



Interim Report
Q1/2015
Statkraft AS

Q1

Key figures

NOK million	First quarter			Year 2014
	2015	2014	Change	
From income statement ¹⁾				
Gross operating revenues, underlying	13 795	14 582	-787	48 348
Net operating revenues, underlying	5 539	5 954	-415	20 602
EBITDA, underlying	3 547	3 836	-289	12 132
Operating profit, underlying	2 793	3 096	-303	9 111
Operating profit, booked	2 276	3 106	-830	13 560
Share of profit from associated companies and joint ventures	413	563	-150	661
Net financial items	2 987	657	2 330	-6 283
Profit before tax	5 676	4 326	1 350	7 937
Net profit	3 683	2 800	882	3 892
EBITDA margin, underlying (%) ²⁾	25.7	26.3		25.1
ROACE, underlying (%) ³⁾	10.7	11.5		11.0
Items excluded from the underlying operating profit				
Unrealised changes in value on energy contracts	-518	-47	-471	2 396
Significant non-recurring items	-	56	-56	2 053
Balance sheet and investments				
Total assets 31.03/31.12.	176 397	157 909	18 489	167 817
Equity	89 494	72 589	16 906	88 059
Net interest bearing debt 31.03/31.12.	22 279	30 626	-8 347	23 638
Capital employed 31.03/31.12. ⁴⁾	80 695	81 989	-1 294	82 244
Total investments	2 490	1 944	546	11 180
Cash Flow				
Net cash flow from operating activities	3 141	3 381	-240	6 897
Cash and cash equivalents 31.03/31.12.	19 696	9 597	10 099	12 663
Currency rates				
NOK/EUR average rate	8.73	8.35	0.38	8.35
NOK/EUR closing rate 31.03/31.12.	8.70	8.26	0.44	9.04

Definitions

¹⁾ Underlying items are adjusted for unrealised changes in value for energy contracts and significant non-recurring items. This is adjusted up to and including the operating profit.

²⁾ EBITDA margin, underlying (%): (Operating result before depreciation and amortisation x 100)/Gross operating revenues.

³⁾ ROACE, underlying (%): (Underlying operating result x 100)/Average capital employed (revolving 12 months)

⁴⁾ Capital employed: Tangible fixed assets + Intangible assets + Non-interest-bearing receivables + Inventories - Payable tax - Other short-term and long-term interest-free debt + Group contribution allocated, not paid.

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SOLID RESULT AND STRENGTHENED INTERNATIONAL POSITION



Statkraft posted a solid result in a market characterised by moderate power prices.

Our position within renewable energy has been strengthened through the acquisition of hydropower in Brazil and Chile, as well as rights for developing offshore wind in the UK.

The result from underlying operations (EBITDA) ended at NOK 3.5 billion. This is deemed to be solid, although the underlying EBITDA was NOK 289 million lower than in the same quarter in 2014, primarily as a result of lower contributions from the Nordic power trading.

The first quarter of 2015 had an average Nordic energy price of 28.2 EUR/MWh, which was 7 per cent lower than in the same quarter of last year. The Group's power production was 15.7 TWh, a 2 per cent increase.

Currency effects in the financial items as a result of a stronger NOK against EUR had a positive impact on the quarterly profit. The net profit was NOK 3.7 billion, an improvement of NOK 0.9 billion compared with the first quarter of 2014. The currency effects are offset by translation effects in equity.

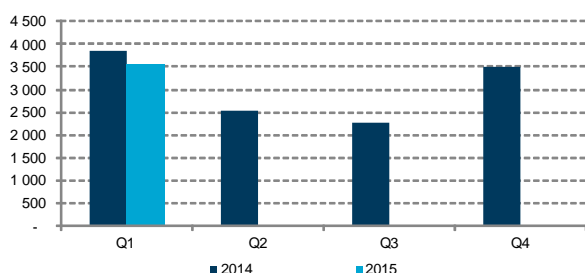
Statkraft has entered into an agreement to purchase 98.2 per cent of the listed hydropower company

Empresa Eléctrica Pilmaiquén S.A. in Chile. Statkraft has also entered into an agreement to purchase Jackson Empreendimentos S.A.'s shares in the Brazilian power company Desenvix. The agreement is awaiting approval from the Brazilian authorities. The ownership interest will increase to 81.3 per cent when the transaction is implemented.

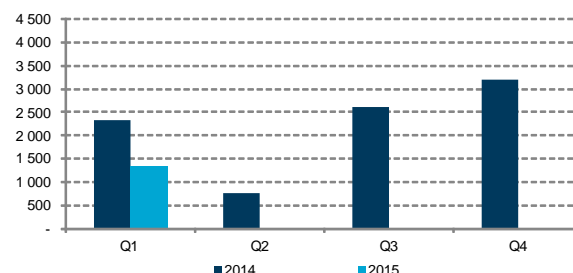
There is still a high level of activity within wind power and Statkraft has purchased half of the rights to the offshore wind power project Triton Knoll (up to 900 MW) off the coast of the UK from RWE Innogy. The two companies will develop the project up to the planned investment decision in 2017.

Along with Södra Cell, Statkraft has established a company that aims to produce biofuels. The company is called Silva Green Fuel and 51 per cent is owned by Statkraft and 49 per cent by Södra Cell.

EBITDA - underlying
NOK million



Cash flow from operating activities
NOK million



Corporate social responsibility and HSE

	First quarter		Year 2014
	2015	2014	
Corporate responsibility and HSE			
Fatalities ¹⁾	0	0	4
TRI rate Statkraft ¹⁾²⁾	4.7	5.2	5.5
Serious environmental incidents	0	0	0
Full-time equivalents, Group	3 390	3 546	3 348
Absence due to illness, Group (%)	3.6	3.3	2.8

¹⁾ Includes employees and suppliers in plants where Statkraft owns 20% or more. Third parties (not employees or contractors) are not included.

²⁾ TRI rate: Number of injuries per million hours worked

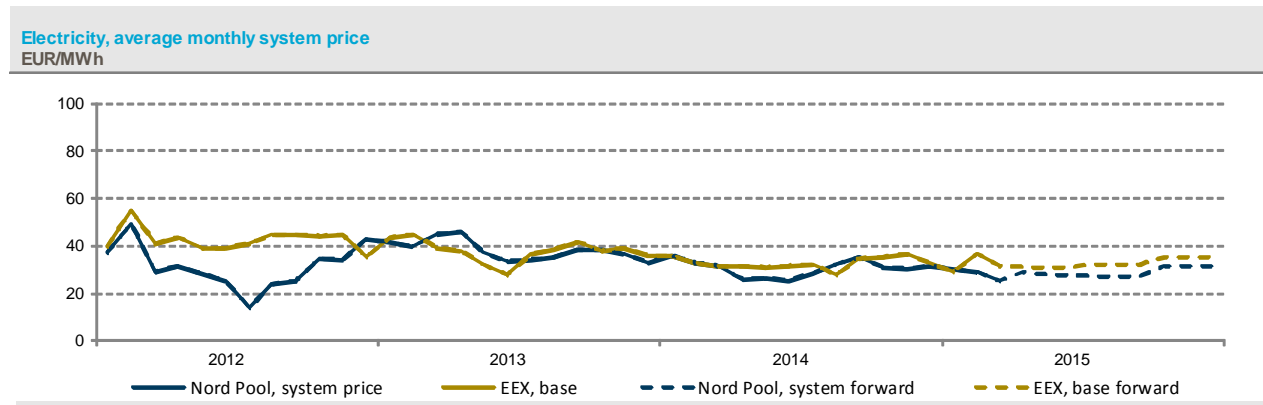
Two incidents with serious injury were registered in this quarter.

- The Group's TRI injury frequency was 4.7 in the first quarter, which represents a decline compared with the same period in 2014.
- There were no serious environmental incidents during this quarter.
- Absence due to illness was somewhat higher than in the first quarter of 2014, but has stabilised at a satisfactory level.

Market and production

Power prices, power optimisation and production form the fundamental basis for Statkraft's revenues. The majority of Statkraft's output is generated in the Nordic region. Power prices are influenced by hydrological factors and commodity prices for thermal power generation. Gas is only an input factor in a limited percentage of Statkraft's own power generation.

POWER PRICES



Sources: Nord Pool and the European Energy Exchange (EEX)

The average system price in the Nordic region was 28.2 EUR/MWh in the quarter, a decline of 7% compared with the same period in 2014. The decline was primarily driven by higher-than-normal temperatures as well as higher-than-normal inflow. Forward prices in the Nordic region fell throughout the quarter, partly due to higher-than-normal inflow, as well as declining coal prices.

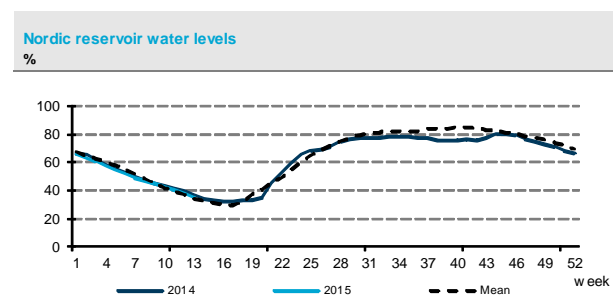
The average spot price in the German market was 32.2 EUR/MWh in the quarter, a decline of 4% compared with the same period in 2014. Dropping commodity prices and somewhat increased capacity within renewable energy contributed to the decline. Forward prices in Germany fell somewhat during the quarter.

The average system price in the UK was 55.1 EUR/MWh in the quarter, an increase of 1% compared with the same period in 2014. Falling commodity prices had a certain impact, but this was offset by a weaker EUR against the GBP. Forward prices in GBP fell throughout the quarter, but rose in EUR.

EUR/MWh	First quarter			Year 2014
	2015	2014	Change	
Prices				
Average system price, Nord Pool	28.2	30.2	-2.0	29.6
Average spot price (base), EEX	32.2	33.5	-1.3	32.8
Average spot price (peak), EEX	41.1	43.2	-2.1	41.1
Average gas price, EGT	21.2	24.6	-3.4	21.1

Sources: Nord Pool, European Energy Exchange (EEX) and Eon Gas Trading (EGT).

CONSUMPTION AND RESOURCE ACCESS IN THE NORDIC REGION



Source: Nord Pool.

TWh	First quarter		Year 2014
	2015	2014	
Consumption and output			
Nordic			
Nordic consumption	110.5	110.7	374.9
Nordic output	112.7	114.6	385.1
Net Nordic import(+)/export (-)	-2.3	-4.0	-10.2
Norway			
Norwegian consumption	38.6	38.0	126.2
Norwegian output	41.5	39.0	141.5
Net Norwegian import(+)/export (-)	-2.9	-1.0	-15.4

The inflow was higher than normal in the period. Total reservoir level in the Nordic region was 102% of normal level. The reservoirs were filled to 35% of capacity (37% in 2014), with a maximum reservoir capacity of 121.4 TWh at the end of the quarter.

In the first quarter, a net 2.3 TWh was exported from the Nordic region, compared with net exports of 4.0 TWh in the corresponding period in 2014.

STATKRAFT'S POWER PRODUCTION

Statkraft's production is determined by water reservoir capacity and reservoir water levels, access to resources (inflow and wind), the margin between power and gas prices (spark spread) and power optimisation.

TWh	First quarter		Year 2014	TWh	First quarter		Year 2014
	2015	2014			2015	2014	
Production, technology				Production, geography			
Hydropower	14.9	14.7	53.4	Norway	12.9	12.4	46.4
Wind power	0.6	0.5	1.7	Nordic ex. Norway	1.9	1.7	5.6
Gas power	0.1	0.1	0.5	Europe ex. Nordic	0.3	0.6	1.8
Bio power	0.1	0.1	0.3	Rest of the world	0.6	0.7	2.2
Total production	15.7	15.4	56.0	Total production	15.7	15.4	56.0

The Group produced a total of 15.7 TWh in the first quarter, an increase of 2% compared with the same period in 2014. In addition, the Group's district heating production amounted to 0.4 TWh.

Financial performance

The quarterly report shows the development in the first quarter of 2015 compared with the first quarter of 2014, unless otherwise stated. Figures in parentheses show the comparable figures for the corresponding period in 2014.

NOK million	First quarter			Year 2014
	2015	2014	Change	
Key figures				
Net operating revenues, underlying	5 539	5 954	-415	20 602
EBITDA, underlying	3 547	3 836	-289	12 132
Profit before tax	5 676	4 326	1 350	7 937
Net profit	3 683	2 800	882	3 892

The Group had considerable positive currency effects in the first quarter of 2015 and this helped ensure that the Group's profit after tax was about NOK 0.9 billion higher than in the first quarter of 2014.

GROSS OPERATING PROFIT (EBITDA) – UNDERLYING

The underlying EBITDA was NOK 289 million lower than in the same quarter in 2014, primarily as a result of a lower Nordic power prices, as well as deconsolidation of wind farms in the UK. The decline was partly offset by higher Norwegian hydropower generation, improved profit from trading and origination, new wind power capacity in Sweden as well as currency effects.

OPERATING REVENUES - UNDERLYING

NOK million	First quarter			Year 2014
	2015	2014	Change	
Net operating revenues, underlying				
Net physical spot sales, incl. green certificates	9 445	9 484	-38	31 133
Concessionary sales at statutory prices	106	102	4	349
Long-term contracts	1 878	2 082	-205	8 294
Nordic and Continental Dynamic Asset Management Portfolio	214	633	-419	971
Trading and origination (excl. market access Germany and UK - renewable)	212	141	71	818
Distribution grid	306	309	-3	966
End user	1 335	1 322	12	3 988
District heating, energy sales	246	229	17	643
Other sales revenues	-106	12	-119	-11
Currency hedging energy contracts	-40	-15	-24	-46
Sales revenues	13 595	14 299	-704	47 107
Other operating revenues	200	283	-83	1 241
Gross operating revenues	13 795	14 582	-787	48 348
Energy purchase	-7 947	-8 321	374	-26 561
Transmission costs	-309	-307	-2	-1 185
Net operating revenues	5 539	5 954	-415	20 602

- Revenues from long-term contracts were lower than in the corresponding quarter in 2014 as a result of lower volumes on contracts in Brazil. This reduction in volume also contributes to a reduction in energy purchases.
- The changes in the Nordic dynamic asset management portfolio and trading and origination relate to exposure to and changes in market prices.

OPERATING EXPENSES - UNDERLYING

NOK million	First quarter			Year 2014
	2015	2014	Change	
Operating expenses, underlying				
Salaries and payroll costs	-853	-868	15	-3 332
Depreciation	-754	-740	-14	-3 021
Property tax and licence fees	-416	-420	4	-1 645
Other operating expenses	-723	-829	107	-3 494
Operating expenses	-2 746	-2 858	112	-11 492

- Other operating expenses were somewhat lower than in the same quarter in 2014. This is among other things related to a positive effect from the final settlement from the water regulating authorities in Sweden, in addition to

somewhat lower expensing linked to projects in the Nordic region. There was also a positive effect associated with deconsolidation of UK wind farms over the course of 2014.

ITEMS EXCLUDED FROM THE UNDERLYING OPERATING RESULT

Unrealised changes in value on energy contracts and significant non-recurring items have been excluded from the underlying operating profit. The unrealised changes in value are partly due to the Group's energy contracts being indexed against various commodities, currencies and other indexes.

NOK million	First quarter			Year 2014
	2015	2014	Change	
Items excluded from the underlying operating profit				
Unrealised changes in value of energy contracts	-518	-47	-471	2 396
Significant non-recurring items	-	56	-56	2 053
<i>Lawsuit Saurdal concessionary power</i>	-	56	-56	56
<i>Pension - scheme change</i>	-	-	-	280
<i>Gain from sale of assets</i>	-	-	-	2 767
<i>Impairment of property, plant and equipment and intangible assets</i>	-	-	-	-1 050

- There was a negative development on long-term power sales agreements denominated in EUR due to a stronger NOK against EUR. There was also a negative development on contracts linked to the Nordic dynamic asset management portfolio due to realisation of gains in the first quarter.
- There were no significant non-recurring items in the first quarter.

SHARE OF PROFIT FROM ASSOCIATED COMPANIES AND JOINT VENTURES

The Group has major shareholdings in the regional Norwegian power companies BKK and Agder Energi, as well as shareholdings in companies outside Norway, where much of the activity takes place through participation in partly-owned companies.

NOK million	First quarter			Year 2014
	2015	2014	Change	
Share of profit from associated companies and joint ventures				
International Hydropower	6	28	-22	-240
Windpower	65	-	65	363
Industrial Ownership	342	536	-193	535
Others	-	-	-	3
Associated companies	413	563	-150	661

- The decline for International Hydropower was mainly due to negative currency effects as well as non-recurring effects that were incorporated into the first quarter of 2014.
- The improvements for Wind Power were due to fact that UK wind farms are included as a joint venture.
- The decline for Industrial Ownership is due to positive non-recurring effects included in the first quarter of 2014, as well as lower power prices.

FINANCIAL ITEMS

NOK million	First quarter			Year 2014
	2015	2014	Change	
Financial items				
Interest income	98	56	42	267
Other financial income	7	3	4	592
Gross financial income	105	60	46	859
Interest expenses	-249	-311	62	-1 226
Other financial expenses	-179	-23	-156	-83
Gross financial expenses	-427	-334	-94	-1 309
Currency gains and losses	3 480	1 043	2 437	-4 791
Other financial items	-170	-112	-58	-1 043
Net financial items	2 987	657	2 330	-6 283

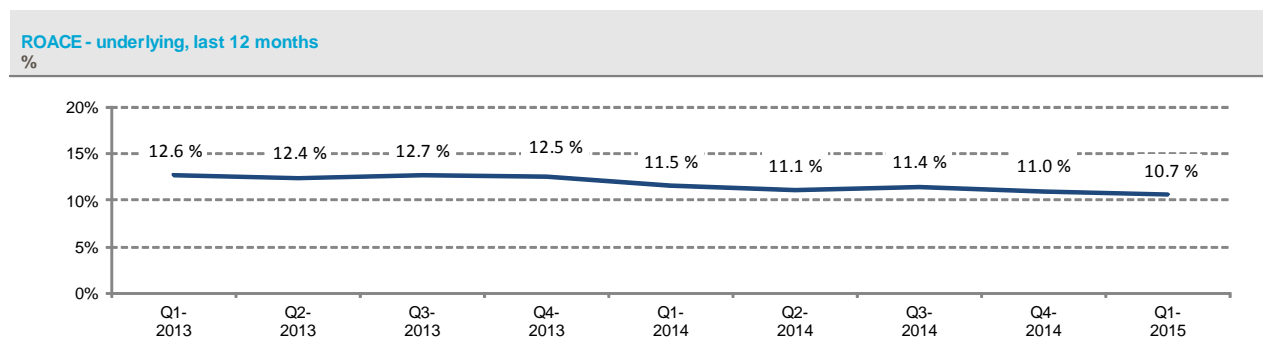
- Financial income increased by NOK 46 million as a result of both increased liquidity and lending to associated companies.
- Financial expenses increased by NOK 94 million, which was mainly due to recognising capitalised borrowing costs in the income statement in connection with refinancing in Peru.

- Net currency effects in the first quarter amounted to NOK 3480 million, mainly as a result of a stronger NOK against EUR. These were mainly unrealised and are fully offset by positive translation effects in the equity.
- Other financial items increased by NOK 58 million, and include losses on interest-rate derivatives.

TAXES

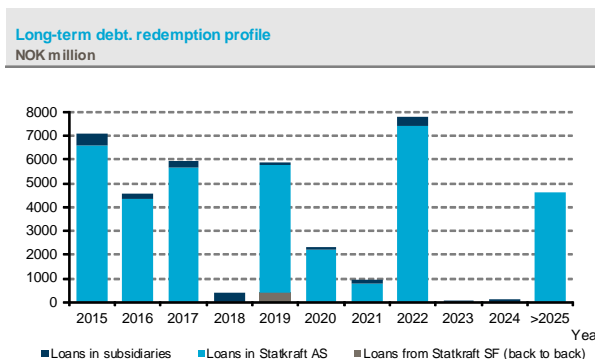
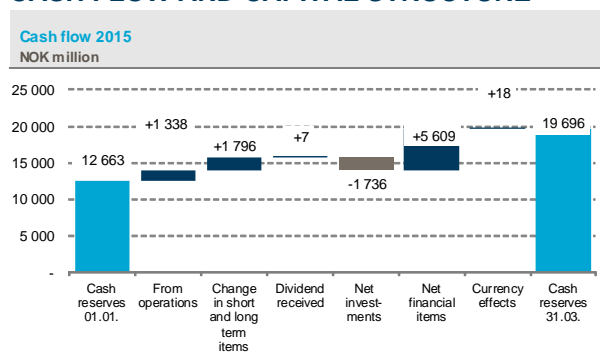
The recorded tax expense was NOK 1993 million in the first quarter (NOK 1525 million). The increase in tax expense is mainly due to a higher profit before tax.

RETURN



Measured as ROACE¹, return amounted to 0.3 percentage points below that of 2014. This decline was caused by a lower operating profit.

CASH FLOW AND CAPITAL STRUCTURE



Cash flow

- The Group's operations generated a cash flow of NOK 1338 million (NOK 2335 million).
- The changes in short and long-term items had a positive effect of NOK 1796 million (NOK +924 million). The change was mainly related to working capital and cash collateral.
- Net investments² amounted to NOK -1736 million (NOK -1842 million). This was primarily investments in property, plant and equipment totalling NOK -1715 million.
- The net liquidity change from financing amounted to NOK 5609 million (NOK 403 million). New debt totalled NOK 7604 million (NOK 465 million), while repayment of debt amounted to NOK 1976 million (NOK 3395 million).

Financial structure

At the end of the quarter, Statkraft had the following financial structure:

- Net interest-bearing debt³ totalled NOK 22 279 million, compared with NOK 23 638 million at the beginning of the year. This decline is related to higher bank deposits.
- The net interest-bearing debt-equity ratio was 19.9%, compared with 21.2% at year-end 2014.
- Current assets, except cash and cash equivalents, amounted to NOK 21 871 million.

¹ ROACE (%): (Operating profit adjusted for unrealised changes in the value of energy contracts and significant non-recurring items x 100) / average capital employed.

² Net investments include investments paid at the end of the quarter, payments received from sale of non-current assets, net liquidity out from the Group upon acquisition of activities and repayment and disbursement of loans.

³ Net interest-bearing debt: Gross interest-bearing liabilities – bank deposits, cash in hand and similar excluding restricted funds – short-term financial investments

- Short-term interest-free debt was NOK 22 453 million.
- Statkraft's equity totalled NOK 89 494 million, compared with NOK 88 059 million at the start of the year. This corresponds to 50.7% of total assets. The increase in equity was linked to a positive total comprehensive income of NOK 1453 million.

INVESTMENTS AND PROJECTS

Total investments in the quarter amounted to NOK 2490 million. Maintenance investments and other investments were primarily related to Nordic hydropower. Investments in new capacity were mainly linked to hydropower developments in Turkey and Albania, as well as wind power developments in Sweden and the UK. The investments in ownership interests were primarily related to the purchase of shares in Triton Knoll and Södra Cell Tofte, as well as the establishment of Silva Green Fuel.

NOK mill.	First quarter 2015	The year 2014
Maintenance investments and other investments		
Nordic hydropower	330	1 673
Continental energy and trading	87	85
International hydropower	13	65
Wind power	1	1
District heating	2	7
Industrial ownership	86	470
Other activities	12	67
Total	531	2 368
Investment in new capacity		
Nordic hydropower	138	439
Continental energy and trading	2	17
International hydropower	456	3 073
Wind power	849	3 197
District heating	70	309
Industrial ownership	60	354
Other activities	38	137
Total	1 613	7 525
Investment in shareholdings		
International hydropower	-	1 126
Wind power	98	159
Industrial ownership	-	2
Other activities	246	-
Total	345	1 287

Projects in consolidated operations

First quarter	Project	Country	New capacity (MW) ¹⁾	Statkraft's ownership share	Planned completion
Main projects under construction					
Hydro Power	Nedre Røssåga, fase 1	Norway	-	100 %	2017 Q4
	Nedre Røssåga, fase 2	Norway	100	100 %	2016 Q4
	Kargi	Turkey	102	100 %	2015 Q2
	Cetin	Turkey	517	100 %	2019 Q1
	Devoll	Albania	243	100 %	2018 Q4
Wind Power	Cheves	Peru	168	67 %	2015 Q2
	Dudgeon	UK	402	30 %	2017 Q4
	Björkhöjden, fase 2	Sweden	126	60 %	2015 Q4
District Heating	Moss	Norway	21	100 %	2016 Q4

¹⁾ Total for project, incl. partners' share.

Segments

The segment structure follows the internal management information that is systematically reviewed by corporate management and used for resource allocation and assessment of goal attainment. The segments are Nordic hydropower, Continental energy and trading, International hydropower, Wind power, District heating and Industrial ownership. Areas not shown as separate segments are presented under the heading Other activities.

First quarter	Statkraft AS Group	Nordic hydropower	Continental energy and trading	International hydropower	Wind power	District heating	Industrial ownership	Other activities	Group items
From income statement									
Gross operating revenues, underlying	13 795	3 730	7 505	296	185	224	2 083	116	-343
Net operating revenues, underlying	5 539	3 330	753	269	177	157	936	114	-197
EBITDA, underlying	3 547	2 528	427	124	50	94	528	-203	-
Operating profit, underlying	2 793	2 191	330	79	-34	54	403	-231	-
Operating profit, booked	2 276	1 620	201	79	-34	54	515	-177	15
Share of profit from associated companies and JV	413	-	-	6	65	-	342	-	-
EBITDA-margin (%), underlying	25.7	67.8	5.7	41.8	27.3	41.7	25.3	N/A	N/A
Maintenance investments	531	330	87	13	1	2	86	12	-
Investments in new capacity	1 613	138	2	456	849	70	60	38	-
Investments in shareholdings	345	2	-	-	98	-	-	246	-
Production									
Production, volume sold (TWh)	15.7	12.4	0.3	0.6	0.6	-	1.7	0.1	-
- whereof hydropower (TWh)	14.9	12.4	0.1	0.6	-	-	1.7	0.1	-
- whereof wind power (TWh)	0.6	-	-	-	0.6	-	-	-	-
- whereof gas power (TWh)	0.1	-	0.1	-	-	-	-	-	-
- whereof bio power (TWh)	0.1	-	0.1	-	-	-	-	-	-
Production, district heating (TWh)	0.4	-	-	-	-	0.4	-	-	-

NORDIC HYDROPOWER

NOK million	First quarter		Year 2014
	2015	2014	
Net operating revenues, underlying	3 330	3 216	12 347
EBITDA, underlying	2 528	2 357	8 802
Operating profit, underlying	2 191	2 040	7 478
Unrealised value changes energy contracts	-571	-80	1 545
Significant non-recurring items	-	56	1 478
Operating profit, booked	1 620	2 017	10 500
Share of profit from associated companies and joint ventures	-	-	-
Maintenance investments and other investments	330	233	1 673
Investments in new capacity	138	64	439
Investments in shareholdings	2	-	-
Production, volume sold (TWh)	12.4	12.0	44.9

Highlights in the quarter

- In March, the governments of Norway and Sweden came to agreement on additional electricity certificates. The joint goal for the electricity certificate market in 2020 is increased by 2 TWh, from 26.4 TWh to 28.4 TWh. The increase involves no changes to the Norwegian financing commitment of 13.2 TWh. The new agreement must be approved by the parliaments of both countries.

Quarterly financial performance

- Underlying EBITDA was higher than in the first quarter of 2014, mainly due to the fact that higher production and positive currency effects more than offset the effect of lower Nordic power prices. Operating costs were somewhat lower.

Quarterly investments

- Investments in increased capacity were mainly related to the Nedre Røssåga power plant.

CONTINENTAL ENERGY AND TRADING

NOK million	First quarter		Year 2014
	2015	2014	
Net operating revenues, underlying	753	1 094	2 973
EBITDA, underlying	427	764	1 554
Operating profit, underlying	330	664	1 234
Unrealised value changes energy contracts	-129	-37	925
Significant non-recurring items	-	-	16
Operating profit, booked	201	627	2 174
Share of profit from associated companies and joint ventures	-	-	-
Maintenance investments and other investments	87	13	85
Investments in new capacity	2	6	17
Investments in shareholdings	-	-	-
Production, volume sold (TWh)	0.3	0.3	1.1

The comparative figures for the first quarter of 2014 have been reworked with reclassification of trading and origination activities from the International hydropower segment following the restructuring of SN Power.

Quarterly financial performance

- Underlying EBITDA was lower than in the first quarter of 2014, mainly due to lower results from the Nordic dynamic asset management portfolio. Operating expenses were on a par with the first quarter of 2014.

INTERNATIONAL HYDROPOWER

NOK million	First quarter		Year 2014
	2015	2014	
Net operating revenues, underlying	269	245	888
EBITDA, underlying	124	69	290
Operating profit, underlying	79	43	148
Unrealised value changes energy contracts	-	-	-
Significant non-recurring items	-	0	-937
Operating profit, booked	79	43	-789
Share of profit from associated companies and joint ventures	6	28	-240
Maintenance investments and other investments	13	8	65
Investments in new capacity	456	774	3 073
Investments in shareholdings	-	3	1 126
Production, volume sold (TWh)	0.6	0.7	2.2

The comparative figures for 2014 have been reworked with reclassification of trading and origination activities from the Continental energy and trading segment following the restructuring of SN Power.

Highlights in the quarter

- Statkraft entered into an agreement with Jackson to take over its shareholding in Desenvix in Brazil, where Statkraft's shareholding will increase to 81.3%. The final agreement was signed in April and the transaction is expected to be completed by the third quarter.
- In April, Statkraft entered into an agreement to purchase 98.2% of the listed hydropower company Empresa Eléctrica Pilmaiquén S.A. in Chile

Quarterly financial performance

- The increase in underlying EBITDA compared with the first quarter of 2014 was related to lower holding costs as a result of the restructuring of SN Power, enlarged by currency effects.
- The decline in share of profit from associated companies and joint ventures was mainly due to non-recurring effects in the first quarter of 2014, as well as the restructuring of SN Power.

Quarterly investments

- Investments in new capacity were related to the hydropower developments in Turkey, Albania and Peru.

WIND POWER

NOK million	First quarter		Year 2014
	2015	2014	
Net operating revenues, underlying	177	404	1 064
EBITDA, underlying	50	249	476
Operating profit, underlying	-34	125	-14
Unrealised value changes energy contracts	-	-	-
Significant non-recurring items	-	-	1 358
Operating profit, booked	-34	125	1 344
Share of profit from associated companies and joint ventures	65	-	363
Maintenance investments and other investments	1	-	1
Investments in new capacity	849	523	3 197
Investments in shareholdings	98	-	159
Production, volume sold (TWh)	0.6	0.5	1.7

Highlights in the quarter

- Statkraft purchased half of the offshore wind power project Triton Knoll (up to 900 MW) off the coast of the UK from RWE Innogy. The two companies will develop the project up to the investment decision in 2017.

Quarterly financial performance

- The decline in underlying EBITDA was primarily caused by the deconsolidation of the wind farms in the UK, somewhat offset by new production capacity in Sweden and higher production from Norwegian wind farms.
- The share of profit from associated companies and joint ventures increased as a result of Statkraft's shareholding in the three UK wind farms presented in this item.

Quarterly investments

- The investments were mainly related to the onshore wind farms that are under construction, as well as the Dudgeon offshore wind farm outside the UK.

DISTRICT HEATING

NOK million	First quarter		Year 2014
	2015	2014	
Net operating revenues, underlying	157	128	398
EBITDA, underlying	94	64	151
Operating profit, underlying	54	29	9
Unrealised value changes energy contracts	-	-	-
Significant non-recurring items	-	-	13
Operating profit, booked	54	29	22
Share of profit from associated companies and joint ventures	-	-	3
Maintenance investments and other investments	2	-	7
Investments in new capacity	70	77	309
Investments in shareholdings	-	-	-
Production, volume sold (TWh)	0.4	0.3	0.9

Highlights in the quarter

- The new district heating plant in Sandefjord was officially opened.
- A new gas boiler (16 MW) started operation in Harstad.

Quarterly financial performance

- The improvement in EBITDA was linked to higher generation, good availability, lower fuel prices and increased waste management.

Quarterly investments

- The investments were primarily related to construction of district heating plants in Moss/Rygge, as well as the development of the district heating grid in existing activities.

INDUSTRIAL OWNERSHIP¹⁾

NOK million	First quarter		Year 2014
	2015	2014	
Net operating revenues, underlying	936	937	3 007
EBITDA, underlying	528	512	1 418
Operating profit, underlying	403	395	920
Unrealised value changes energy contracts	112	58	-52
Significant non-recurring items	-	-	80
Operating profit, booked	515	454	948
Share of profit from associated companies and joint ventures	342	536	535
Maintenance investments and other investments	86	86	470
Investments in new capacity	60	100	354
Investments in shareholdings	-	1	2
Production, volume sold (TWh)	1.7	1.8	5.7

¹⁾ Industrial ownership includes the shareholdings in Skagerak Energi, Fjordkraft, BKK, Agder Energi and Istad. The two former companies are included in the consolidated financial statements, while the other three companies are reported as associated companies

Highlights in the quarter

- Both Agder Energi and BKK were hit by the storm Nina in early January, and 60 000 customers in BKK's supply area lost power. Total costs are estimated at about NOK 100 million for BKK.

Quarterly financial performance

- The increase in EBITDA compared with same period in 2014 is mainly due to higher contributions from the end-user business.
- The decline in share of profit from associated companies was mainly due to gains from the sale of subsidiaries in Istad in the first quarter of 2014. BKK and Agder Energi have somewhat lower results due to the storm Nina, and Agder Energi has lower income from power generation.

Quarterly investments

- The largest investments were related to new investments in grid activities.

OTHER ACTIVITIES¹⁾

NOK million	First quarter		Year 2014
	2015	2014	
Net operating revenues, underlying	114	133	651
EBITDA, underlying	-203	-155	-557
Operating profit, underlying	-231	-176	-663
Unrealised value changes energy contracts	54	14	-27
Significant non-recurring items	-	-	46
Operating profit, booked	-177	-162	-644
Share of profit from associated companies and joint ventures	-	-	-
Maintenance investments and other investments	12	23	67
Investments in new capacity	38	33	137
Investments in shareholdings	246	-1	-
Production, volume sold (TWh)	0.1	0.0	0.3

¹⁾ The Other activities segment includes small-scale hydropower, innovation and group functions.

Highlights in the quarter

- Statkraft purchased 100% of the shares in Södra Cell Tofte AS. Statkraft established the biofuel company Silva Green Fuel AS in cooperation with Södra Skogägarna Ekonomisk Förening (Swedish forest owner association).

Quarterly financial performance

- The reduced EBITDA in the first quarter is related to a generally higher activity level in Group functions, as well as negative currency effects from energy contracts.

Quarterly investments

- Investments in shareholdings are linked to investments in Södra Cell Tofte AS and Silva Green Fuel AS.
- Maintenance and other investments were primarily associated with administration buildings and IT, while investments in increased capacity were mainly related to investments in small-scale hydropower.

Outlook

The Nordic forward power prices are at a moderate level. Statkraft's large reservoir capacity with seasonal and multiple-year reservoirs provides the Group with substantial flexibility to manage water resources efficiently. A significant share of the Group's power generation is sold through long-term power contracts, which helps stabilise the Group's revenues. New production capacity under construction will result in increased income going forward. Market activities are expected to make a positive contribution, but at a lower level than in 2014.

The Group makes considerable investments in order to rehabilitate its older hydropower plants in Norway and Sweden. The fast-growing share of renewable energy in the EU is leading to considerable changes in the European power system and has contributed to lower power prices in Europe. At the same time, the energy conversion poses investment opportunities within renewable energy. Statkraft is developing a number of new projects within hydropower, wind power and district heating, and also maintains a high level of activity within energy trading.

Outside Europe, population growth and economic growth are leading to a rising demand for energy. Based on Statkraft's core expertise, this provides vast opportunities for value creation within renewable energy. The acquisitions in South America and completion of new hydropower plants in 2015 will strengthen Statkraft's international position within hydropower.

Oslo, 29 April 2015
The Board of Directors of Statkraft AS

Statkraft AS Group Interim Financial Statements

NOK million	First quarter		The year
	2015	2014	2014
COMPREHENSIVE INCOME			
PROFIT AND LOSS			
Sales revenues	13 032	11 549	48 246
Other operating revenues	200	283	4 008
Gross operating revenues	13 232	11 832	52 254
Energy purchase	-7 902	-5 576	-25 264
Transmission costs	-309	-307	-1 185
Net operating revenues	5 021	5 948	25 805
Salaries and payroll costs	-853	-868	-3 051
Depreciation, amortisation and impairments	-754	-740	-4 071
Property tax and licence fees	-416	-405	-1 630
Other operating expenses	-723	-829	-3 493
Operating expenses	-2 746	-2 842	-12 246
Operating profit/loss	2 276	3 106	13 560
Share of profit/loss from associates and joint ventures	413	563	661
Financial income	105	60	859
Financial expenses	-427	-334	-1 309
Net currency effects	3 480	1 043	-4 791
Other financial items	-170	-112	-1 043
Net financial items	2 987	657	-6 283
Profit/loss before tax	5 676	4 326	7 937
Tax expense	-1 993	-1 525	-4 045
Net profit/loss	3 683	2 800	3 892
Of which non-controlling interest	206	171	684
Of which majority interest	3 477	2 629	3 209
OTHER COMPREHENSIVE INCOME			
Items in other comprehensive income that recycle over profit/loss:			
Changes in fair value of financial instruments	260	95	-907
Income tax related to changes in fair value of financial instruments	-130	-26	276
Items recorded in other comprehensive income in associates and joint arrangements	-133	-6	-123
Currency translation effects	-2 228	-1 395	7 734
Reclassification currency translation effects related to foreign operations disposed of in the year	-	-	-69
Items in other comprehensive income that will not recycle over profit/loss:			
Estimate deviation pensions	-	-	-704
Income tax related to remeasurement of defined benefit obligation	-	-	184
Other comprehensive income	-2 230	-1 332	6 392
Comprehensive income	1 453	1 468	10 284
Of which non-controlling interest	474	103	1 322
Of which majority interest	979	1 366	8 962

NOK million	31.03.2015	31.03.2014	31.12.2014
STATEMENT OF FINANCIAL POSITION			
ASSETS			
Intangible assets	3 086	3 344	3 439
Property, plant and equipment	99 931	101 575	99 199
Investments in associates and joint ventures	19 779	16 442	19 027
Other non-current financial assets	6 867	2 644	6 093
Derivatives	5 168	4 531	5 616
Non-current assets	134 831	128 535	133 374
Inventories	2 663	1 499	2 088
Receivables	12 381	8 645	12 433
Short-term financial investments	467	464	443
Derivatives	6 359	9 171	6 816
Cash and cash equivalents (included restricted cash)	19 696	9 596	12 663
Current assets	41 567	29 374	34 444
Assets	176 397	157 909	167 817
EQUITY AND LIABILITIES			
Paid-in capital	56 361	49 011	56 361
Retained earnings	24 855	15 694	23 876
Non-controlling interest	8 279	7 884	7 823
Equity	89 494	72 589	88 059
Provisions	18 817	19 468	18 796
Long-term interest-bearing liabilities	32 752	33 470	27 438
Derivatives	3 191	4 631	3 556
Long-term liabilities	54 761	57 570	49 790
Short-term interest-bearing liabilities	9 690	7 215	9 306
Taxes payable	3 364	3 331	3 546
Other interest-free liabilities	13 390	9 216	9 808
Derivatives	5 698	7 989	7 308
Current liabilities	32 143	27 751	29 968
Equity and liabilities	176 397	157 909	167 817

NOK million	Paid-in capital	Other equity	Accumulated translation differences	Retained earnings	Total majority	Non-controlling interests	Total equity
STATEMENT OF CHANGES IN EQUITY							
Balance as of 01.01.2014	49 011	16 654	-2 327	14 328	63 338	7 769	71 107
Net profit/loss	-	2 629	-	2 629	2 629	171	2 800
Items in other comprehensive income that recycles over profit/loss:							
Changes in fair value of financial instruments	-	117	-	117	117	-22	95
Income tax related to changes in fair value of financial instruments	-	-32	-	-32	-32	6	-26
Items recorded in other comprehensive income in associates and joint arrangements	-	-7	-	-7	-7	1	-6
Currency translation effects	-	-	-1 341	-1 341	-1 341	-53	-1 395
Total comprehensive income for the period	-	2 708	-1 341	1 366	1 366	103	1 468
Dividend and Group contribution paid	-	-	-	-	-	1	1
Transactions with non-controlling interests	-	-	-	-	-	-81	-81
Capital increase	-	-	-	-	-	93	93
Capital decrease	-	-	-	-	-	-	-
Balance as of 31.03.2014	49 011	19 362	-3 667	15 694	64 705	7 884	72 589
Balance as of 01.01.2014	49 011	16 654	-2 327	14 328	63 338	7 769	71 107
Net profit/loss	-	3 209	-	3 209	3 209	684	3 892
Items in other comprehensive income that recycles over profit/loss							
Changes in fair value of financial instruments	-	-907	-	-907	-907	-	-907
Income tax related to changes in fair value of financial instruments	-	276	-	276	276	-	276
Items recorded in other comprehensive income in associates and joint arrangements	-	-128	-	-128	-128	5	-123
Reclassification currency translation effects related to foreign operations disposed of in the year	-	-	-86	-86	-86	18	-69
Currency translation effects	-	-	7 066	7 066	7 066	668	7 734
Items in other comprehensive income that not recycles over profit/loss:							
Estimate deviation pensions	-	-629	-	-629	-629	-75	-704
Income tax related to estimate deviation pensions	-	160	-	160	160	23	184
Total comprehensive income for the period	-	1 981	6 980	8 962	8 962	1 322	10 284
Dividend and Group contribution paid	-	-	-	-	-	-72	-72
Business combinations/divestments	-	585	-	585	585	-1 424	-839
Capital increase	7 350	-	-	-	7 350	227	7 577
Balance as of 31.12.2014	56 361	19 220	4 654	23 875	80 235	7 823	88 059
Net profit/loss	-	3 477	-	3 477	3 477	206	3 683
Items in other comprehensive income that recycles over profit/loss							
Changes in fair value of financial instruments	-	260	-	260	260	-	260
Income tax related to changes in fair value of instruments	-	-110	-	-110	-110	-20	-130
Items recorded in other comprehensive income in associates and joint arrangements	-	-133	-	-133	-133	-	-133
Reclassification currency translation effects related to foreign operations disposed of in the year	-	-	-	-	-	-	-
Currency translation effects	-	-	-2 515	-2 515	-2 515	287	-2 228
Total comprehensive income for the period	-	3 494	-2 515	979	979	474	1 453
Dividend and Group contribution paid	-	-	-	-	-	-154	-154
Capital increase	-	-	-	-	-	136	136
Balance as of 31.03.2015	56 361	22 714	2 139	24 855	81 214	8 279	89 494

NOK million	First quarter 2015	2014	The year 2014
STATEMENT OF CASH FLOW			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	5 676	4 326	7 937
Profit/loss on sale of non current assets	6	26	-80
Depreciation, amortisation and impairments	754	740	4 071
Profit/loss from the sale of business	-	-	-2 559
Profit/loss from the sale of shares, and associates and joint ventures	-	-	-69
Profit from restructuring of SN Power	-	-	-564
Share of profit/loss from associates and joint ventures	-413	-563	-661
Unrealised changes in value	-2 944	-543	4 412
Taxes	-1 741	-1 650	-3 593
Cash flow from operating activities	1 338	2 335	8 896
Changes in long term items	-30	6	-52
Changes in short term items	1 826	918	-2 674
Dividend from associates	7	121	729
Net cash flow operating activities	A	3 141	6 897
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in property, plant and equipment*	-1 715	-1 909	-8 801
Proceeds from sale of non-current assets	11	1	-17
Business divestments, net liquidity inflow to the Group	-	-	4 688
Business combinations and asset purchase, net liquidity outflow from the Group**	-9	-	-74
Restructuring of SN Power, net liquidity outflow from the Group	-	-	-770
Loans to third parties	-1	-4	-100
Repayment of loans from third parties	100	72	390
Considerations regarding investments in other companies	-123	-3	-765
Net cash flow from investing activities	B	-1 736	-5 450
CASH FLOW FROM FINANCING ACTIVITIES			
New debt	7 604	465	1 917
Repayment of debt	-1 976	-78	-3 900
Capital increase	-	-	5 000
Dividend and group contribution paid	-154	-10	-74
Share issue in subsidiary to non-controlling interests	135	27	225
Net cash flow from financing activities	C	5 609	3 168
Net change in cash and cash equivalents	A+B+C	7 014	4 616
Currency exchange rate effects on cash and cash equivalents	18	-30	362
Cash and cash equivalents 01.01	12 663	7 685	7 685
Cash and cash equivalents 31.3/31.12***	19 696	9 596	12 663
Unused committed credit lines	12 000	12 000	12 000
Unused overdraft facilities	2 200	2 165	2 200
Restricted Cash	-	-21	-

* Investments in the cash flow are NOK 428 million lower than investments in fixed assets in the segment reporting due to prepayments in earlier periods and also acquisition of assets from investments not yet paid as of first quarter 2015.

** Considerations for asset purchase are MNOK 220. Consolidated cash are MNOK 211

***Included in cash and cash equivalents are NOK 226 million related to joint operations as of first quarter 2015

NOK million	Statkraft AS Group	Nordic Hydropower	Continental Energy & Trading	International Hydropower	Wind Power	District Heating	Industrial Ownership	Other activities	Group Items
SEGMENTS									
1st quarter 2015									
Operating revenue external, underlying	13 232	2 752	7 680	296	-136	220	2 069	-19	368
Operating revenue internal, underlying	-	978	-175	-	321	4	14	134	-1 276
Gross operating revenues, underlying	13 232	3 730	7 505	296	185	224	2 083	116	-906
Net operating revenues, underlying	5 021	3 330	753	269	177	157	936	114	-715
Operating profit/loss, underlying	2 276	2 191	329	79	-34	54	403	-231	-518
Unrealised value change energy derivatives	-	-571	-129	-	-	-	112	54	534
Non-recurring items	-	-	-	-	-	-	-	-	-
Operating profit/loss	2 276	1 620	200	79	-34	54	515	-177	15
Share of profit/loss from associates and joint ventures	413	-	-	6	65	-	342	-	-
Profit/loss before financial items and tax	2 689	1 620	200	85	31	54	858	-177	16
Balance sheet 31.03.2015									
Investment in associates and joint ventures	19 779	-	-	7 148	3 363	8	9 230	26	5
Other assets	156 617	54 675	5 385	17 021	8 302	3 387	14 871	26 065	26 911
Total assets	176 397	54 675	5 385	24 169	11 665	3 395	24 101	26 091	26 916
Depreciations, amortisation and impairments	-754	-337	-97	-45	-84	-39	-124	-28	-
Maintenance investments and other investments	759	330	87	13	1	2	86	12	-
Investments in new generating capacity	1 385	138	2	456	849	70	60	38	-
Investments in other companies	345	2	-	-	98	-	-	246	-
1st quarter 2014									
Operating revenue external, underlying	11 832	2 577	8 485	289	-	209	2 048	10	-1 787
Operating revenue internal, underlying	-	956	9	1	414	-	56	124	-1 561
Gross operating revenues, underlying	11 832	3 533	8 494	290	414	209	2 104	135	-3 348
Net operating revenues, underlying	5 948	3 216	1 094	245	404	128	937	133	-209
Operating profit/loss, underlying	3 106	2 040	664	43	125	29	395	-176	-15
Unrealised value change energy derivatives	-	-80	-37	-	-	-	58	14	45
Non-recurring items	-	56	-	-	-	-	-	-	-56
Operating profit/loss	3 106	2 017	627	43	125	29	454	-162	-26
Share of profit/loss from associates and joint ventures	563	-	-	28	-	-	536	-	-
Profit/loss before financial items and tax	3 669	2 017	627	71	125	29	989	-162	-26
Balance sheet 31.03.2014									
Investment in associates and joint ventures	16 442	-	-	6 472	1	-	9 965	-	4
Other assets	141 468	54 687	5 237	14 113	12 546	3 214	14 782	33 029	3 859
Total assets	157 909	54 687	5 237	20 585	12 547	3 214	24 747	33 029	-31 215
Depreciations, amortisation and impairments	-740	-316	-100	-25	-125	-35	-117	-21	-
Maintenance investments and other investments	363	233	13	8	-	-	86	23	-
Investments in new generating capacity	1 577	64	6	774	523	77	100	33	-
Investments in other companies	3	-	-	3	-	-	1	-1	-

NOK million	Statkraft AS Group	Nordic Hydropower	Continental Energy & Trading	International Hydropower	Wind Power	District Heating	Industrial Ownership	Other activities	Group Items
SEGMENTS									
The Year 2014									
Operating revenue external, underlying	52 254	10 617	26 448	1 004	258	595	6 504	154	6 674
Operating revenue internal, underlying	-	2 945	-275	1	850	2	22	505	-4 051
Gross operating revenues, underlying	52 254	13 563	26 173	1 006	1 108	597	6 526	659	2 622
Net operating revenues, underlying	25 805	12 347	2 973	888	1 064	398	3 007	651	4 476
Operating profit/loss, underlying	13 560	7 478	1 234	148	-14	9	920	-663	4 447
Unrealised value change energy derivatives	-	1 545	925	-	-	-	-52	-27	-2 390
Non-recurring items	-	1 478	16	-937	1 358	13	80	46	-2 052
Operating profit/loss	13 560	10 500	2 174	-789	1 344	22	948	-644	5
Share of profit/loss from associates and joint ventures	661	-	-	-240	363	3	535	-	-
Profit/loss before financial items and tax	14 220	10 500	2 174	-1 029	1 707	25	1 482	-644	5
Balance sheet 31.12.2014									
Investment in associates and joint ventures	19 027	-	-	6 957	3 072	7	8 986	-	5
Other assets	148 790	55 054	5 560	15 642	7 461	3 373	14 852	25 183	21 665
Total assets	167 817	55 054	5 560	22 599	10 533	3 380	23 838	25 183	21 670
Depreciations, amortisation and impairments	-4 071	-1 324	-320	-1 191	-490	-142	-498	-106	-
Maintenance investments and other investments*	2 368	1 673	85	65	1	7	470	67	-
Investments in new generating capacity	7 525	439	17	3 073	3 197	309	354	137	-
Investments in other companies	1 287	-	-	1 126	159	-	2	-	-

Comparative figures are restated as a consequence of transferring the trading and origination activities from the segment International hydropower to Continental energy & trading through the SN power restructuring.

*Maintenance investments and other investments includes the addition of Leirdøla power plant of NOK 506 million. The addition is classified under other investments, as it is part of an asset swap that does not generate new capacity for the group.

Selected notes to the accounts

1. FRAMEWORK AND MATERIAL ACCOUNTING POLICIES

The consolidated financial statement for the first quarter of 2015, closed on 31 March 2015, have been prepared in accordance with the accounting principles in International Financial Reporting Standards (IFRS) and consist of Statkraft AS and its subsidiaries and associates. The interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. As the information provided in the interim financial statements is less comprehensive than that contained in the annual financial statements, these statements should therefore be read in conjunction with the consolidated annual financial statements for 2014. The interim accounts have not been audited. The accounting principles applied in the interim financial statements are the same as those used for the annual financial statements.

2. PRESENTATION OF FINANCIAL STATEMENTS

The presentation in the interim report has been prepared in accordance with the requirements in IAS 34. The schedules comply with the requirements in IAS 1.

3. ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group's accounting principles to the preparation of the interim financial statements, the management has exercised its judgment and employed estimates and assumptions that affect the figures included in the income statement and balance sheet.

The most important assumptions regarding future events and other significant sources of uncertainty in relation to the estimates, and which may involve a significant risk of material changes to the amounts recognised in future financial periods, are discussed in the annual financial statements for 2014.

In preparing the consolidated financial statements for the fourth quarter, the Group's management has exercised its judgment in relation to the same areas where such judgment has had material significance in relation to the figures included in the Group's income statement and balance sheet, as discussed in the annual financial statements for 2014.

4. SEGMENT REPORTING

The Group reports operating segments in accordance with how the corporate management makes, follows up and evaluates its decisions. The operating segments have been identified on the basis of internal management information that is periodically reviewed by the management and used as a basis for resource allocation and key performance review.

5. UNREALISED EFFECTS PRESENTED IN THE INCOME STATEMENT

The table below shows the lines in the financial statements where the unrealised effects appear.

NOK million	First quarter 2015		Total
	Unrealised	Realised	
UNREALISED EFFECTS REPORTED IN P&L			
Sales revenues			
Long term contracts	-445	1 878	1 433
Nordic and Continental Dynamic Asset Management Portfolio	-151	214	-592
Trading and origination	-201	412	-607
End User	-21	1 335	-2 689
Other sales revenues	-	9 997	15 399
Eliminations	54	-40	87
Total sales revenues	-764	13 796	13 032
Energy purchase	45	-7 946	-7 902
Net currency effects	3 812	-332	3 480
Other financial items			
Net gains and losses on derivatives and securities	-150	-21	-170
Impairment and gain/loss of financial assets	-	-	-
Total unrealised effects	2 944		

NOK million	First quarter 2014			The Year 2014		
	Unrealised	Realised	Total	Unrealised	Realised	Total
UNREALISED EFFECTS REPORTED IN P&L						
Sales revenues						
Long term contracts	-2 657	2 082	-574	1 429	8 294	9 722
Nordic and Continental Dynamic Asset Management	-166	633	467	-317	971	655
Trading and origination	58	82	141	206	612	818
End User	17	1 322	1 340	14	3 988	4 002
Other sales revenues	-	10 177	10 177	-	33 121	33 121
Eliminations	14	-15	-2	-27	-46	-73
Total sales revenues	-2 733	14 282	11 549	1 304	46 941	48 246
Energy purchase	2 744	-8 321	-5 576	1 298	-26 561	-25 264
Net currency effects	642	401	1 043	-5 974	1 183	-4 791
Other financial items						
Net gains and losses on derivatives and securities	-111	-1	-112	-1 028	-	-1 028
Impairment and gain/loss of financial assets	-	-	-	-13	-2	-14
Total unrealised effects	543			-4 412		

6. CURRENCY EFFECTS ON INTERNAL LOANS

Net currency effects on internal loans as of the first quarter amounted to NOK 2437 million, of which NOK 1704 million was unrealised and NOK 734 million was realised. The positive effect arose mainly as a result of a stronger NOK against EUR. Statkraft Treasury Centre (STC) provides loans to the Group's companies, mainly in the companies' local currency. STC prepares its accounts in EUR and reports currency effects of lending in the income statement. STC's financial reporting is converted to NOK in the consolidation, and currency effects for the net investment in STC are reported in other comprehensive income.

7. HEDGE ACCOUNTING

Statkraft has used hedge accounting in 2015 that has reduced the volatility in the income statement. A major share of the debt in EUR has been hedged against market rate changes.

Statkraft has set up hedge accounting of parts of the net investments in STC in EUR, as well as parts of the net investments in Statkraft UK Ltd in GBP. The effect of this is that gains of NOK 258 million in 2015 will be recognised in other comprehensive income instead of in the income statement.

8. TRANSACTIONS

On 6 February, Statkraft, along with Södra Skogägarna Ekonomisk Förening (Södra), established the company Silva Green Fuel AS, organised as a joint venture, with the goal of establishing future production of biofuel based on forest raw material at the industrial area housing the former cellulose factory at Tofte in Hurum. Statkraft and Södra own 51% and 49%, respectively, of the new company. The owners have injected NOK 50 million into the company as seed capital.

During the establishment of Silva Green Fuel AS, Statkraft acquired all shares in Statkraft Tofte AS, previously Södra Cell Tofte AS. The acquisition of shares in Statkraft Tofte AS is recognised as purchase of assets. The total cost price for the purchase of shares in Statkraft Tofte AS was NOK 220 million. Net assets in the company totalled NOK 153 million at takeover, in addition to the identified excess value of operating equipment at NOK 67 million.

ON 12 February, Statkraft and RWE Innogy GmbH entered into an agreement to develop and construct the offshore wind farm Triton Knoll, which may have an installed capacity of up to 900 MW. The offshore wind farm is located off the eastern coast of England. Through this agreement, Statkraft secures 50% of Triton Knoll Offshore Wind Ltd, which is organised as a joint venture. Statkraft paid NOK 86 million for its shareholding in Triton Knoll.

9. EVENTS AFTER THE BALANCE SHEET DATE

On 23 April, Statkraft completed its purchase of the listed hydropower company Empresa Eléctrica Pilmaiquén S.A. in Chile. The total cost price for 98.2% of the shares was NOK 1935 million. Net assets as at 31 December 2014 totalled NOK -212 million. The acquisition analysis will be prepared in the second quarter of 2015.



Interim Report
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