

FINANCIAL RESULTS Q4 AND FULL YEAR 2009

PRESIDENT AND CEO BÅRD MIKKELSEN
CFO STEIN DALE

18 FEBRUARY 2010

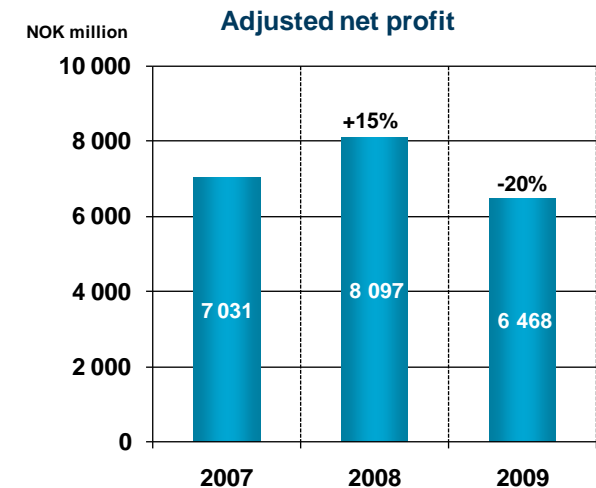
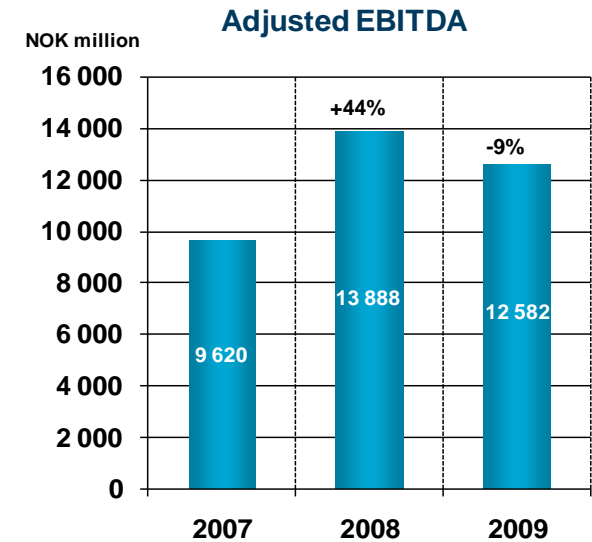


Please note that corrections have been made to the preliminary full year results, following the approval of the 2009 financial statement on 17 March 2010:

- Reclassification of receivables (decrease) to cash and cash equivalents (increase)
- Higher underlying net profit due to lower underlying tax.

2009 IN BRIEF

- > Increased revenues due to new assets
 - Reduced output from existing assets
- > Reduced power prices compared with 2008
- > Satisfactory results despite reduced earnings against 2008
- > Extensive project development
- > Acquired majority position in SN Power
 - HSE-challenges

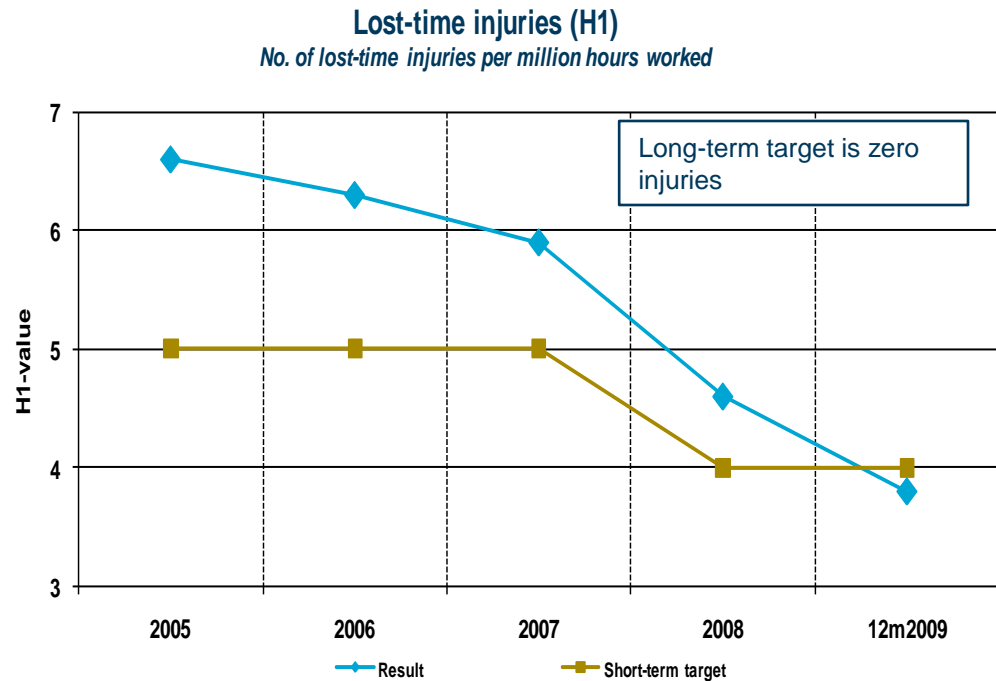


CHALLENGES IN CONSTRUCTION WORK



- > Eight fatal accidents in Emerging Markets projects in 2009
 - 4 in India, 1 in Peru and 1 in Turkey
 - Two fatalities in THPC, Laos, in Q4
- > Several measures initiated
 - HSE-audits to map improvement measures
 - Improvement in regulations and routines
 - Tunnelling competence strengthened
 - Physical measures and improvements
- > Close management follow-up

HSE – A KEY PRIORITY



- > Positive HSE indicators
- > H1-value Q4 2009: 3.8 (4.6)
 - > Total of 24 lost-time injuries
- > Sickness absence in Q4: 3.3% (3.9%)
- > No environmental non-compliances in 2009

2009 MILESTONES

Consolidation of **SN Power** (60% share)
 Intergration of new assets from **E.ON**
asset swap

NO 10 small-scale power plants completed (150 GWh)
Fjordkraft acquires Trondheim Energi 's retail business
Grid merger negotiations initiated between Trondheim Energi and TrønderEnergi
Industry contract with Boliden in effect
Osmotic power plant (prototype) opened

INDIA & NEPAL
 Partnership with Tata Power on hydro power construction (potential 2000 MW within 2015)

UK
Alltwalis onshore wind farm in operation (23 MW)
Sheringham Shoal offshore windfarm, 50% acquisition
Round 3 - bidder licence received for Dogger Bank

SE
 6 new licences received (potentially 1140 MW)
Partnership with Södra established






IT
Casale solar park in operation (3.3 MW)
 8 solar power projects - acquisition agreement (19 MW)

Turkey
 6 projects acquired (potentially 550 MW)

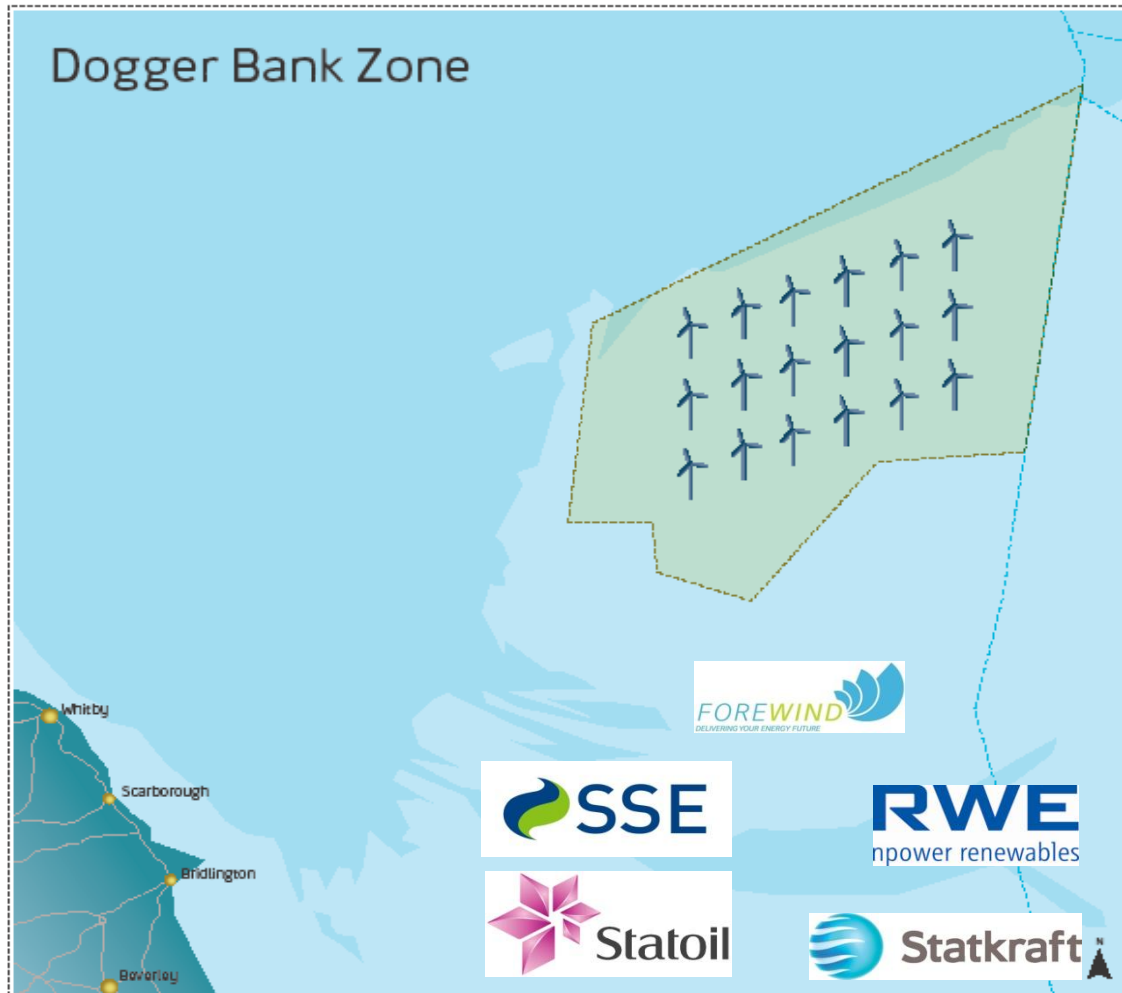


SELECTED PROJECTS – DEVELOPMENT



Projects (Figures in million)			Remaining capex* (million)	Total capex* (million)	New capacity**	Planned completion
Sheringham Shoal		UK	GBP 330	GBP 465	315 MW	2012
Allain Duhangan (SN Power)		IND	USD 30	USD 200	192 MW	2010
Svartisen		NO	NOK 180	NOK 380	250 MW	2011
Robert Frank		GER	NOK 180	NOK 300	10 MW	2010
Cakit		TUR	EUR 5	EUR 25	20 MW	2010
Total (projects above NOKm 80)			NOK 6 000	NOK 15 000	1 600 MW	

ROUND 3 ACHIEVEMENT



Potential capacity of 9-13 GW

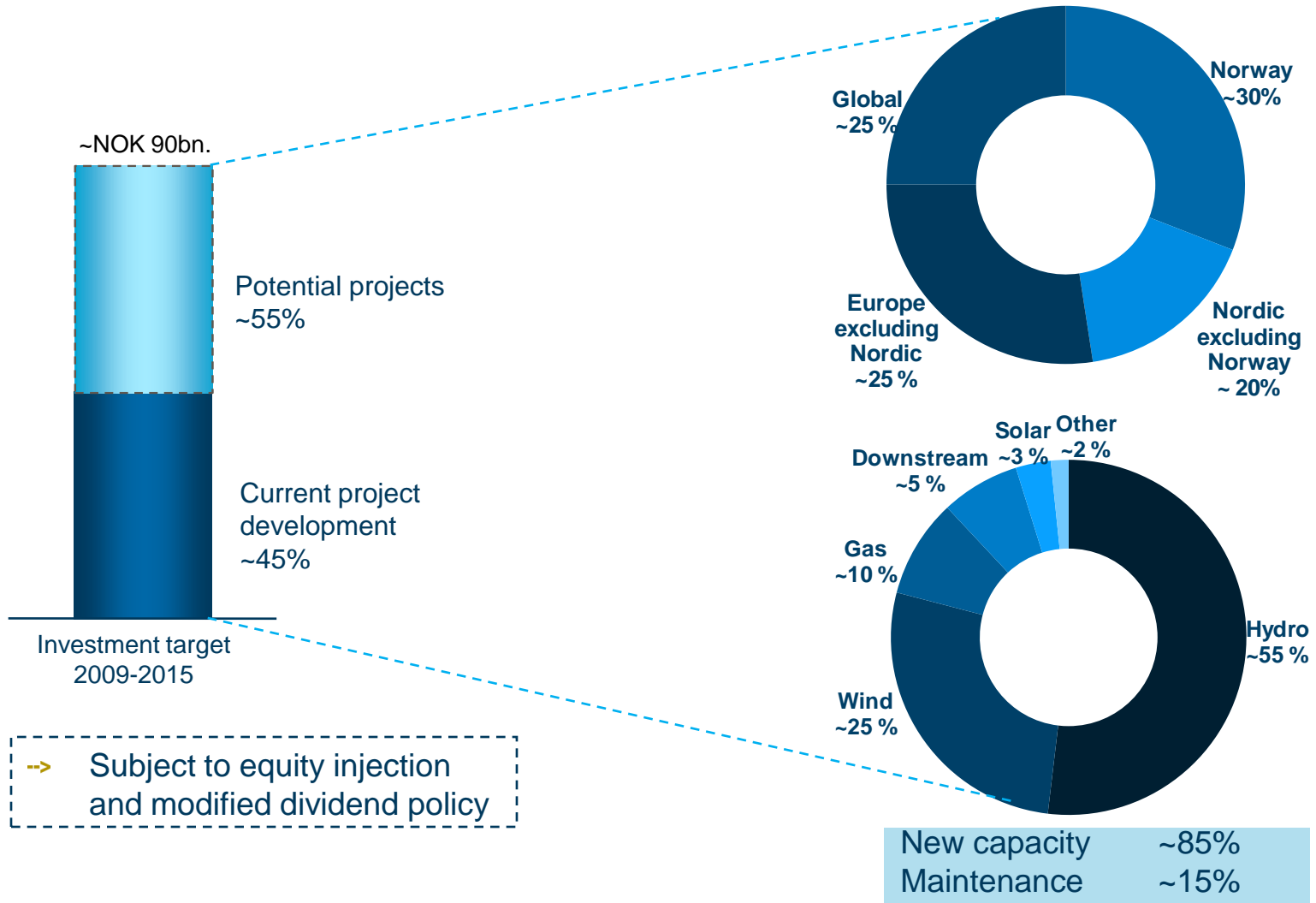
Earliest investment decision in 2014

Committed to fund development costs of NOKm 350*

- Dogger Bank Modified Round 3 Zone
- Deeper than 50 m
- Shallower than 50 m
- Offshore International Boundaries

**Including internal development costs*

IDENTIFIED GROWTH POTENTIAL



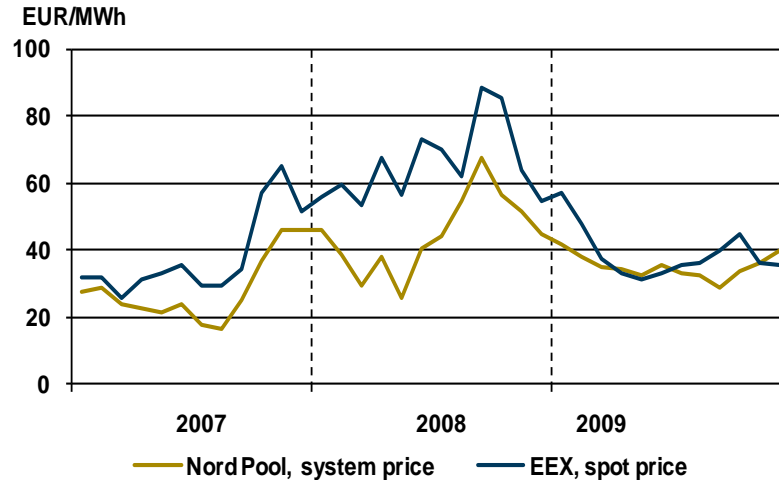
FINANCIAL REVIEW



Statkraft
PURE ENERGY

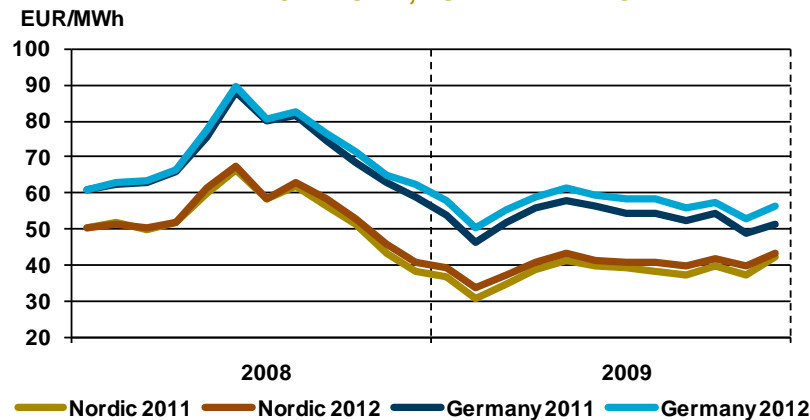
2009 - A CHALLENGING MARKET

ELECTRICITY, AVERAGE MONTHLY PRICE



- > 2009 Nordic prices negatively influenced by reduced demand in power intensive industries
 - > System price down 22% yoy
- > Significant Nordic price increase towards end of year
 - > Due to hydrological conditions

ELECTRICITY, FORWARD PRICE

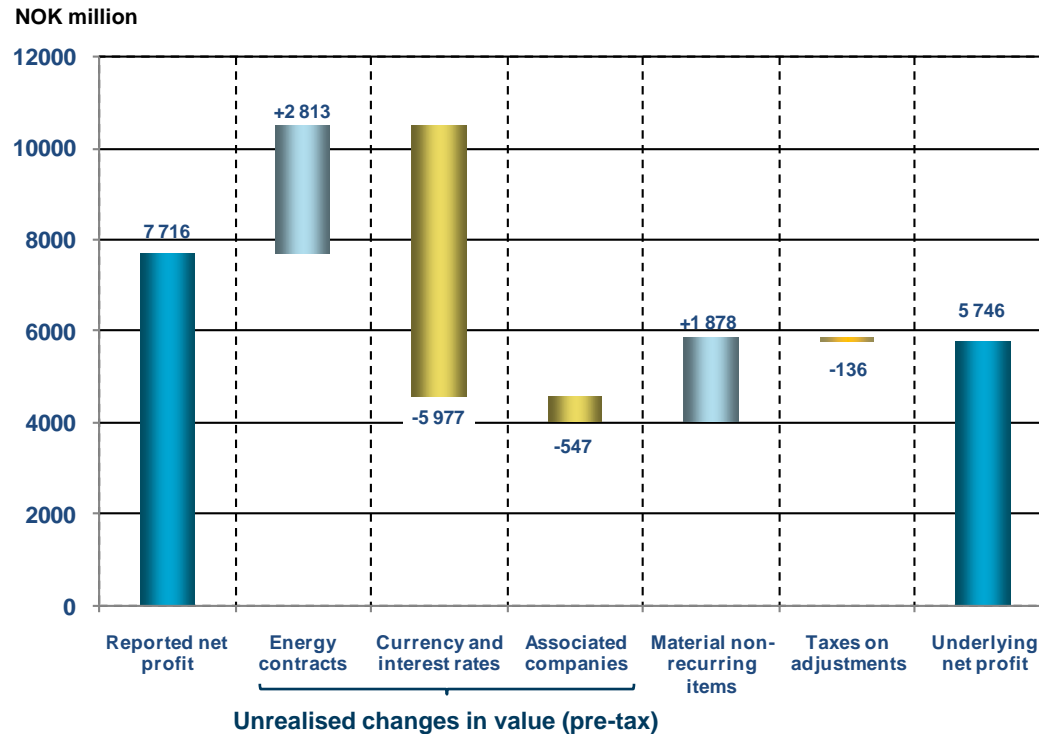


- > EEX spot prices negatively influenced by reduced industry demand and lower fuel prices
 - > Down 41% yoy

INCOME STATEMENT - ACTUAL

4th quarter		NOK million	Year	
2009	2008		2009	2008
8 157	8 339	Gross operating revenues	25 675	25 061
-1 464	-2 097	Energy purchase and transmission costs	-5 879	-5 743
-644	3 317	Unrealised changes in value energy contracts	-2 813	4 283
6 049	9 559	Net operating revenues	16 983	23 601
-2 209	-1 653	Operating expenses before depreciation	-7 214	-5 430
3 840	7 906	EBITDA	9 769	18 171
-822	-210	Depreciations and write-downs	-2 743	-1 553
3 018	7 696	Operating profit (EBIT)	7 026	16 618
-22	33	Share of profit from associates and joint ventures	1 179	935
-77	24 723	Net financial expenses	-1 782	23 369
434	-2 565	Unrealised changes in value currency and interest contract	5 977	-3 102
442	22 158	Net financial items	4 282	20 267
3 438	29 887	Profit before tax	12 487	37 820
-1 660	-1 224	Taxes	-4 772	-4 558
1 777	28 662	Net profit	7 716	33 262

IFRS EFFECTS ON REPORTED INCOME STATEMENT



Adjustments for material non-recurring items and unrealised changes in value

- > Currency and interest rates gains due to NOK appreciation
 - Agio on internal debt from Statkraft Treasury Centre (NOKm +4 163)
 - Disagio on E.ON shares (NOKm -3 440)
 - Agio on EUR and SEK debt (NOKm +3 031)
 - Agio on currency derivatives (NOKm +1 408)
 - Disagio on interest and inflation derivatives (NOK m -173)
- > Energy contracts mainly related to disagio on derivatives linked to dynamic hedging contracts
- > Non-recurring items
 - Final settlement E.ON asset swap: NOKm +149
 - Write-downs: NOKm -509
 - Currency effects related to E.ON swap: NOKm -1 518

UNDERLYING OPERATIONS

NOK million	2009	2008	+/-
Gross operating revenues	25 675	25 061	+2 %
Adjusted EBITDA ¹	12 582	13 888	-9 %
Adjusted EBIT ¹	9 947	12 029	-17 %
Adjusted net profit ¹	6 486	8 097	-29 %
Cash flow from operating activities	7 781	9 880	-21 %
Net investments	4 678	3 046	+54 %
Interest-bearing debt	45 660	40 741	+12 %
Adjusted ROACE before tax ¹	15.2%	26.6%	-11.4

REVENUE DISTRIBUTION

NOK million	Year	
	2009	2008
Net physical spot sales	10 464	12 668
Concessionary sales at statutory prices	384	234
Sales to industry at statutory prices	1 671	1 624
Long-term commercial contracts	2 820	1 758
Dynamic hedging	1 654	1 221
Trading and origination	1 618	447
Distribution grid	1 485	1 426
Retail sales	4 285	4 305
District heating	505	371
Other / eliminations	-169	153
Sales revenues	24 715	24 205
Other operating revenues	960	856
Gross operating revenues	25 675	25 061

OPERATING EXPENSES¹

NOK million	2009	2008
Salaries and payroll costs	2 517	1 853
Property tax and licence fees	1 166	1 077
Other operating expenses	3 530	2 500
Operating expenses before depreciation	7 214	5 430
Depreciation, amortisation and impairment	2 663	1 859

NOK million	Existing Business	E.ON Assets	SN Power	2009	2008
Operating expenses before depreciations	6 121	695	399	7 214	5 430
EBITDA	11 090	1 204	288	12 582	13 888

BOOK EFFECTS FROM NEW ASSETS

E.ON Sverige shares (NOKm 17.9bn)

2007 Accounts ¹⁾	NOK mill.
Share of result from associates	1 271
Dividend received (cash flow)	744



Asset swap 31 Dec. 2008



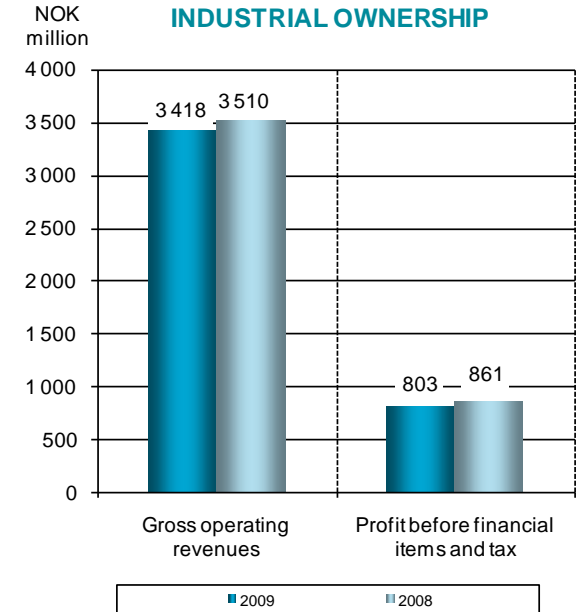
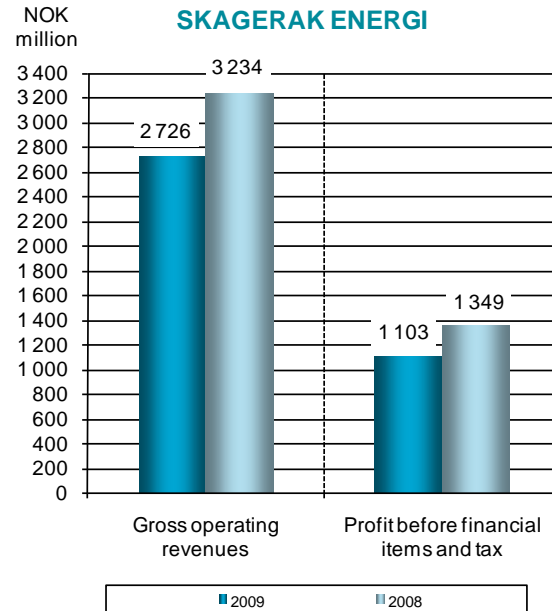
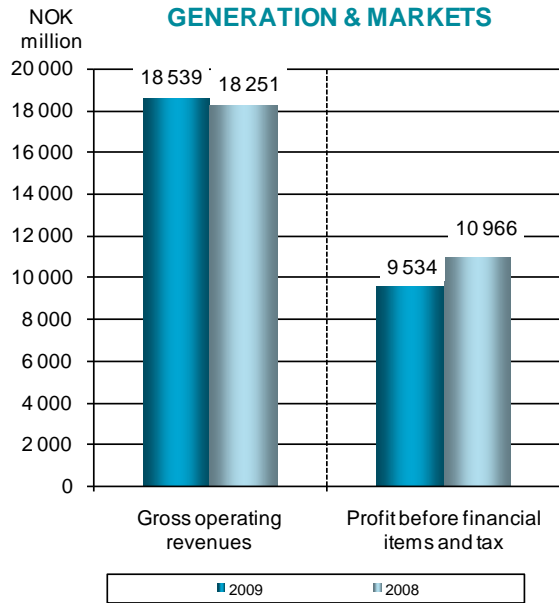
Production assets (EUR2.3bn)

2009 Accounts	NOK mill.
EBITDA	1 204
EBIT	646

E.ON AG shares (EUR2.2bn)

2009 Accounts	NOK mill.
2008-dividend received	1 093

SEGMENTS – BREAKDOWN (I)

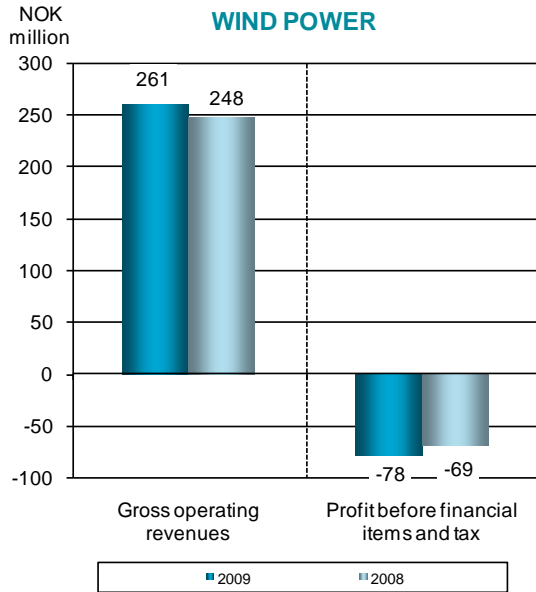


- > Generation increase due to new assets
- > Lower prices
- > Solid contributions from Trading and Origination and Dynamic Hedging

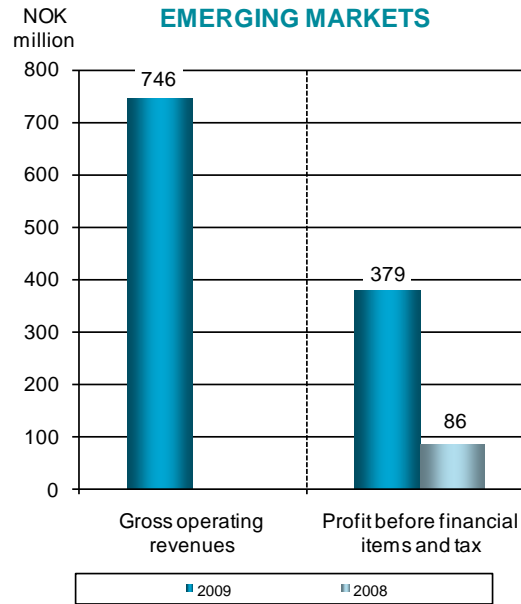
- > Lower generation and lower prices caused lower result
- > Termination of ownership in Cinclus Technology

- > Lower revenues due to lower results in Agder
- > Trondheim Energi Kraftsalg acquired by Fjordkraft (retail power sales)

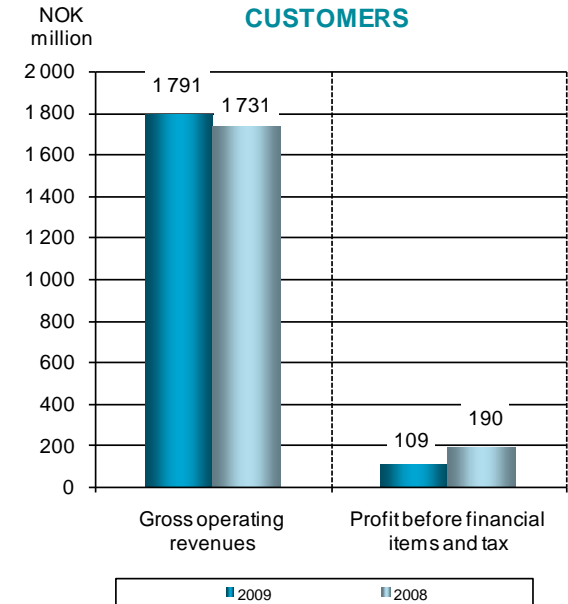
SEGMENTS – BREAKDOWN (II)



- > Increased generation, offset by lower prices
- > Project and development costs impact profits
- > Several new licences in UK, Sweden and Norway

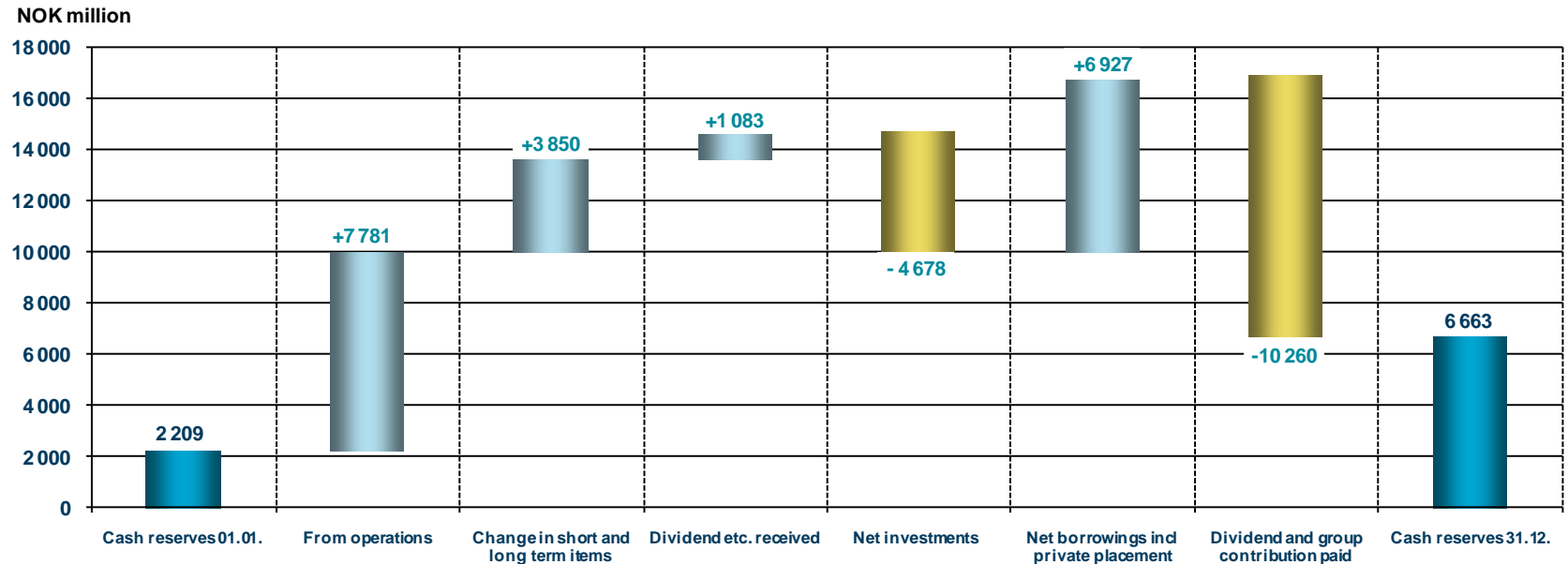


- > SN Power consolidated as of 13 January 2009
- > Lower prices in Peru and lower production in Nepal
- > High focus on HSE following 8 fatalities during 2009



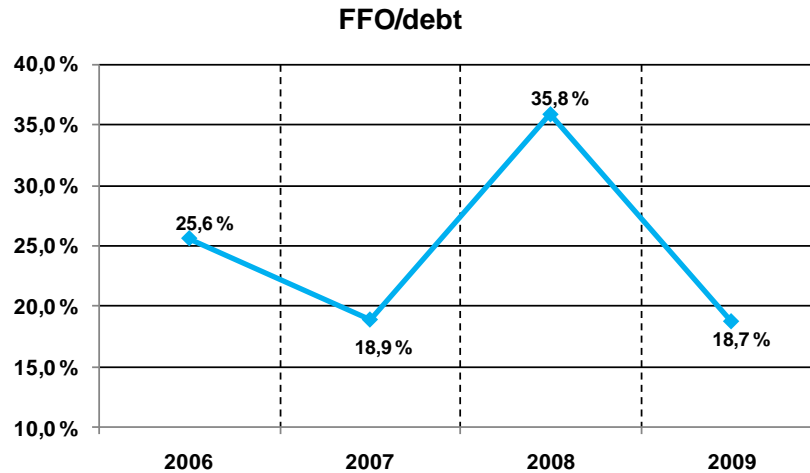
- > Retail sales and district heating revenue increase due to higher prices and volume
- > Increased energy purchase and transmission costs
- > Higher operational cost due to new assets

CASH FLOW

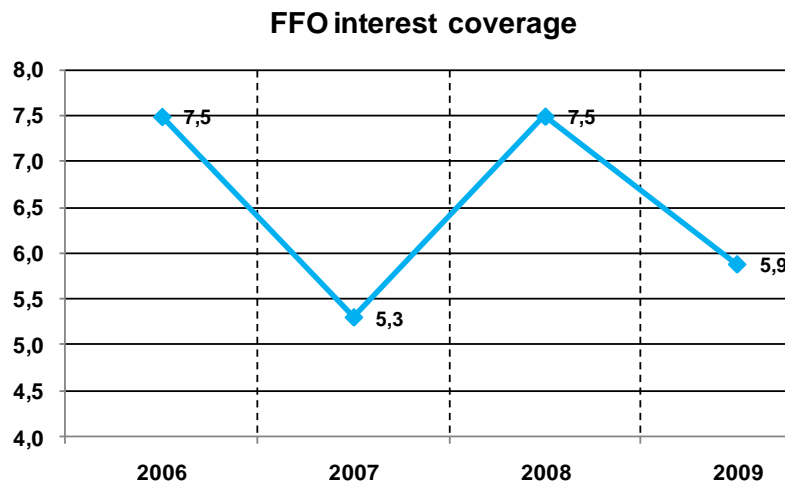


- > Cash flow from operations down NOKm 2 099 from 2008
- > Changes in short term items include positive change in cash collateral of NOKm 1 832 and dividends from E.ON Sverige AB of NOKm 3 250
- > Net investments of NOKm 4 678, up by NOKm 1 632
 - New capacity (52%), shareholdings/loans (20%) and maintenance (28%)

FINANCIAL STRENGTH AND RATING



--> Reduced due to lower cash flow from operations and higher debt



--> Statkraft's rating target is to maintain current rating in the short term, and a minimum of BBB+/Baa1

--> Long term target to achieve A- both with S&P and Moody's

--> Reduced due to reduced cash flow from operations

OUTLOOK

- > Low Nordic reservoir fillings, combined with cold temperatures and higher forward prices, indicate a higher price level compared with 2009
- > Uncertainty linked to decreased demand from industry following financial unrest and price volatility
- > Increased capacity from new assets support higher power generation
- > CAPEX plan subject to funding situation

PURE
ENERGY






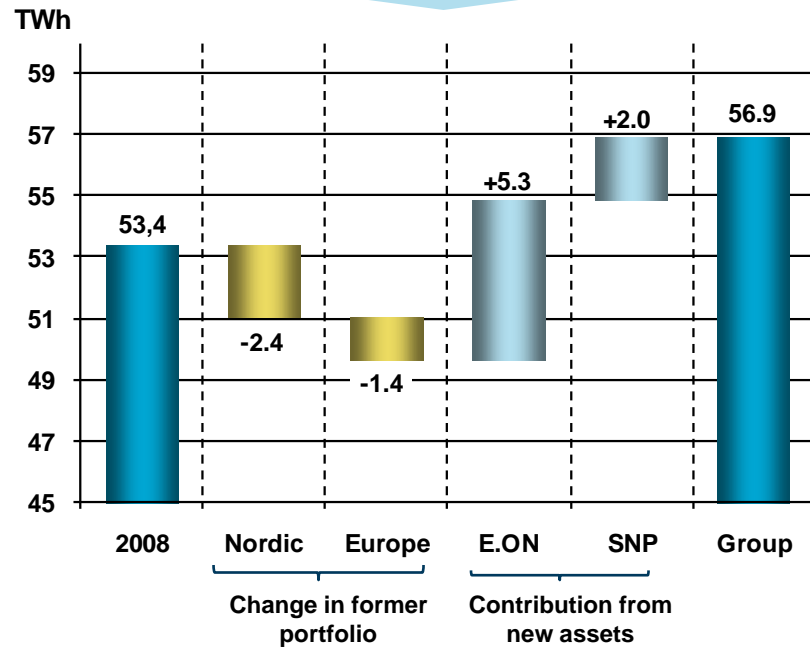
APPENDIX



Statkraft
PURE ENERGY

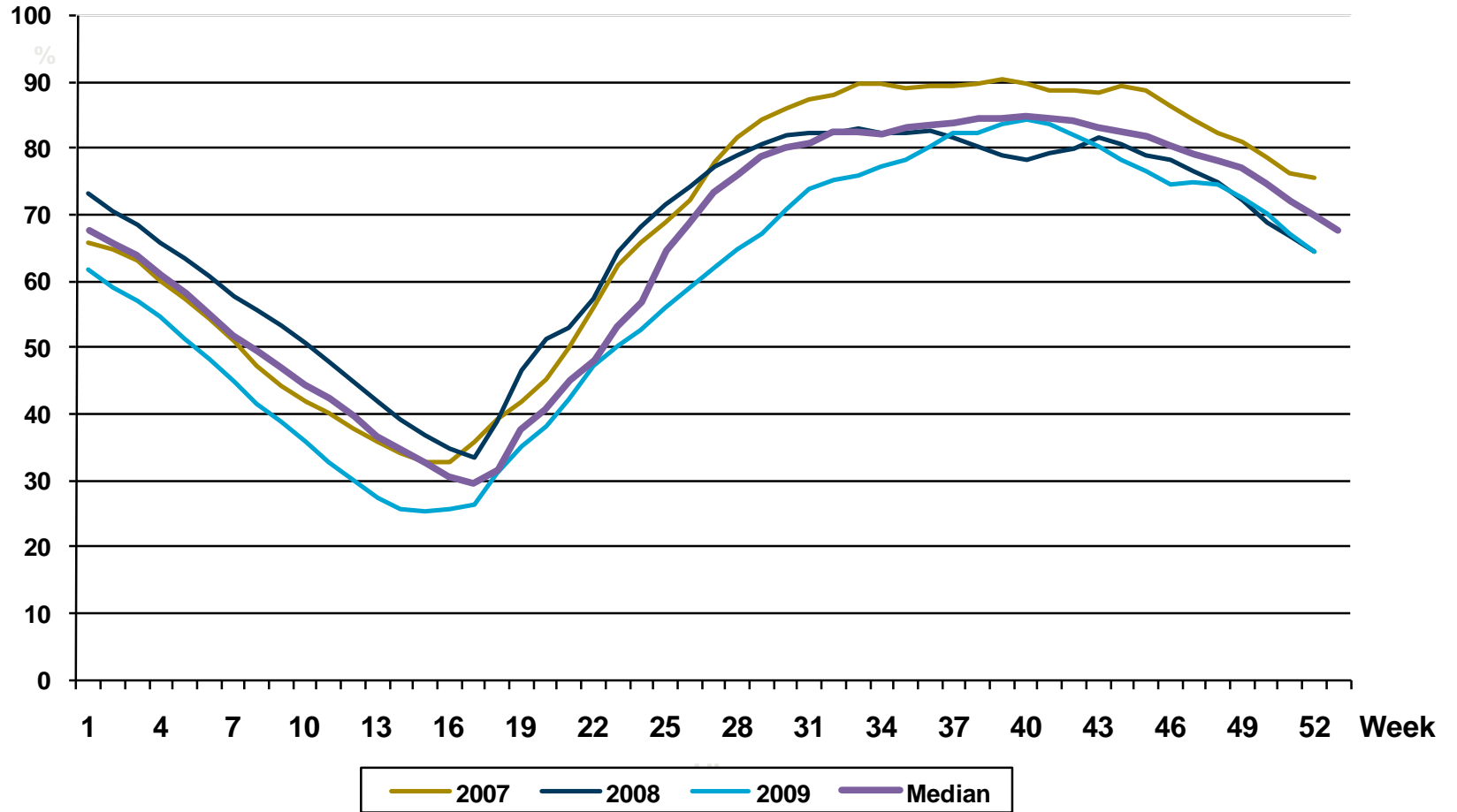
2009 POWER GENERATION

Generation (TWh)				Total
2009	50.1	0.6	6.1	56.9
2008	47.4	0.6	5.4	53.4

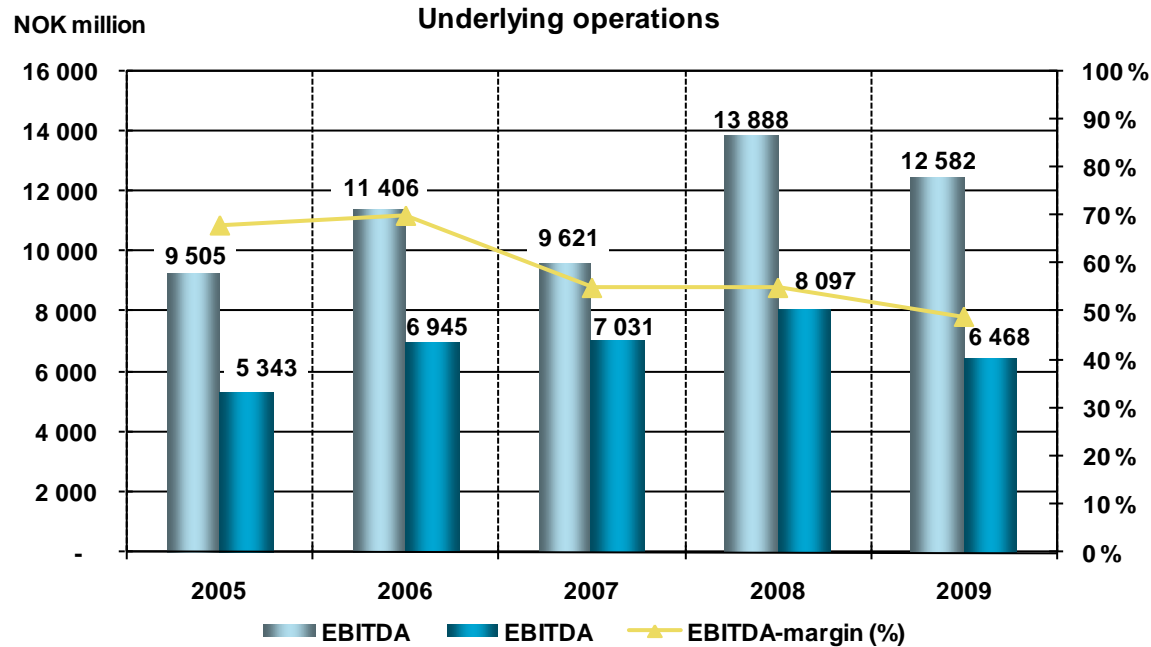


NORDIC RESERVOIR FILLINGS

Percent

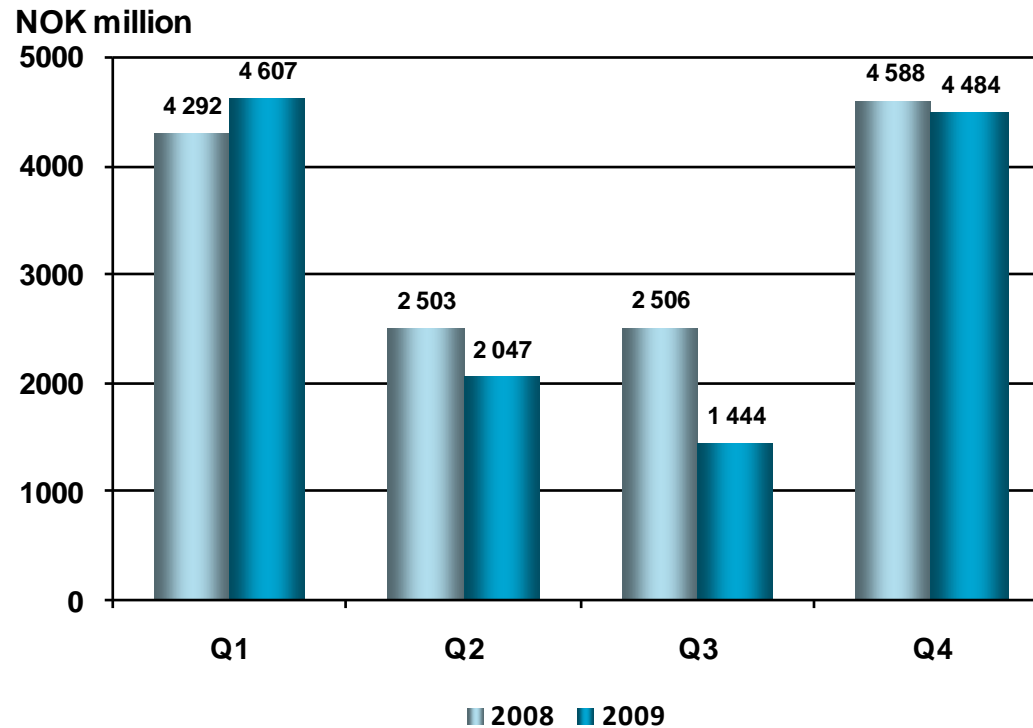


FINANCIAL DEVELOPMENT



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

QUARTERLY DEVELOPMENT EBITDA



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

FULL FINANCIAL STATEMENT

Figures in NOK million	4th quarter		The Year	
	2009	2008	2009	2008
Sales revenues	7 682	8 112	24 715	24 205
Other operating revenues	475	227	960	856
Gross operating revenues	8 157	8 339	25 675	25 061
Energy purchase	-1 349	-1 565	-4 825	-4 416
Transmission costs	-114	-532	-1 054	-1 326
Unrealised changes in value energy contracts	-644	3 317	-2 813	4 283
Net operating revenues	6 049	9 559	16 983	23 601
Salaries and payroll costs	-727	-553	-2 517	-1 854
Depreciation, amortisation and impairments	-822	-210	-2 743	-1 553
Property tax and licence fees	-302	-295	-1 166	-1 077
Other operating expenses	-1 180	-805	-3 530	-2 500
Operating expenses	-3 030	-1 862	-9 956	-6 983
Operating profit	3 019	7 696	7 027	16 618
Share of profit from associates and joint ventures	-22	33	1 179	935
Financial income	690	26 082	2 060	26 435
Financial expenses	-681	-1 359	-3 756	-3 066
Unrealised changes in value currency and interest contracts	434	-2 565	5 977	-3 102
Net financial items	442	22 158	4 282	20 267
Profit before tax	3 438	29 887	12 487	37 820
Taxes	-1 660	-1 224	-4 772	-4 558
Net profit	1 777	28 662	7 716	33 262
Of which minority interest	8	119	184	250
Of which majority interest	1 769	28 543	7 532	33 012

CASH FLOW STATEMENT

STATKRAFT AS GROUP CONSOLIDATED FINANCIAL STATEMENT CONSOLIDATED CASH FLOW STATEMENT

Figures in NOK million	The Year	
	2009	2008
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	12 487	37 820
Gain/loss on sales of non-current assets	13	-12
Depreciation, amortisation and impairments	2 743	1 553
Profit from sale of shares	-	-25 591
Share of profit from associates and joint ventures	-1 179	-935
Unrealised changes in value contracts	-3 164	-1 180
Taxes	-3 119	-1 775
Cash flow from operating activities	7 781	9 880
Changes in long-term items	-305	2 159
Changes in short-term items	4 155	-3 119
Dividend from associates	1 083	2 579
Net cash flow from operating activities	12 714	11 499
CASH FLOW FROM INVESTING ACTIVITIES		
Investments in property, plant and equipment - maintenance	-1 308	-796
Investments in property, plant and equipment - capacity	-2 447	-1 196
Proceeds from sales of non-current assets	158	13
Capital decrease relating associates and joint ventures	1 320	-
Acquisition of businesses, net of cash accruing to the group	-417	-
Loans to third parties	-1 410	-486
Repayment of loans to third parties	161	-
Investments in other companies	-735	-581
Net cash flow from investing activities	-4 678	-3 046
CASH FLOW FROM FINANCING ACTIVITIES		
New long-term debt	15 377	6 525
Repayment of long-term debt	-9 378	-7 551
Dividend paid	-10 260	-8 396
Capital increases in subsidiary to minority	928	-
Net cash flow from financing activities	-3 333	-9 422
Net change in cash and cash equivalents	4 703	-969

Currency effect on cash flows	-249	28
Cash and cash equivalents 01.01	2 209	3 150
Cash and cash equivalents 31.12	6 663	2 209
Unused committed credit lines	8 054	8 000
Unused overdraft facilities	731	400

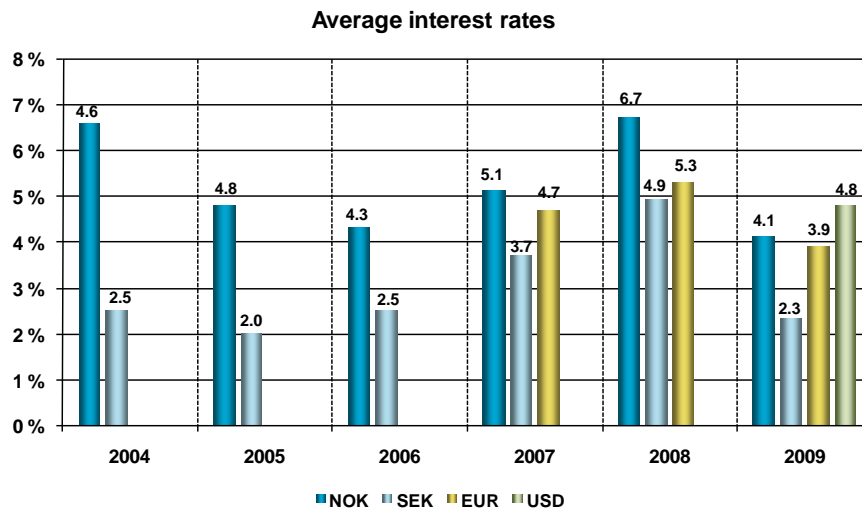
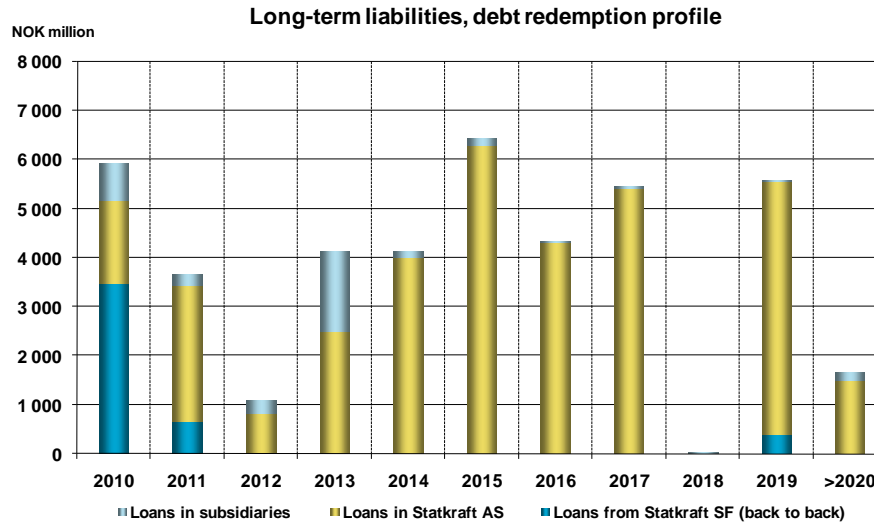
Changes in short term items are mainly related to effects from the asset swap with E.ON AG (NOK 3250 million), changes in receivables and liabilities regarding cash collateral (NOK 1832 million), change regarding the value of E.ON stocks (NOK 2976 million), in addition to a current effects (NOK -5 822 million).

BALANCE SHEET

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

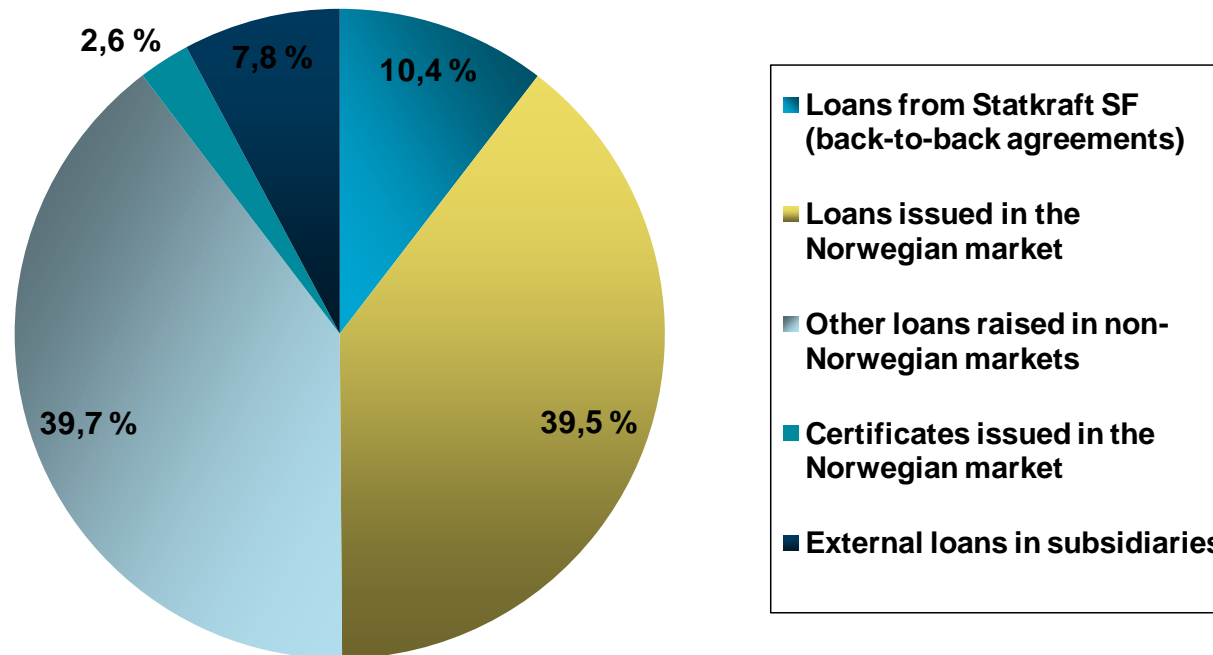
Figures in NOK million	31.12.09	31.12.08	31.12.07
ASSETS			
Intangible assets	2 277	2 481	1 589
Property, plant and equipment	78 239	74 553	56 228
Investments in associates and joint ventures	16 509	14 387	32 131
Other non-current financial assets	21 939	25 169	2 944
Derivatives	3 358	5 716	2 096
Non-current assets	122 322	122 306	94 988
Inventories	1 247	699	303
Receivables	8 707	11 646	5 094
Short-term financial investments	421	349	347
Derivatives	4 645	7 090	6 230
Cash and cash equivalents	6 663	2 209	3 150
Current assets	21 683	21 993	15 124
Total assets	144 005	144 299	110 112
EQUITY AND LIABILITIES			
Paid-in capital	31 569	31 569	31 569
Retained earnings	26 065	37 983	10 032
Minority interests	7 267	2 772	2 817
Equity	64 901	72 324	44 418
Provisions	13 653	11 327	10 831
Long-term interest-bearing liabilities	36 342	30 639	30 361
Derivatives	4 016	3 612	5 625
Long-term liabilities	54 012	45 578	46 817
Short-term interest-bearing liabilities	9 318	10 152	6 923
Taxes payable	2 372	2 735	1 583
Other interest-free liabilities	9 335	5 823	3 542
Derivatives	4 067	7 687	6 829
Current liabilities	25 092	26 397	18 877
Equity and liabilities	144 005	144 299	110 112

LIABILITIES AND INTEREST EXPENSES



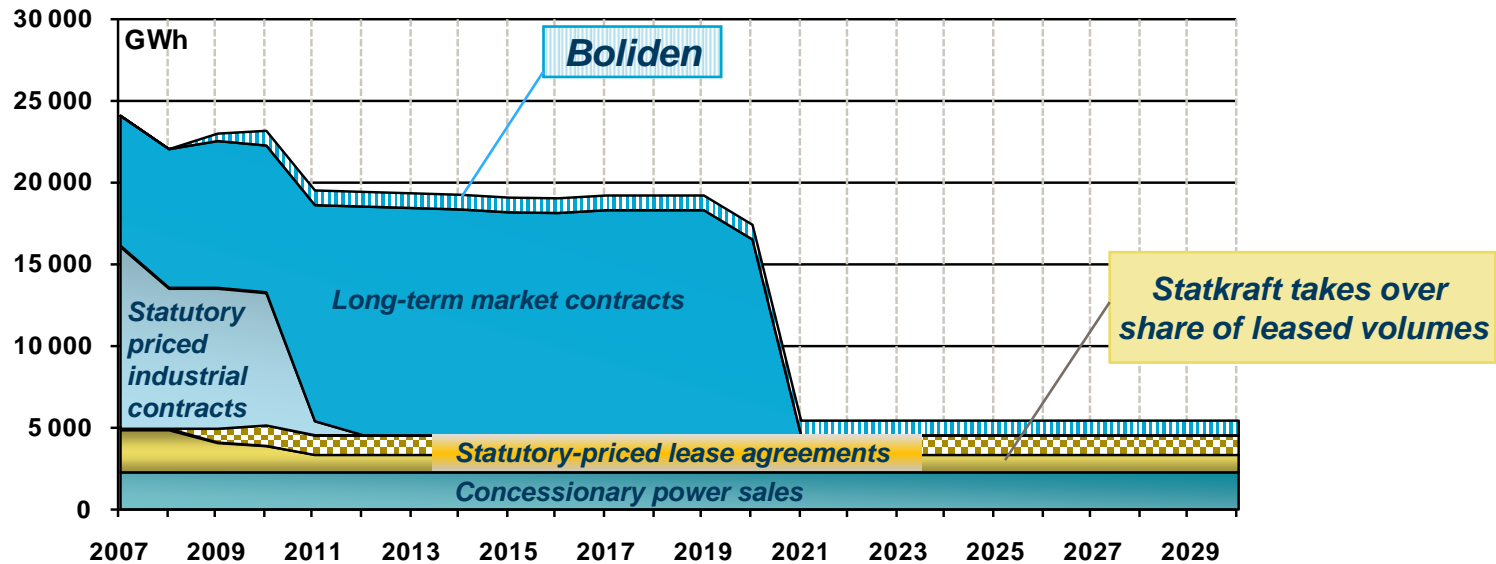
- > Financing 2009:
 - New loans MNOK 15 377
 - Repayment MNOK 9 378
- > Interest-bearing liabilities NOK 45.6 bn
 - NOK 55%, SEK 6%, EUR 39%
- > Bond issue in April: EUR 1 bn
- > Drawing facilities NOK 8 bn
- > Reduced interest rates due to decline in market rates
- > Of total portfolio:
 - 69% exposed to floating interest rates

DISTRIBUTION OF LOANS



INDUSTRY AS A CUSTOMER GROUP

Long-term contracted power sales



- > Long-term contracts with Boliden Odda signed 2009
 - 900 GWh annually 2009-2030 totalling 20 TWh
- > Statutory-priced contracts expire by 2012

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