax)
 - Energy contracts: MNOK -726
 - Currency and interest rates: MNOK 3 004
 - Associated companies: MNOK 137
 - **Total: MNOK 2 415**
- 9m 2009 (after tax)
 - Energy contracts: MNOK -1 545
 - Currency and interest rates: MNOK 4 492
 - Associated companies: MNOK 409
 - **Total: MNOK 3 356**

FINANCIAL DEVELOPMENT

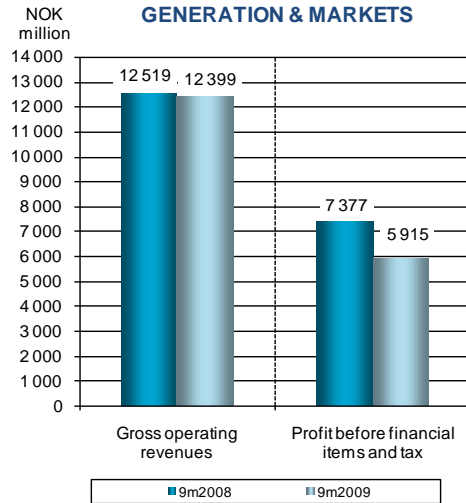


Underlying operations: Adjusted for material non-recurring items and unrealised changes in value

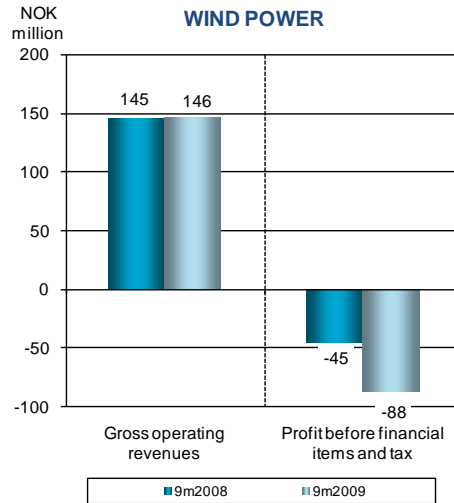
--> Main financial drivers 9m 2009:

- Output 39.1 TWh (38.1)
- Average spot price Nord Pool €/MWh 34.5 (42.7)
- Average spot price EEX €/MWh 38.9 (65.1)
- Dividend from E.ON AG shares (Q2) partly compensate sale of associate E.ON Sverige

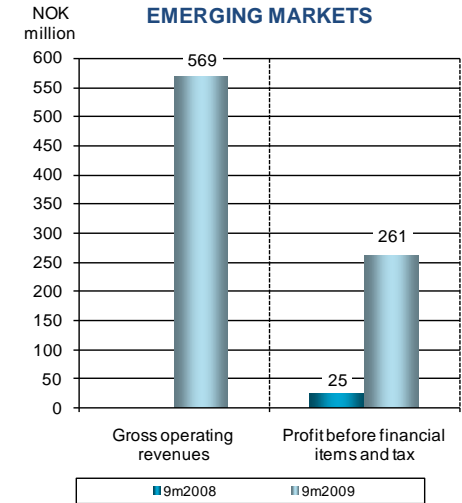
SEGMENTS – BREAKDOWN (I)



- > Increase in generation from hydro and gas due to new assets
- > Outweighed by lower prices in both Nordic and German markets

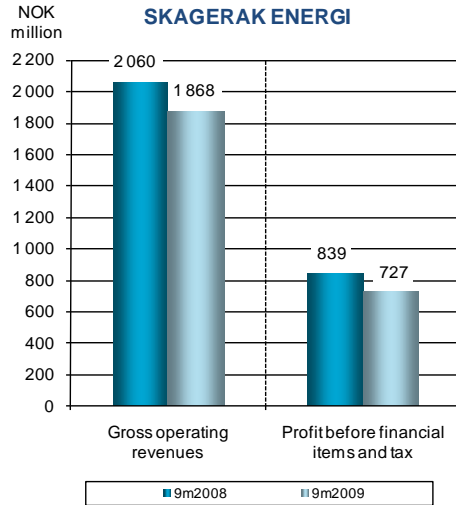


- > Increased generation, offset by lower prices
- > Reduced profits due to higher depreciations
- > Non-recurring costs
- > High project and technology development costs

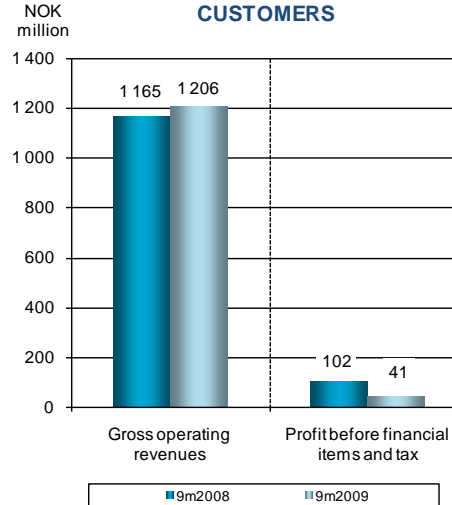


- > SN Power consolidated as of 13 January
- > Overall satisfactory generation and revenues
- > Substantial project development
- > High focus on HSE following fatal accidents

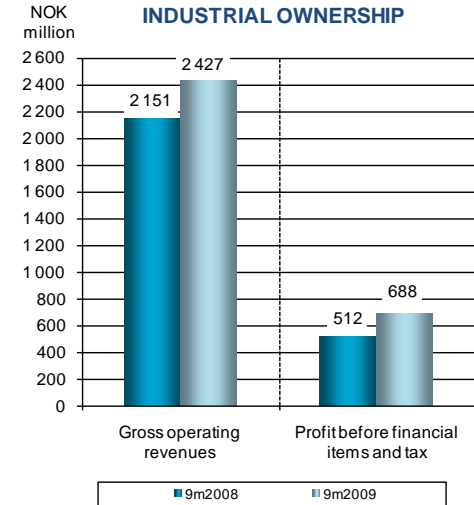
SEGMENTS – BREAKDOWN (II)



- > Lower generation
- > Increased grid revenues
- > Stable operations



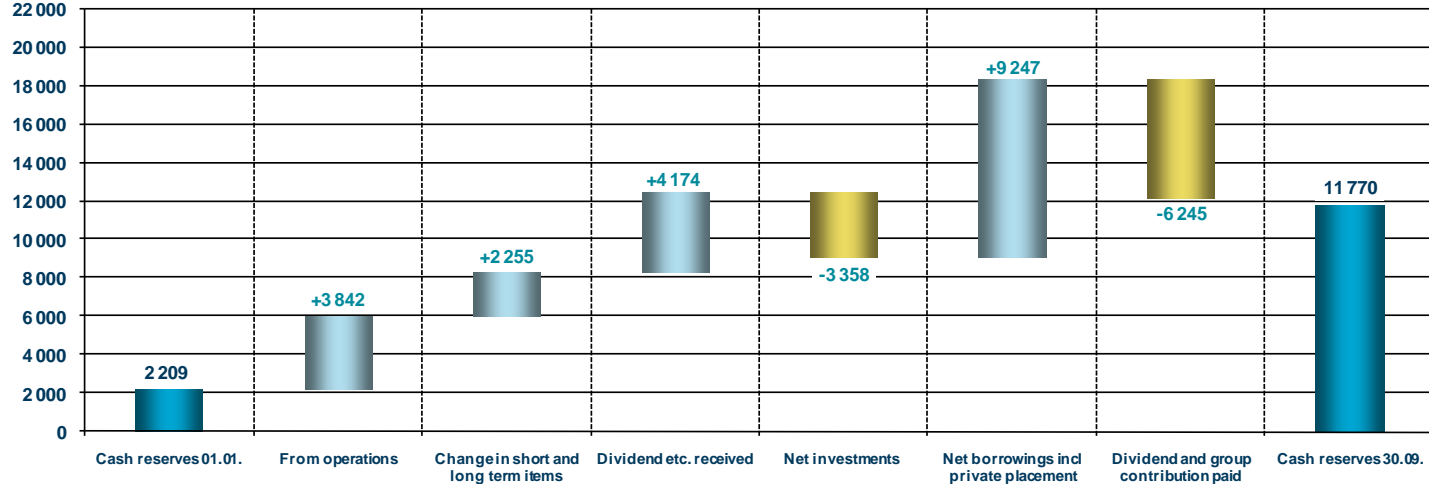
- > Retail sales and district heating revenue increase due to higher prices and volume
- > Increase in energy purchase and transmission costs
- > New district heating capacity due to asset swap



- > Higher revenues and results in all companies
- > Stable operations

CASH FLOW

NOK million



- > Cash flow from operations down by MNOK 2 161 compared with 9m 2008.
- > Changes in short and long term items include positive change in cash collateral of MNOK 2 028
- > Dividend received includes dividends from E.ON Sverige AB (MNOK 3 250)
- > Net investments of MNOK 3 358, up by MNOK 1 225.
 - New capacity (46%), shareholdings/loans (28%) and maintenance (26%)

REVENUE BREAKDOWN

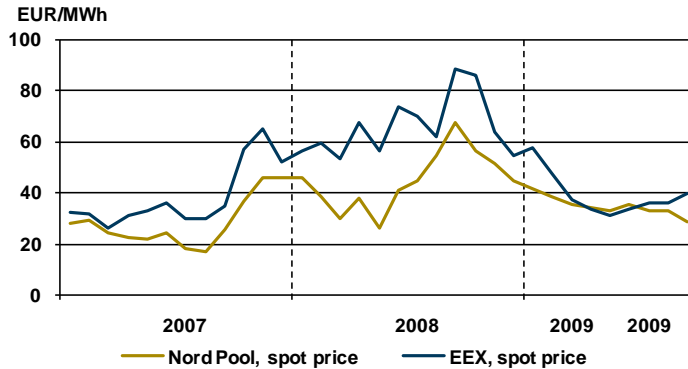
NOK million	9m 2009		Year
	2009	2008	2008
Net physical spot sales	7 893	7 804	12 668
Concessionary sales at statutory prices	305	202	234
Sales to industry at statutory prices	1 588	1 166	1 624
Long-term commercial contracts	1 682	1 357	1 758
Dynamic hedging	1 379	1 134	1 221
Trading and origination	486	520	447
Distribution grid	1 069	1 309	1 426
Retail sales	3 006	2 687	4 305
District heating	346	244	371
Other / eliminations	-722	-331	153
Sales revenues	17 032	16 093	24 205
Other operating revenues	485	630	856
Gross operating revenues	17 518	16 723	25 061

--> Sales revenues up MNOK 940 (6%)

- Increase primarily related to long-term supply contracts with industry
- Continued positive contribution from dynamic hedging, trading and origination
- Increased retail sales

POWER PRICES

ELECTRICITY, AVERAGE MONTHLY PRICE



--> Nordic prices negatively influenced by reduced demand and hydrological conditions

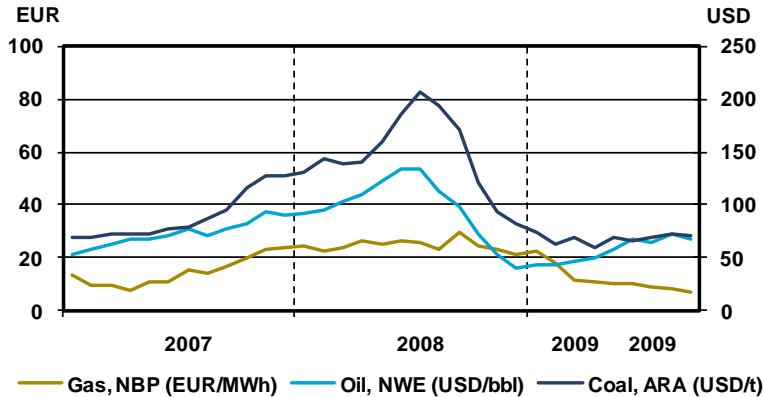
-- Q3 2009 average system price -44% yoy

--> EEX spot prices negatively influenced by fuel prices and reduced demand

-- Q3 2009 average spot price - 49% YoY

--> Forward prices indicate lower price levels than in 2008

FUEL PRICES



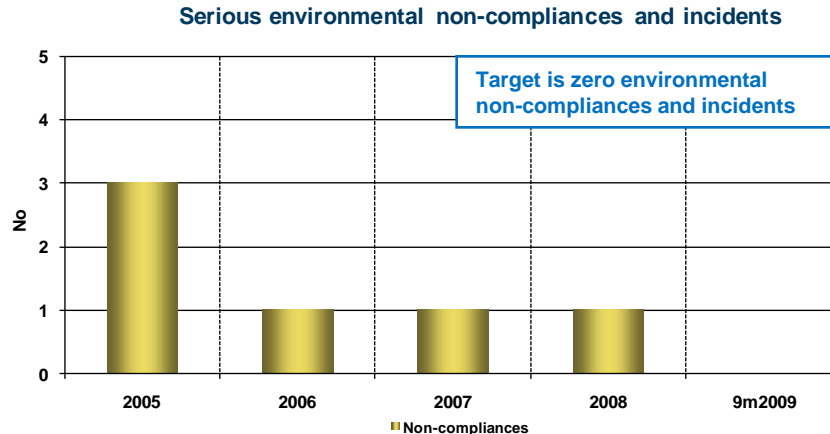
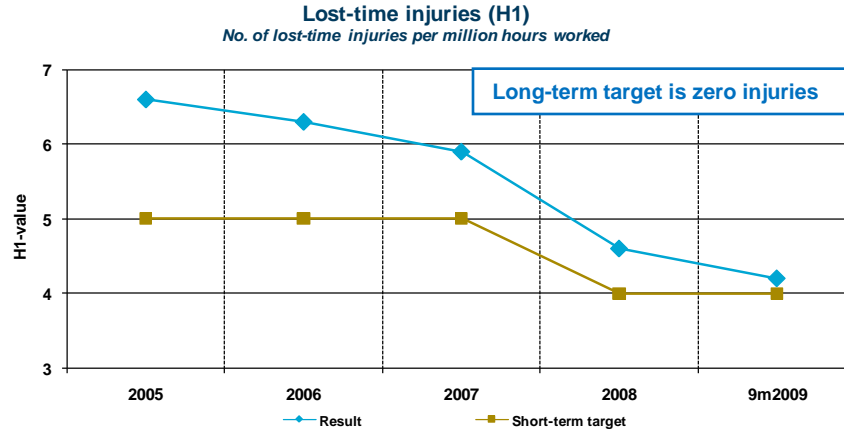
OPERATING EXPENSES

NOK million	9m2009	9m2008
Salaries and payroll costs	1 790	1 300
Property tax and licence fees	865	783
Other operating expenses	2 350	1 694
Operating expenses before depreciation	5 005	3 777
Depreciation, amortisation and impairment	1 921	1 343

- > Key reasons for cost increases
 - Takeover of assets and employees from E.ON
 - Consolidation of SN Power
 - Expanded activities and project development
 - Repair costs related to Baltic Cable

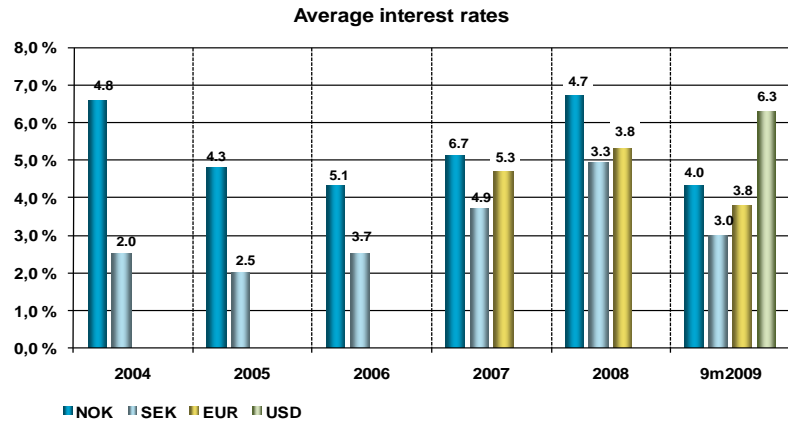
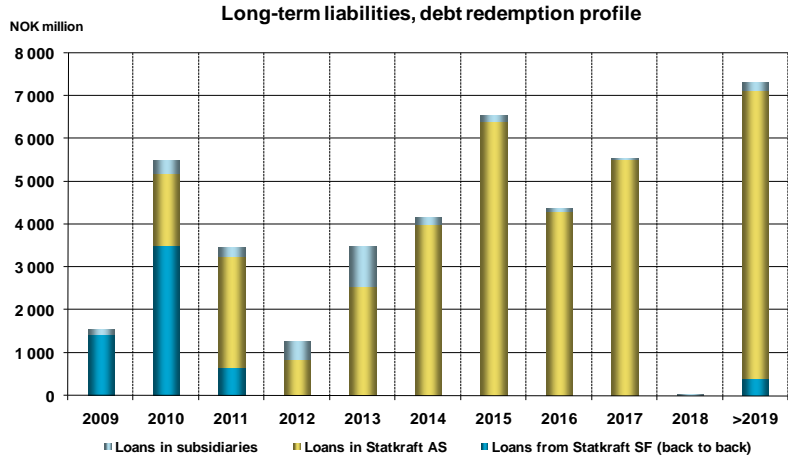
- > Stable costs within established activities
 - General salary and price growth

HEALTH, SAFETY AND THE ENVIRONMENT



- > Five fatal accidents in SN Power during Q1
- > One fatality in Turkey in Q3 (sub-contractor employee)
- > H1-value 9m 2009: 4.2 (2008: 5.2)
- Total of 19 lost-time injuries
- Corrective actions implemented
- > Sickness absence 3.3% (target 4.0%)
- > No environmental non-compliances in the first nine months

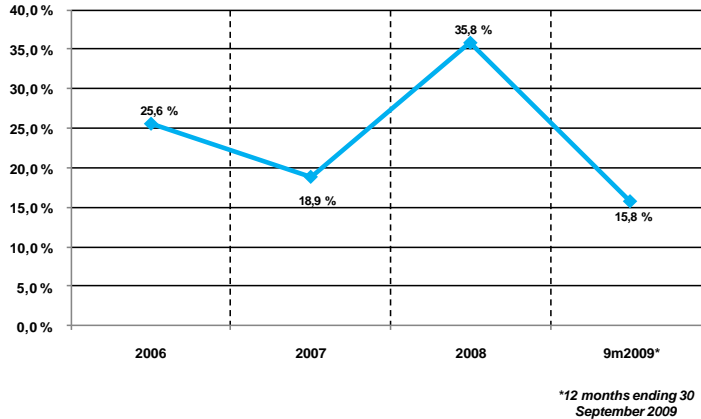
LIABILITIES AND INTEREST EXPENSES



- > Financing 9m2009:
 - New loans MNOK 15 363
 - Repayment MNOK 7 027
- > Interest-bearing liabilities NOK 48.5 bn
 - NOK 57%, SEK 6%, EUR 37%
- > Bond issue in April: EUR 1 bn
- > Drawing facilities NOK 8 bn
- > Reduced interest rates due to decline in market rates
- > Of total portfolio:
 - 72% exposed to floating interest rates

FINANCIAL STRENGTH AND RATING

FFO/debt

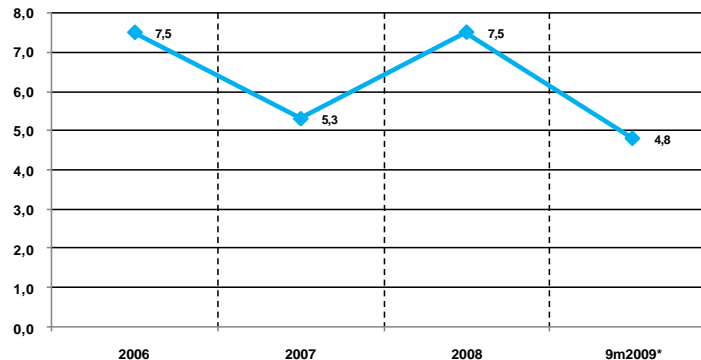


--> FFO/Debt reduced due to lower cash flow from operations and higher debt

--> Statkraft upgraded to A-/Negative outlook by S&P
 --> Due to revised GRE methodology

--> Statkraft's rating target is to maintain current rating in the short term

FFO interest coverage



--> FFO interest coverage reduced due to reduced CFFO

FFO = Cash Flow From Operations + changes in Short Term Items
 FFO Interest coverage = (FFO + interest expenses) / interest expenses
 FFO/Debt = FFO / Interest bearing debt

OUTLOOK FOR 2009

- > Forward prices indicate lower price levels
- > New assets support increased power generation
- > Uncertainty linked to the impact of the international financial unrest on consumption, power prices, interest rates and foreign exchange rates
- > Measures to improve profitability and maintain financial strength initiated
 - Due to weakened market prospects and unresolved capital situation

PURE
ENERGY

