

FINANCIAL RESULTS

Q1 2014

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Highlights Q1 2014

- ▶ Solid result from operations
 - Underlying EBITDA of NOK 3836 million
 - Production and prices are down from Q1 2013
 - Strong contribution from wind power and market activities

- ▶ Net profit of NOK 2800 million
 - Positive currency effects counterbalanced in equity

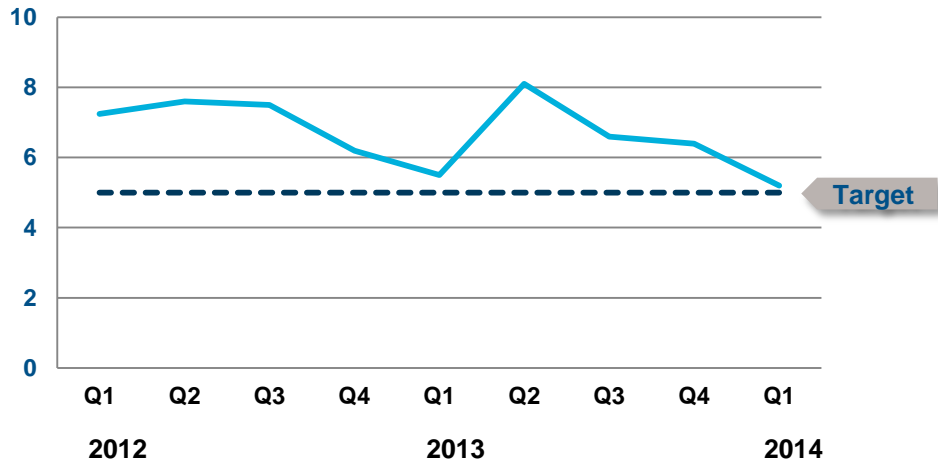
- ▶ Wind power is gaining momentum
 - Operation & maintenance of Sheringham Shoal from 1 January
 - Development of wind project “Dudgeon” on track
 - Established joint venture for wind power at Fosen in Norway



Health, safety and environment

Total Recordable Injuries rate¹

TRI-rate



- ▶ Fatal accident in April
 - 3 fatal casualties in a rock slide in Albania
- ▶ Health and safety Q1
 - No serious injuries in first quarter
 - Sick leave FY 3,3% well within target
- ▶ Environment Q1
 - No serious environmental incidents

¹TRI rate: Number of injuries per million hours worked

Solid underlying results

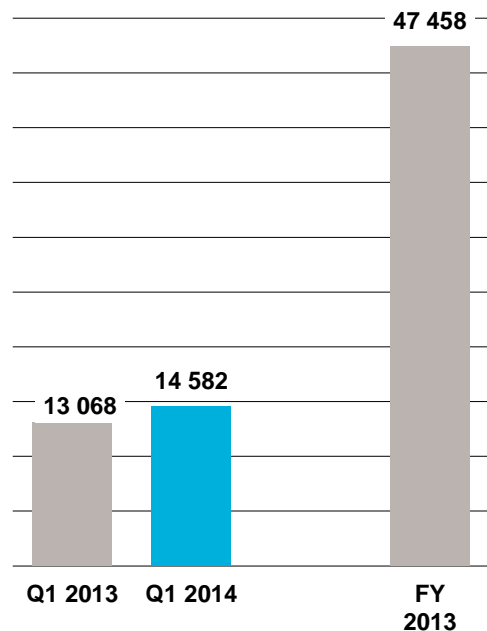
NOK million	Q1 2014	Q1 2013	FY 2013
Gross revenues ¹	14 582	13 068	47 458
EBITDA ¹	3 836	4 180	12 444
Net profit/loss	2 800	443	208

- ▶ Production 2 TWh below Q1 2013
- ▶ Nordic prices down 28% measured in EUR/MWh

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

Gross operating revenues are increasing

NOK million



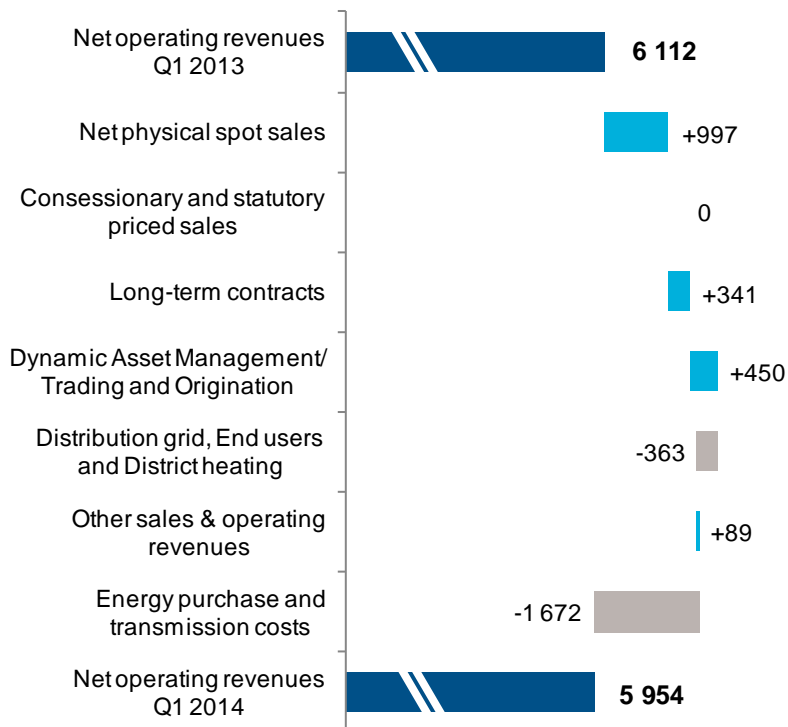
Δ Q1 14/Q1 13 + 11.6%

- ▶ Lower prices and production in Q1
 - Average Nordic system price 30.2 EUR/MWh (- 28%)
 - Total power generation 15.4 TWh (- 11%)
- ▶ Increase in underlying gross operating revenues¹ in Q1 influenced by
 - Strong contribution from market activities
 - New wind power capacity (81 MW) and good wind conditions
 - Transfer of leased power plants from Statkraft SF

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

Net operating revenues marginally down

NOK million

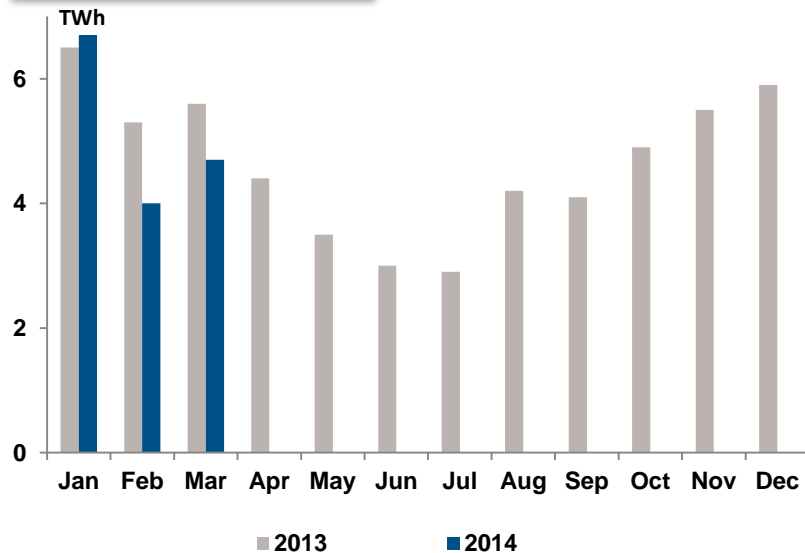


- ▶ Net operating revenues¹ reduced by NOK 158 million (-2.6%) compared with Q1 2013
- ▶ Increase in physical sales and energy purchases due to market activities
- ▶ Further increase in physical sales due to
 - 206 GWh higher wind power production
- ▶ Long-term contracts increased due to higher volumes internationally, partly offset by increased purchases

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

Statkraft production

Monthly power generation



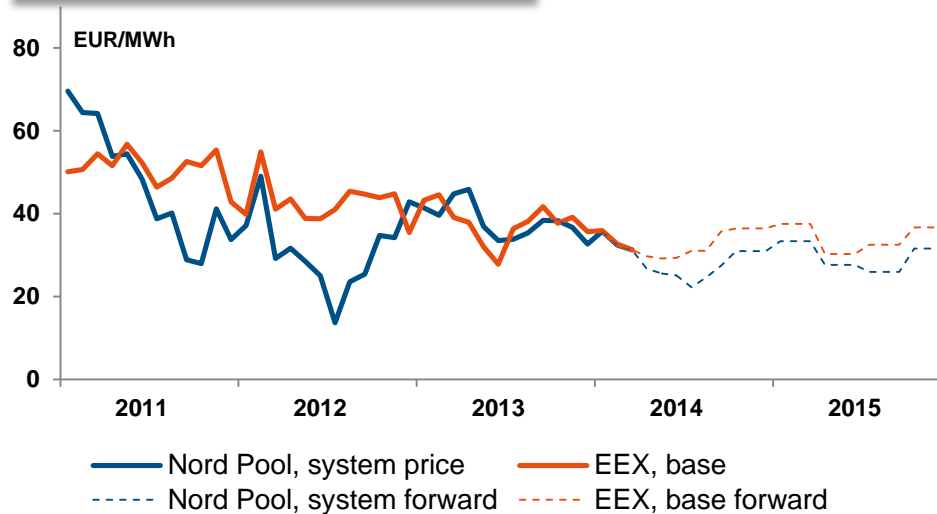
Change from 2013:

Q1 production 15.4 TWh - 11.4%

- ▶ Hydropower (14.7 TWh) - 10%
- ▶ Wind power (0.5 TWh) + 61%
- ▶ Gas power (0.1 TWh) - 81%

Price development in Q1

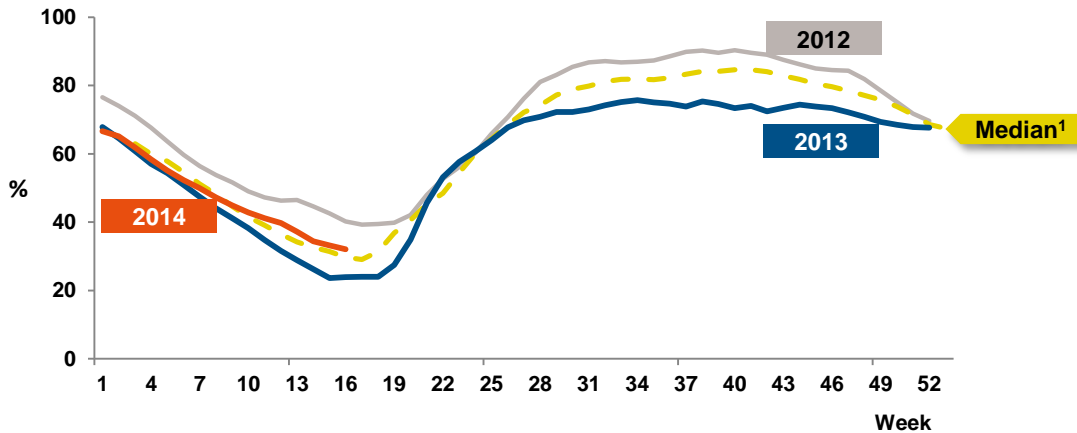
Electricity, average monthly price



- ▶ Q1 Nordic power prices lower than in 2013 due to higher temperatures and lower consumption
 - System price: 30.2 EUR/MWh - 28%
- ▶ Higher temperatures drive prices down in Germany
 - Spot price (base): 33.5 EUR/MWh - 21%
- ▶ In addition to lower Q1 prices higher inflow than normal decrease Nordic forward prices

Nordic reservoirs levels back to normal

Nordic reservoir water levels

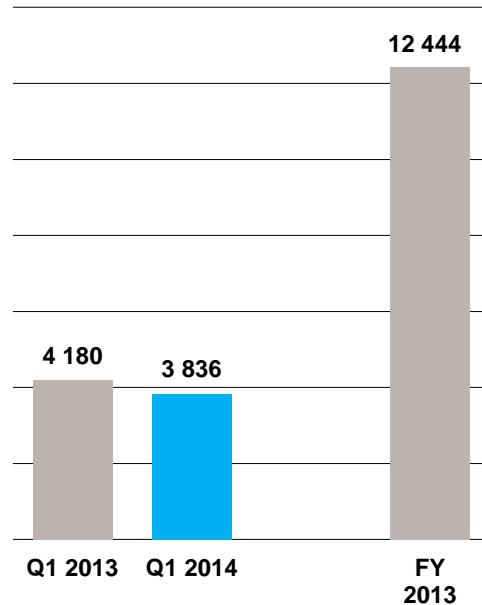


- ▶ Inflow above normal
- ▶ At the end of March Nordic reservoirs were 45.1 TWh corresponding to 109% of median
- ▶ Reservoirs filled to 37.2% of maximum capacity of 121.4 TWh

¹ Median 1990-2012

NOK 3.8 billion in underlying EBITDA

NOK million



Δ Q1 14/Q1 13 - 8%

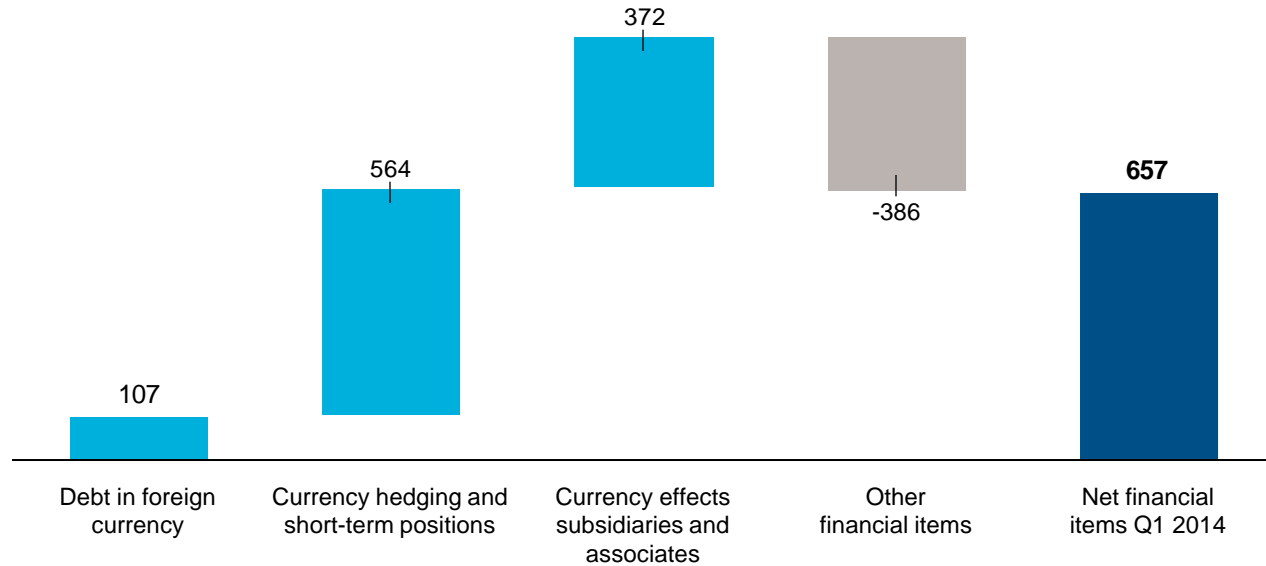
- ▶ Underlying EBITDA¹ decreased by 8% in Q1
- ▶ Primarily due to price effects and reduced production
- ▶ Strong result from market operations
- ▶ Small increase in long-term contracts
- ▶ Moderate increase in operating costs

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

Q1 currency effects

Breakdown Net financial items Q1 2014

NOK million



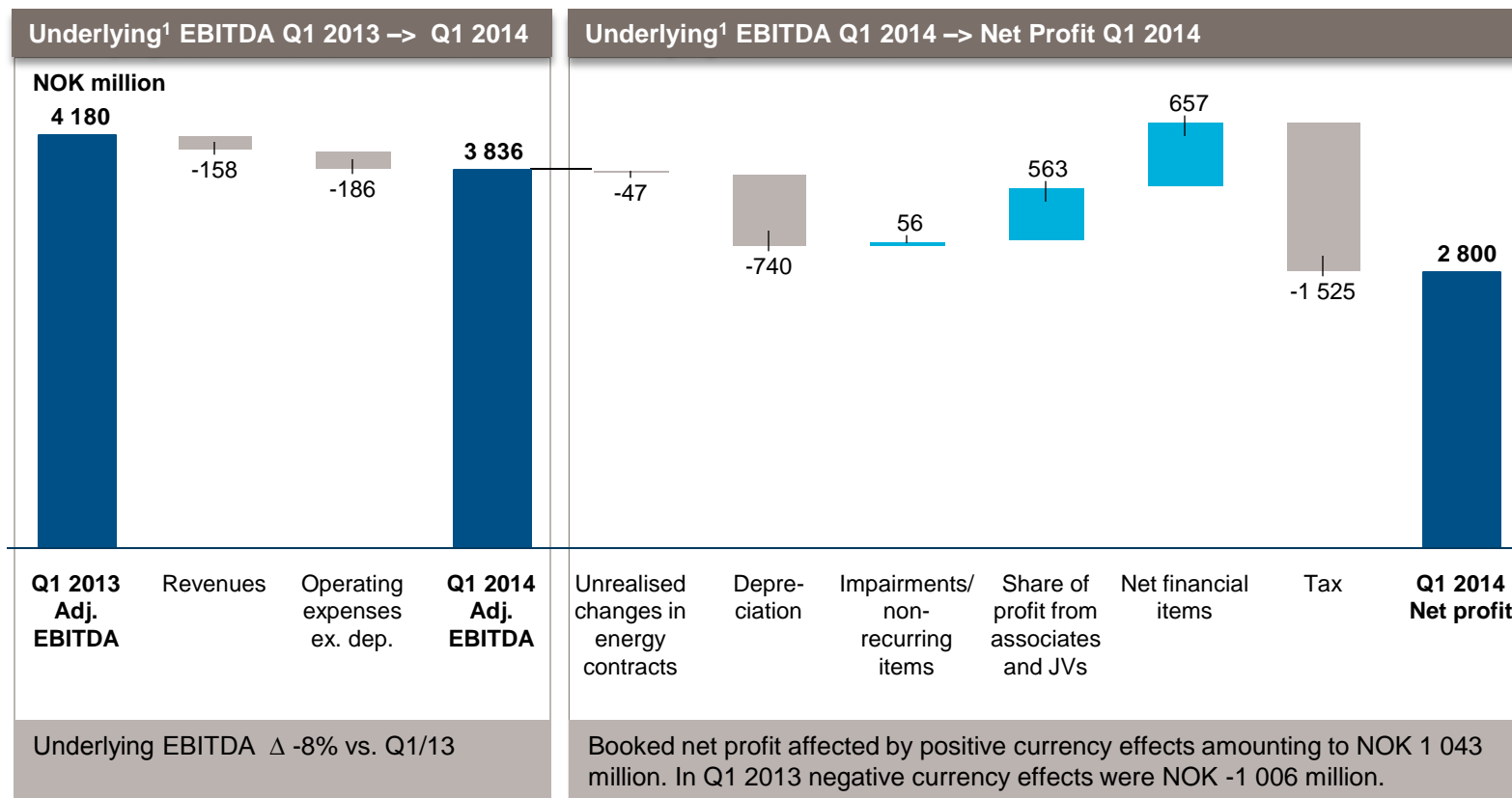
Of currency effects NOK 642 million is unrealised and NOK 401 million realised.

Stronger NOK influences net profit

NOK million	Q1 2014	Q1 2013	FY 2013
Net profit/loss	2800	443	208

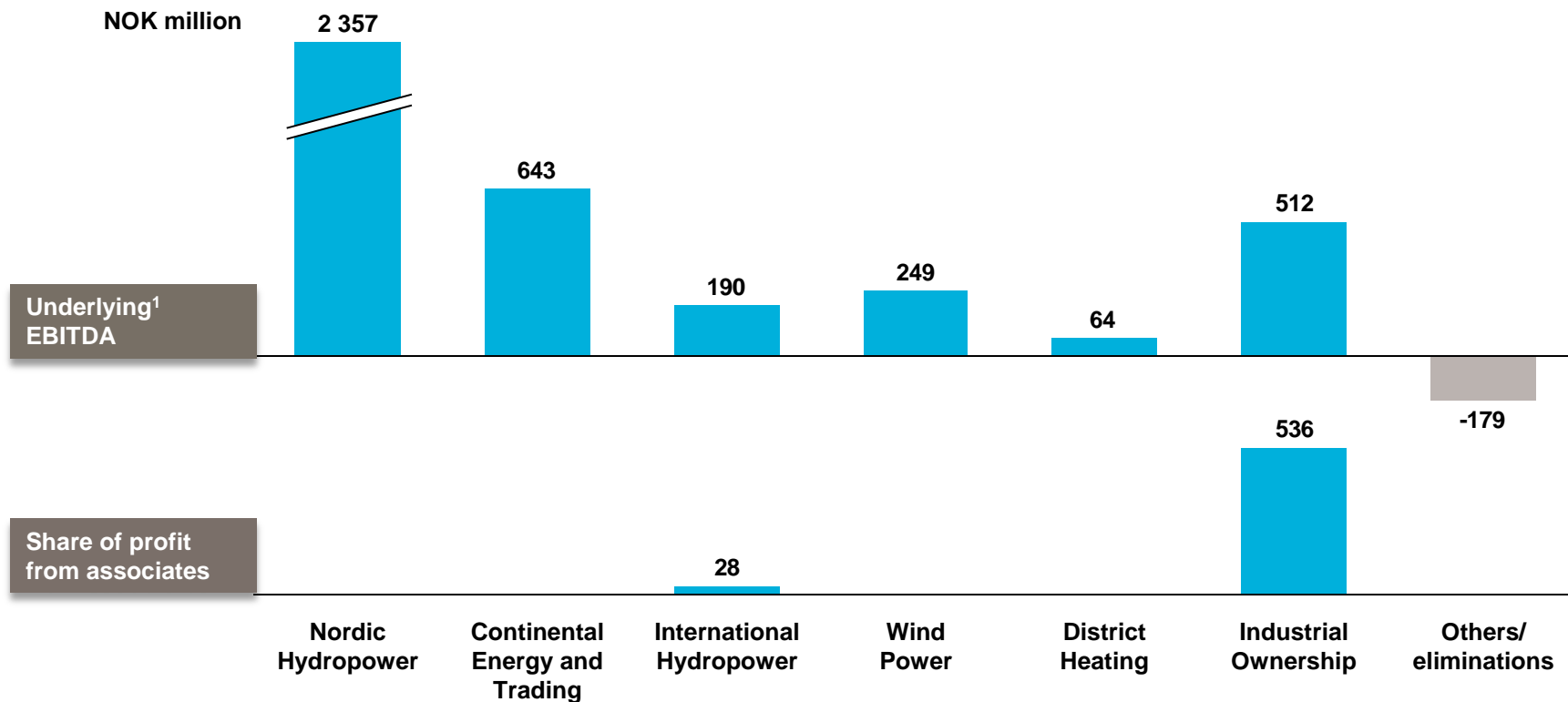
- ▶ Increase in net profit by NOK 2.4 billion largely due to strengthened NOK against EUR
- ▶ Positive effects under net financial items
- ▶ Q1 2013 profits were characterized by negative currency effects
- ▶ Most of the effects are offset by currency translation effects included in other comprehensive income

Q1 net profit breakdown

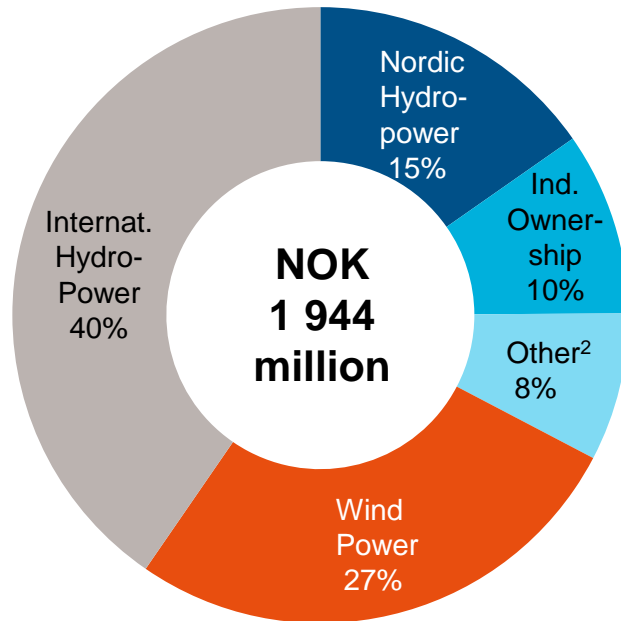


¹Adjusted for unrealised changes in value on energy contracts and significant non-recurring items

Q1 segment financials



Q1 2014 capital expenditure¹



- ▶ A large number of projects under construction in current investment program
- ▶ 81% of CAPEX was expansion

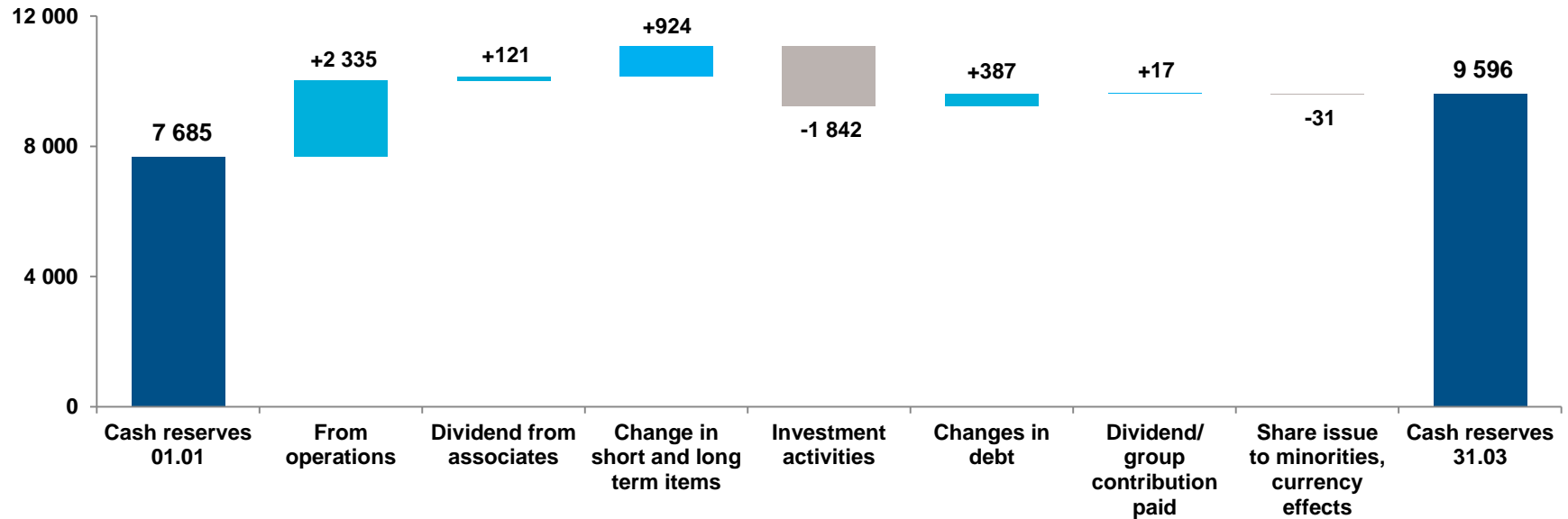
¹ Exclusive loans to associates

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

Solid cash flow

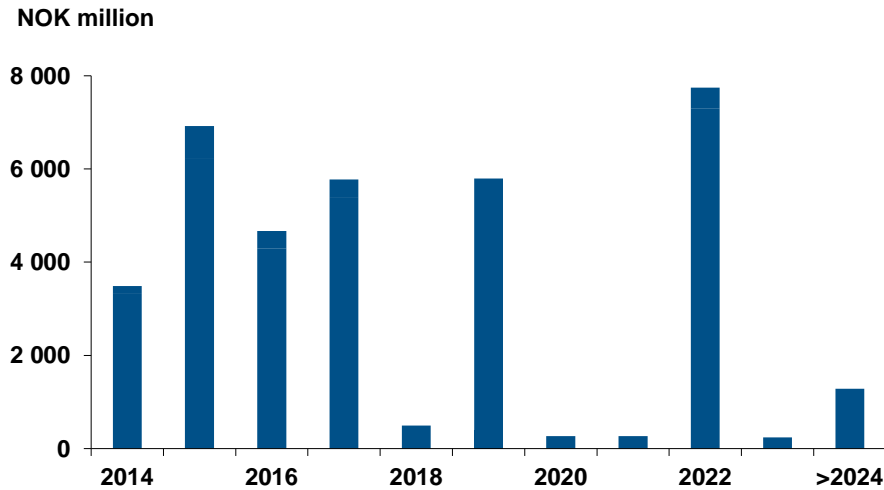
Cash flow year-to-date

NOK million



Long-term debt

Debt repayment profile



- ▶ Net interest-bearing liabilities
NOK 30.6 billion (32.2 at end of 2013)
 - NOK 43%, EUR 31%, SEK 5%,
GBP 14%, USD 8%
 - 56% floating interest
 - Interest-bearing net debt ratio 29.7%
(31.2% at end of 2013)
- ▶ NOK 3.5 billion debt maturities in 2014

Financial strength and rating

- ▶ Maintaining current ratings with S&P and Moody's, and a minimum of BBB+/Baa1
 - Current ratings A-/Baa1

- ▶ Indicated FFO/Net Debt thresholds¹
 - S&P: "20% or more"
 - Moody's: "High mid-teens"

- ▶ FFO/Net Debt for Statkraft is above indicated thresholds

¹ Please see rating publications on Statkraft's web page, under "Investor Relations " for full assessments

Outlook

- ▶ Steady operating earnings
 - Nordic short-term forward prices lower than 2013
 - Positive impact from new capacity and market activities
 - Long-term contract portfolio stabilizes earnings
- ▶ Growth opportunities
 - European energy market gives business opportunities for Statkraft
 - Statkraft has a solid strategic position in emerging markets
- ▶ Investment level adapted to retain a solid financial position

APPENDIX



Statement of Comprehensive Income

NOK million	First quarter		The year
	2014	2013	2013
COMPREHENSIVE INCOME			
PROFIT AND LOSS			
Sales revenues	11 549	12 591	48 148
Other operating revenues	283	190	1 415
Gross operating revenues	11 832	12 781	49 564
Energy purchase	-5 576	-6 034	-24 327
Transmission costs	-307	-303	-991
Net operating revenues	5 948	6 443	24 246
Salaries and payroll costs	-868	-827	-3 136
Depreciation, amortisation and impairments	-740	-648	-3 045
Property tax and licence fees	-405	-408	-1 640
Other operating expenses	-829	-698	-3 422
Operating expenses	-2 842	-2 580	-11 243
Operating profit/loss	3 106	3 863	13 002
Share of profit/loss from associates and joint ventures	563	202	1 101
Financial income	60	38	237
Financial expenses	-334	-302	-1 351
Net currency effects	1 043	-1 006	-9 403
Other financial items	-112	-567	-1 076
Net financial items	657	-1 837	-11 592
Profit/loss before tax	4 326	2 228	2 511
Tax expense	-1 525	-1 785	-2 303
Net profit/loss	2 800	443	208
Of which non-controlling interest	171	110	482
Of which majority interest	2 629	333	-274
OTHER COMPREHENSIVE INCOME			
Items in other comprehensive income that recycle over profit/loss:			
Changes in fair value of financial instruments	95	-299	-1 167
Income tax related to changes in fair value of financial instruments	-26	84	339
Items recorded in other comprehensive income in associates and joint arrangements	-6	-	163
Currency translation effects	-1 395	2 763	9 940
Items in other comprehensive income that will not recycle over profit/loss:			
Estimate deviation pensions	-	254	-174
Income tax related to changes in fair value of financial instruments	-	-71	49
Other comprehensive income	-1 332	2 731	9 154
Comprehensive income	1 468	3 174	9 361
Of which non-controlling interest	103	447	881
Of which majority interest	1 366	2 726	8 480

Statement of Financial Position

NOK million 31.03.2014 31.03.2013 31.12.2013

STATEMENT OF FINANCIAL POSITION

ASSETS

Intangible assets	3 344	2 885	3 510
Property, plant and equipment	101 575	90 949	101 269
Investments in associates and joint ventures	16 442	16 568	16 002
Other non-current financial assets	2 644	8 564	2 540
Derivatives	4 531	5 133	5 295
Non-current assets	128 535	124 100	128 615
Inventories	1 499	1 181	1 796
Receivables	8 645	10 164	9 568
Short-term financial investments	464	464	464
Derivatives	9 171	5 457	5 559
Cash and cash equivalents (included restricted cash)	9 596	7 449	7 685
Current assets	29 374	24 714	25 072
Assets	157 909	148 813	153 687

EQUITY AND LIABILITIES

Paid-in capital	49 011	45 569	49 011
Retained earnings	15 694	12 573	14 328
Non-controlling interest	7 884	7 381	7 769
Equity	72 589	65 524	71 107
Provisions	19 468	20 612	19 416
Long-term interest-bearing liabilities	33 470	34 432	33 364
Derivatives	4 631	5 400	5 713
Long-term liabilities	57 570	60 444	58 494
Short-term interest-bearing liabilities	7 215	5 237	7 013
Taxes payable	3 331	3 100	3 503
Other interest-free liabilities	9 216	9 799	9 181
Derivatives	7 989	4 709	4 389
Current liabilities	27 751	22 845	24 086
Equity and liabilities	157 909	148 813	153 687

Statement of Cash Flow

NOK million	First quarter		The year 2013
	2014	2013	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	4 326	2 228	2 511
Profit/loss on sale of non current assets	26	2	-89
Depreciation, amortisation and impairments	740	648	3 045
Profit/loss from the sale of business	-	-	121
Profit/loss from the sale of shares, and associates and joint ventures	-	158	-153
Share of profit/loss from associates and joint ventures	-563	-202	-1 101
Unrealised changes in value	-543	1 195	7 795
Taxes	-1 650	-1 197	-2 629
Cash flow from operating activities	2 335	2 832	9 499
Changes in long term items	6	-127	-533
Changes in short term items	918	1 585	-1 911
Dividend from associates	121	1	1 051
Net cash flow operating activities	A	3 381	4 291
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in property, plant and equipment*	-1 909	-1 608	-9 248
Proceeds from sale of non-current assets	1	2 266	9 670
Capital reduction in associates and joint ventures	-	-	-
Business divestments, net liquidity inflow to the Group	-	-	327
Business combinations, net liquidity outflow from the Group	-	-	59
Loans to third parties	-4	-126	-298
Repayment of loans	72	57	94
Considerations regarding investments in other companies	-3	-8	-59
Net cash flow from investing activities	B	-1 842	547
CASH FLOW FROM FINANCING ACTIVITIES			
New debt	465	507	865
Repayment of debt	-78	-3 395	-4 714
Dividend and group contribution paid	-10	-	-3 094
Share issue in subsidiary to non-controlling interests	27	-	135
Net cash flow from financing activities	C	-2 888	-6 807
Net change in cash and cash equivalents	A+B+C	1 942	1 984
Currency exchange rate effects on cash and cash equivalents	-30	25	400
Cash and cash equivalents 01.01	7 685	5 440	5 440
Cash and cash equivalents 31.03**	9 596	7 449	7 685
Unused committed credit lines	12 000	12 000	12 000
Unused overdraft facilities	2 165	1 867	2 200
Restricted Cash	-21	-272	-12

