



Interim Report
Q2/2013
Statkraft AS

Q2

Key figures

NOK million	Second quarter			Year to date			Year
	2013	2012	Change	2013	2012	Change	2012
From income statement ¹⁾							
Gross operating revenues, underlying	9 803	8 623	14 %	22 871	20 413	12 %	38 910
Net operating revenues, underlying	4 376	4 187	4 %	10 488	10 213	3 %	19 207
EBITDA, underlying	2 555	2 365	8 %	6 735	6 577	2 %	11 347
Operating profit, underlying	1 856	1 748	6 %	5 388	5 344	1 %	8 813
Operating profit, booked	3 449	1 337	158 %	7 311	4 815	52 %	5 679
Share of profit from associated companies and joint ventures	256	370	-31 %	459	789	-42 %	871
Net financial items	-4 486	1 636	-374 %	-6 323	2 649	-339 %	2 341
Profit before tax	-781	3 344	-123 %	1 447	8 252	-82 %	8 890
Net profit	-908	2 443	-137 %	-466	5 873	-108 %	4 671
EBITDA margin, underlying (%) ²⁾	26.1	27.4		29.4	32.2		29.2
ROACE, underlying (%) ³⁾				12.5	14.0		13.1
Items excluded from the underlying operating profit							
Unrealised changes in value on energy contracts	1 266	-411	408 %	1 597	-590	371 %	-1 030
Significant non-recurring items	326	-	-	326	60	443 %	-2 105
Balance sheet and investments							
Total assets 30.06./31.12.				149 782	147 424	2 %	146 026
Maintenance investments	350	218	61 %	557	403	38 %	1 065
Investments in new capacity*	6 448	2 144	201 %	7 892	3 926	101 %	8 073
Investments in shareholdings	19	38	-50 %	27	2 420	-99 %	2 583
Capital employed 30.06./31.12. ⁴⁾				79 627	68 657	16 %	70 048
Cash Flow							
Net cash flow from operating activities	-78	3 166	-102 %	4 213	7 159	-41 %	10 290
Cash and cash equivalents 30.06./31.12.				10 742	8 428	27 %	5 440
Currency rates							
NOK/EUR average rate	7.62	7.56		7.52	7.58		7.47
NOK/EUR closing rate 30.06./31.12.				7.88	7.53		7.35

* 2013 figures include the transfer of power plants from Statkraft SF to Statkraft AS of approximately NOK 4 billion. The transfer had no cash effect.

Effective 1 January 2013, Statkraft has implemented IFRS 11 Joint arrangements. The new standard implies that five companies previously recognised in accordance with the equity method are now recognised in accordance with the gross method. The comparative figures have been converted to show the company's financial situation and results in accordance with the new accounting principle.

Definitions

¹⁾ Underlying items have been adjusted for unrealised changes in value of energy contracts and significant non-recurring items, up to and including the operating profit.

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

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

⁴⁾ Capital employed: Tangible fixed assets + intangible assets + receivables + inventories - payable tax - other interest-free debt + group contribution allocated, not paid.

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GOOD OPERATING PROFIT AND LARGE CURRENCY EFFECTS



Higher power prices and new generation capacity yielded a good operating profit. A weakening of the NOK impacts the quarterly result.

International business has been strengthened by the signing of a letter of intent with Norfund and development of hydropower in Albania.

The second quarter in 2013 had higher Nordic power prices and lower production than the same period 2012. The result from underlying operations (EBITDA) increased by 8 per cent compared with the second quarter last year.

A weakening of the NOK in the second quarter of 2013 had large negative effects on the net profit, while the corresponding period in 2012 was influenced by positive currency effects. The loss after tax was NOK 908 million, a decline of NOK 3.4 billion. The currency effects are mainly unrealised, and are fully offset by translation effects which strengthen equity.

The average Nordic power price was 36 per cent higher than in the same quarter in 2012. The Group's power production was 10.9 TWh in the quarter. This was a decline of 27 per cent compared with the second quarter of 2012, which was a quarter with relatively high production.

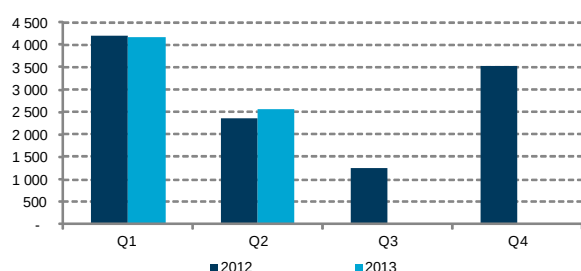
Statkraft and Norfund signed a letter of intent setting the framework for future ownership structures and cooperation within renewable energy, with particular

focus on hydropower in emerging markets. In brief, Statkraft will own 67 per cent and Norfund 33 per cent of SN Power's existing portfolio in South Asia and South America. A new company which will retain the name SN Power will be established, consisting of SN Power's portfolio in Southeast Asia and Agua Imara's portfolio in Africa and Central America. Statkraft and Norfund will own about 40 per cent each, and the power companies BKK and TrønderEnergi will be invited to participate as owners.

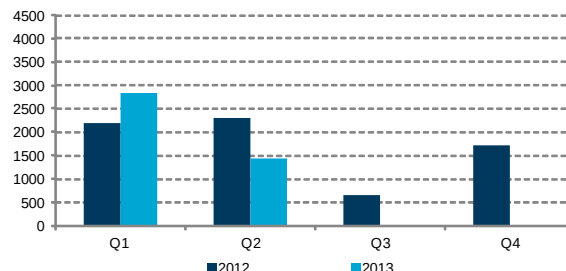
The share purchase agreement with the Austrian company EVN was concluded, and Statkraft now wholly owns Devoll Hydropower Sh.A., a hydropower project developer in Albania.

The leased power plants Sauda I-IV, Svelgen I and II as well as Tysso II were transferred from Statkraft SF to Statkraft AS. The power plants have a total installed capacity of 620 MW. The transfer will not have any consequences for the lease agreements, the lessees or the municipalities in which the power plants are located. The transaction has a fair value of about NOK 3.5 billion.

EBITDA - underlying
NOK million



Cash flow from operating activities
NOK million



Corporate responsibility and HSE

	Second quarter		Year to date		Year
	2013	2012	2013	2012	2012
Corporate social responsibility and HSE					
Fatalities ¹⁾	0	0	0	0	2
TRI rate ^{1) 2)}	8.1	7.6	6.7	7.4	7.1
Serious environmental incidents	0	0	0	0	0
Full-time equivalents, group			3 487	3 464	3 475
Absence due to illness, group (%)	2.7	2.1	3.3	3.1	3.1

¹⁾ Includes employees and suppliers at plants where Statkraft owns 20% or more. Third-party fatalities are not included.

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

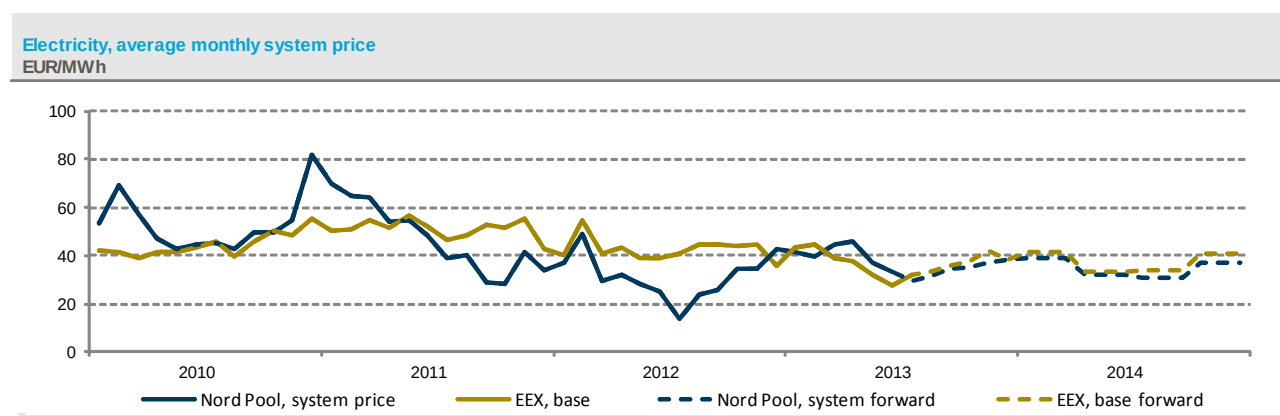
- There were no serious injuries in the quarter.
- The TRI rate for the Group in the second quarter was 8.1, an increase compared with the corresponding period in 2012. This is primarily due to an increase in the number of injuries among own employees in projects.
- The Group has not registered any serious environmental incidents in the second quarter.
- Absence due to illness was 2.7%, which is higher than in the same period last year.

The Group works systematically to avoid injuries in all activities. All incidents with a large injury potential are followed up systematically, and lessons learned are transferred to the other Group units. A new tool for self-assessment of health and safety work will be implemented in all business areas in 2013. In addition, traffic safety and behaviour is given special emphasis.

Market and production

Power prices, power optimisation and production form the fundamental basis for Statkraft's revenues. The majority of Statkraft's production is generated in the Nordic region and in Germany. The Group is also exposed in markets outside Europe, mainly through the subsidiary SN Power. Power prices are influenced by hydrological factors and commodity prices for thermal power production. Gas is also an input factor in a limited share of Statkraft's own power production.

POWER PRICES



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

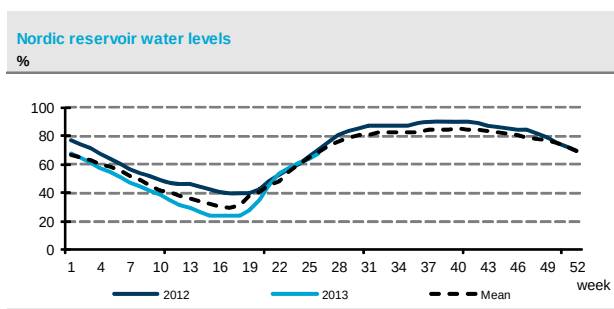
The average system price in the Nordic region was 38.7 EUR/MWh in the quarter, an increase of 36% compared with the same period in 2012. The increase was primarily driven by a weaker hydrological balance than in the second quarter last year. Forward prices in the Nordic region fell throughout the quarter due to higher reservoir water levels.

The average spot price in the German market was 32.6 EUR/MWh in the quarter, a decline of 20% compared with the same period in 2012. The decline in the prices was characterised by good access to renewable production as well as high coal power production. Forward prices in Germany fell through the quarter as a result of lower realised power prices, falling coal prices, increased renewables production and continued weak financial outlook.

EUR/MWh	Second quarter			Year to date			Year 2012
	2013	2012	Change	2013	2012	Change	
Prices							
Average system price, Nord Pool	38.7	28.4	36 %	40.4	33.5	21 %	31.3
Average spot price (base), EEX	32.6	40.5	-20 %	37.5	43.0	-13 %	42.8
Average spot price (peak), EEX	41.4	49.0	-15 %	47.7	52.8	-10 %	53.6
Average gas price, EGT ¹⁾	27.3	24.5	11 %	27.8	24.8	12 %	25.4

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

CONSUMPTION AND RESOURCE ACCESS IN THE NORDIC REGION



Source: Nord Pool.

Inflow was normal in the period as a whole, and the total reservoir water level in the Nordic region was 82.2 TWh at the end of June, corresponding to 98.5% of normal. The reservoirs were filled to 67.6% of capacity (70.7% in 2012), with a maximum reservoir capacity of 121.4 TWh.

In the second quarter, 1.3 TWh was imported to the Nordic region from the Continent, compared with exports of 5.0 TWh in the corresponding period in 2012.

TWh	Second quarter		Year to date		Year 2012
	2013	2012	2013	2012	
Consumption and output					
Nordic					
Nordic consumption	86.1	85.5	203.4	196.7	375.7
Nordic output	84.8	90.5	201.9	204.8	370.5
Net Nordic import(+)/export (-)	1.3	-5.0	1.5	-8.1	5.2
Norway					
Norwegian consumption	28.9	27.8	69.3	65.7	122.0
Norwegian output	28.9	33.0	68.5	75.7	125.2
Net norwegian import(+)/export (-)	-	-5.2	0.8	-10.0	-3.2

STATKRAFT'S POWER PRODUCTION

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

TWh	Second quarter		Year to date		Year 2012
	2013	2012	2013	2012	
Production, technology					
Hydropower	10.6	14.5	27.0	30.9	57.6
Wind power	0.3	0.2	0.6	0.4	0.8
Gas power	0.0	0.3	0.7	0.8	1.5
Bio power	0.0	0.0	0.1	0.1	0.1
Total production	10.9	14.9	28.3	32.3	60.0

TWh	Second quarter		Year to date		Year 2012
	2013	2012	2013	2012	
Production, geography					
Norway	8.8	12.1	22.8	26.1	48.3
Nordic ex. Norway	1.0	1.8	2.8	3.8	7.1
Europe ex. Nordic	0.3	0.4	1.2	1.2	2.1
Rest of the world	0.8	0.6	1.5	1.3	2.5
Total production	10.9	14.9	28.3	32.3	60.0

The Group produced a total of 10.9 TWh in the quarter, 4.0 TWh lower than in the same period in 2012, but on par with previous years.

In addition, the Group's district heating production amounted to 0.2 TWh (0.2 TWh).

Financial performance

The quarterly report shows the development in the second quarter of 2013 compared with the second quarter of 2012, unless otherwise stated. Figures in parentheses show the comparable figures for the corresponding period in 2012.

Effective 1 January 2013, Statkraft has implemented IFRS 11 Joint arrangements. The new standard implies that five companies previously recognised in accordance with the equity method are now recognised in accordance with the gross method as described in IFRS 11. The comparative figures have been converted for 2012, and show the company's financial situation and results in accordance with the new accounting principle.

NOK million	Second quarter			Year to date			Year 2012
	2013	2012	Change	2013	2012	Change	
Key figures							
Net operating revenues, underlying	4 376	4 187	4 %	10 488	10 213	3 %	19 207
EBITDA, underlying	2 555	2 365	8 %	6 735	6 577	2 %	11 347
Profit before tax	-781	3 344	-123 %	1 447	8 252	-82 %	8 890
Net profit	-908	2 443	-137 %	-466	5 873	-108 %	4 671

In spite of an improvement in underlying gross operating profit (EBITDA) from the second quarter of 2012, the Group's net profit was just under NOK 3.4 billion lower. The decline is primarily related to the Group's negative currency effects in the second quarter of 2013, while the currency effects were positive in the same quarter last year. The currency effects are mainly unrealised, and were offset by translation effects which in turn strengthen equity.

GROSS OPERATING RESULT (EBITDA) – UNDERLYING

Underlying EBITDA was somewhat higher than in the same quarter in 2012, primarily as a result of new production capacity from Sheringham Shoal offshore wind farm in the UK and plants transferred from Statkraft SF.

OPERATING REVENUES - UNDERLYING

NOK million	Second quarter			Year to date			Year 2011
	2013	2012	Change	2013	2012	Change	
Net operating revenues, underlying							
Net physical spot sales, incl. green certificates	6 102	5 416	13 %	14 589	12 920	13 %	24 485
Concessionary sales at statutory prices	73	67	9 %	174	158	11 %	307
Long-term contracts	1 644	1 525	8 %	3 386	3 080	10 %	6 179
Nordic and Continental Dynamic Asset Management Portfolio	54	232	-77 %	110	426	-74 %	525
Trading and origination (excl. market access Germany and UK - renewable)	193	114	70 %	462	325	42 %	726
Distribution grid	291	234	24 %	645	552	17 %	1 071
End user	984	781	26 %	2 574	2 178	18 %	4 024
District heating, energy sales	130	124	5 %	408	337	21 %	655
Other sales revenues	-1	2	-189 %	-4	9	-148 %	17
Currency hedging energy contracts	-17	-5	-225 %	-13	10	-2	-6
Sales revenues	9 453	8 488	11 %	22 331	19 996	12 %	37 982
Other operating revenues	350	135	159 %	540	417	29 %	928
Gross operating revenues	9 803	8 623	14 %	22 871	20 413	12 %	38 910
Energy purchase	-5 241	-4 214	-24 %	-11 894	-9 664	-23 %	-18 678
Transmission costs	-186	-222	16 %	-490	-536	9 %	-1 026
Net operating revenues	4 376	4 187	4 %	10 488	10 213	3 %	19 207

- New production capacity from Sheringham Shoal offshore wind farm contributed to an increase in net physical spot sales.
- Lower production from Nordic hydropower was only partly offset by higher Nordic power prices.
- Revenues from long-term contracts were somewhat higher than in the corresponding quarter in 2012 as a result of slightly higher volumes and price adjustment of the contracts.
- The Nordic management portfolio showed lower revenues as a result of high power prices, particularly in the first part of the quarter. In the second quarter of 2012, revenues were higher as a result of falling Nordic power prices and high volumes.
- The revenue increase from the end-user business was offset by a corresponding increase in energy purchases.
- The leased power plants Sauda I-IV, Svelgen I and II as well as Tysso II were transferred from Statkraft SF effective 1 April. This contributed to higher other operating revenues. Gas sales from Skagerak also contributed to an increase in other operating revenues.

OPERATING EXPENSES - UNDERLYING

NOK million	Second quarter			Year to date			Year 2012
	2013	2012	Change	2013	2012	Change	
Operating expenses, underlying							
Salaries and payroll costs	-648	-626	3 %	-1 474	-1 427	3 %	-3 046
Depreciation and impairments	-699	-617	13 %	-1 347	-1 232	9 %	-2 534
Property tax and licence fees	-418	-346	21 %	-826	-682	21 %	-1 345
Other operating expenses	-755	-850	-11 %	-1 452	-1 528	-5 %	-3 469
Operating expenses	-2 519	-2 439	3 %	-5 099	-4 869	5 %	-10 393

- The increase in depreciation was mainly due to the completion of the Sheringham Shoal offshore wind farm.
- Higher property tax was due to changed regulations in Sweden and Norway.
- The decline in other operating expenses relates primarily to less gas power production and higher degree of capitalisation of project costs within wind power.

ITEMS EXCLUDED FROM THE UNDERLYING OPERATING RESULT

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

NOK million	Second quarter		Year to date		Year 2012
	2013	2012	2013	2012	
Items excluded from the underlying operating profit					
Unrealised changes in value of energy contracts	1 266	-411	1 597	-590	-1 030
Significant non-recurring items	326	-	326	60	-2 105
Revenue recognition related to termination of energy contract	164	-	164	-	-
Bargain purchase in step acquisition of Devoll	162	-	162	-	-
Final settlement of sale of Trondheim Energi Nett	-	-	-	60	175
Impairment of property, plant and equipment and intangible assets	-	-	-	-	-2 280

- The positive development for the energy contracts in the quarter of 2013 is mainly due to currency effects on long-term power sales agreements entered into in EUR as well as positive effects of lower expected Nordic power prices for financial energy derivatives.
- The termination of a power sales agreement resulted in NOK 164 million being recorded as income.
- In connection with the increase of the shareholding in Devoll Hydropower Sh.A. from 50 % to 100 %, the acquisition analysis shows a bargain purchase, resulting in NOK 162 million recognised as income in the financial statements.

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	Second quarter			Year to date			Year 2012
	2013	2012	Change	2013	2012	Change	
Share of profit from associated companies							
BKK	50	34	49 %	151	215	-30 %	382
Agder Energi	153	60	155 %	304	251	21 %	408
Others	53	277	-81 %	4	324	-99 %	80
Associated companies	256	370	-31 %	459	789	-42 %	871

- The higher share of profit from Agder Energi is mainly due to higher power prices, production and unrealised changes in value for energy contracts.
- The decline in profit from other associated companies is mainly due to lower revenues from the Philippines. Chile contributed with a negative result, but less negative than in the same period last year.

FINANCIAL ITEMS

NOK million	Second quarter			Year to date			Year 2012
	2013	2012	Change	2013	2012	Change	
Financial items							
Interest income	58	69	-17 %	93	146	-36 %	231
Other financial income	9	636	-99 %	11	639	-98 %	765
Gross financial income	66	705	-91 %	104	785	-87 %	996
Interest expenses	-288	-308	7 %	-577	-659	12 %	-1 250
Other financial expenses	-25	-16	-53 %	-38	-30	-28 %	-50
Gross financial expenses	-313	-325	4 %	-615	-689	11 %	-1 301
Currency gains and losses	-3 948	1146	-444 %	-4 954	2 517	-297 %	4 468
Other financial items	-291	109	-366 %	-858	35	>1000 %	-1 822
Net financial items	-4 486	1 636	-374 %	-6 323	2 649	-339 %	2 341

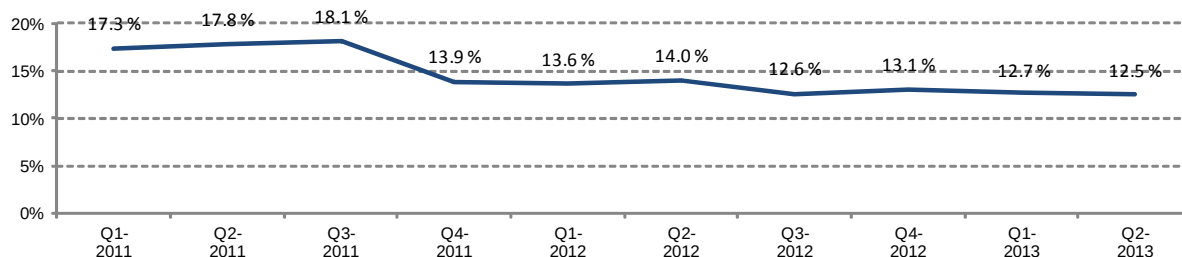
- Financial income fell by NOK 639 million, and is due to the discontinuance of dividends from the now divested shareholding in E.ON SE.
- Net currency effects in the second quarter amounted to NOK -3948 million, mainly as a result of weaker NOK and SEK against EUR. These were mainly unrealised and are fully offset by translation effects in the equity.
- Other financial items declined by NOK 400 million, and include losses on interest-rate derivatives.

TAXES

The recorded tax expense was NOK 127 million in the second quarter (NOK 901 million). The decline in tax expense is mainly due to a somewhat lower result. Resource rent tax for power production resulted in a tax expense in the second quarter in spite of a negative profit before tax.

RETURN

ROACE - underlying, last 12 months
%



Measured as ROACE (%)¹ the return was on par with the most recent quarters. The high level of return in the first quarters of 2011 are due to a particularly high operating profit in 2010, especially in the fourth quarter as a result of high power prices.

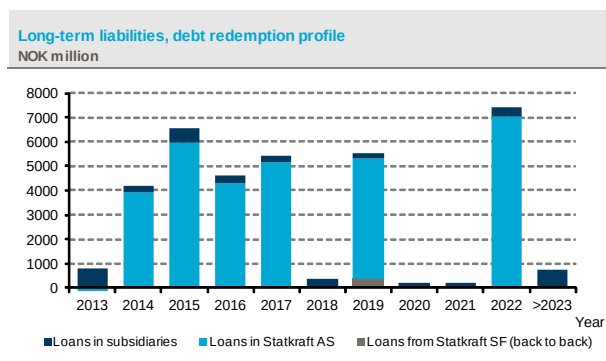
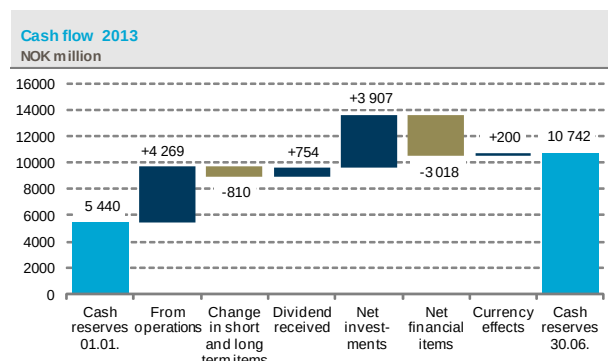
Based on net profit, the rolling return on equity² was -2.6% after tax against 7.2% for the year 2012, whereas the return on total assets³ after tax was -1.1% against 3.8% for the year 2012. The decline is due to a substantially lower profit in the first half of 2013 compared with the first half of 2012, mainly due to currency effects.

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

² Net return on equity (%): (Profit last 12 months x 100)/ average equity.

³ Return on total assets after tax (%): (Net profit adjusted for financial expenses last 12 months x 100)/average total assets.

CASH FLOW AND CAPITAL STRUCTURE



Cash flow 2013

- The Group's operating activities generated a cash flow of NOK 4269 million (NOK 4462 million).
- Changes in short and long-term items had a negative effect of NOK 810 million (NOK +1561 million), mainly related to cash collateral, which was partly offset by a positive change in the working capital.
- NOK 754 million was received in dividend – primarily from BKK and Agder Energi.
- Net investments⁴ amounted to a total of NOK +3907 million (NOK -7162 million). This is mainly payment received for the sold E.ON shares of NOK 8515 million, investments in property, plant & equipment of NOK 4330 million, as well as net disbursement of loans from SN Power of NOK 279 million.
- The net liquidity change from financing amounted to NOK -3018 million (NOK -96 million). New debt was NOK 591 million (NOK 638 million), primarily associated with SN Power and project financing in Panama. Repayment of debt amounted to NOK 3505 million (NOK 884 million).
- Translation effects on bank deposits, cash in hand and similar amounted to NOK 200 million.

Financial structure

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

- Net interest-bearing debt⁵ totalled NOK 28 387 million, compared with NOK 39 933 million at the beginning of the year. The decline relates primarily to the sale of the E.ON shares, which has resulted in higher bank deposits and repayment of debt.
- The net interest-bearing debt ratio was 29.7, against 35.9% at the end of 2012.
- Loans from Statkraft SF to Statkraft AS amounted to NOK 400 million.
- Current assets, except cash and cash equivalents, amounted to NOK 15 249 million.
- Short-term interest-free debt was NOK 18 361 million.
- Statkraft's equity totalled NOK 67 200 million, compared with NOK 62 437 million at the start of the year. This corresponds to 44.9% of total assets. The increase is among other factors related to comprehensive income of NOK 5326 million so far this year.

INVESTMENTS AND PROJECTS

Statkraft has an investment programme and an investment strategy that involves NOK 70-80 billion in the period from 2011 to 2015. Total investments in the quarter amounted to NOK 6817 million, of which about NOK 4 billion relate to the transfer of power plants from Statkraft SF. The transfer had no cash effect.

Investments in the quarter

Maintenance investments (NOK 350 million)

- Hydropower in the Nordic region

Investments in increased capacity (NOK 6448 million)

- Hydropower in Norway
- Hydropower outside Europe
- Wind power in the UK and Sweden
- District heating plants in Norway and Sweden
- Small-scale hydropower in Norway

Investments in shareholdings (NOK 19 million)

- Hydropower outside Europe

⁴ 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.

⁵ Net interest-bearing debt: Gross interest-bearing debt – bank deposits, cash in hand and similar excluding restricted funds – short-term financial investments

Projects

Second quarter	Project	Country	New capacity (MW) ¹⁾	Statkraft's ownership share	Planned completion	
Completed projects in the period						
Gas power	Knapsack II	Germany	430	100 %		
Main projects under construction						
Hydropower	Eiriksdal og Makkoren	Norway	56	100 %	2014	Q2
	Nedre Røssåga, phase 1	Norway	-	100 %	2015	Q2
	Nedre Røssåga, phase 2	Norway	100	100 %	2016	
	Kjensvatn	Norway	11	100 %	2014	Q4
	Brokke Nord/Sør	Norway	24	- ²⁾	2014	
	Kargi	Turkey	102	100 %	2014	Q3
	Cetin	Turkey	517	100 %	2016	Q4
	Devoll	Albania	243	100 %	2018	
	Cheves	Peru	171	100 % ³⁾	2015	Q1
	Binga	Phillipines	120	50 % ³⁾	2013	Q3
	Bajo Frio	Panama	58	26 % ³⁾	2014	Q3
Wind power	Baillie Windfarm	UK	53	80 %	2013	Q3
	Stamåsen	Sweden	60	60 %	2013	Q3
	Mörtjärnberget	Sweden	85	60 %	2013	Q4
	Tollarpjabbjär	Sweden	3	90 %	2013	Q4
	Berry Burn	UK	67	100 %	2014	Q2
	Ögonfåglnaden	Sweden	99	60 %	2014	Q4
	Björkhöjden	Sweden	270	60 %	2015	Q4
District heating	Ås	Norway	24	100 %	2013	Q3
	Sandefjord	Norway	23	100 %	2015	Q2
	Hammargård/Kungsbacka	Sweden	12	100 %	2013	Q4

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

²⁾ Owned by Agder Energi (69%) and Skagerak Energi (31%).

³⁾ SN Power's share.

Segments

The segment structure follows the internal management information that is systematically reviewed by the corporate management and used for resource allocation and 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.

Second 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	9 803	2 898	4 697	419	219	123	1 652	143	-2 464
Net operating revenues, underlying	4 376	2 662	454	268	210	75	746	143	-184
EBITDA, underlying	2 555	1 894	182	99	112	17	395	-124	-21
Operating profit, underlying	1 856	1 581	103	50	27	-18	278	-143	-21
Operating profit, booked	3 449	2 726	391	248	27	-18	290	-195	-21
Share of profit from associated companies	256	-	3	56	-5	-	202	-	-
EBITDA-margin (%), underlying	26.1	65.4	3.9	23.7	51.2	14.1	23.9	-86.5	0.8
Maintenance investments	350	230	28	7	4	-	81	-	-
Investments in new capacity	6 448	4 353	29	719	988	113	152	94	-
Investments in shareholdings	19	-	-	15	4	-	-	-	-
Production									
Production, volume sold (TWh)	10.9	8.5	0.1	0.8	0.3	-	1.2	0.1	-
- hydropower (TWh)	10.6	8.5	0.1	0.8	-	-	1.2	0.1	-
- wind power (TWh)	0.3	-	-	0.0	0.3	-	-	-	-
- gas power (TWh)	0.0	-	0.0	-	-	-	-	-	-
- bio power (TWh)	0.0	-	0.0	-	-	-	-	-	-
Production, district heating (TWh)	0.2	-	-	-	-	0.2	0.0	-	-

NORDIC HYDROPOWER

NOK million	Second quarter		Year to date		Year 2012
	2013	2012	2013	2012	
Net operating revenues, underlying	2 662	2 846	6 741	6 808	12 479
EBITDA, underlying	1 894	2 137	5 176	5 316	9 409
Operating profit, underlying	1 581	1 855	4 574	4 755	8 274
Unrealised value changes energy contracts	980	-504	1 262	-1 030	-1 663
Significant non-recurring items	164	-	164	-	-
Operating profit, booked	2 726	1 350	6 000	3 725	6 610
Share of profit from associated companies and joint ventures	-	-	-	-	-
Maintenance investments	230	87	285	176	460
Investments in new capacity	4 353	252	4 599	446	1 048
Investments in shareholdings	-	-	-	-	-
Production, volume sold (TWh)	8.5	12.4	22.2	26.2	48.4

Highlights

- The leased power plants Sauda I-IV, Svelgen I and II as well as Tysso II were transferred from Statkraft SF. The power plants have a total installed capacity of 620 MW. The transfer will not have any consequences for the lease agreements, the lessees or the municipalities in which the power plants are located. The transaction has a value of NOK 3.5 billion.
- The main agreement with Norske Skog from 1998 was terminated and a new power delivery agreement with Norske Skog Saugbrugs was entered into, effective from 1 May 2013 until the end of 2020.
- Statkraft received a licence from the Ministry of Petroleum and Energy to build Blåfjell pump station with transfers to the Blåsjø reservoir in Rogaland. The project will increase the annual production of the Ulla-Førre plants by about 37 GWh.
- In connection with Mayr-Melnhof Karton taking over Södra Cell's cellulose plant in Follafoss, Statkraft's power delivery agreement with the mill was restructured in cooperation with old and new owners. A reduced power volume will be sold to the mill, and the remaining volume will be sold to Södra Timber with delivery in Sweden. The agreements run until the end of 2018.

Financial performance

- Underlying EBITDA was somewhat lower, mainly due to lower net operating revenues as a result of lower production, partly offset by higher market prices for Nordic power.
- Operating expenses were somewhat higher than in the same quarter in 2012 as a result of higher property tax.

Investments

- In addition to the transferred power plants from Statkraft SF, the investments in new capacity relate mainly to the power plants Eiriksdal, Makkoren, Nedre Røssåga and Kjensvatn.

CONTINENTAL ENERGY AND TRADING

NOK million	Second quarter		Year to date		Year 2012
	2013	2012	2013	2012	
Net operating revenues, underlying	454	344	915	957	2 016
EBITDA, underlying	182	-2	324	460	809
Operating profit, underlying	103	-96	171	248	397
Unrealised value changes energy contracts	289	175	196	574	738
Significant non-recurring items	-	-	-	-	-1 986
Operating profit, booked	391	79	367	822	-850
Share of profit from associated companies and joint ventures	3	10	2	10	-31
Maintenance investments	28	26	41	32	127
Investments in new capacity	29	58	64	420	1 014
Investments in shareholdings	-	-	-	-	-
Production, volume sold (TWh)	0.1	0.4	0.9	1.1	1.9

Highlights

- The gas power plant Knapsack II was completed in May.
- Due to high renewable power production in Germany, short-term power prices have continued to fall, and the margin between power and gas price has deteriorated further. As a result, the gas power plants in Knapsack and Herdecke are currently out of production. The power plants, which have been placed in so-called wet storage, can be restarted on short notice if market conditions change.

Financial performance

- The reduction in underlying EBITDA is mainly due to a less negative result from the gas power business as well as lower operating expenses.
- Operating expenses were lower than in the same quarter in 2012 as a result of lower activity levels for gas and reduced depreciation as a result of write-downs in the fourth quarter of 2012.

Investments

- Investments in increased capacity were mainly in connection with the completion of the Knapsack II gas power plant in Germany.

INTERNATIONAL HYDROPOWER

NOK million	Second quarter		Year to date		Year
	2013	2012	2013	2012	2012
Net operating revenues, underlying	268	259	534	524	1 054
EBITDA, underlying	99	92	207	200	320
Operating profit, underlying	50	43	111	99	98
Unrealised value changes					
energy contracts	37	-99	155	-99	-113
Significant non-recurring items	162	-	162	-	-78
Operating profit, booked	248	-56	427	-0	-93
Share of profit from associated companies and joint ventures	56	262	17	329	146
Maintenance investments	7	26	21	37	90
Investments in new capacity	719	469	1 288	847	1 687
Investments in shareholdings	15	25	23	2 407	2 433
Production, volume sold (TWh)	0.8	0.7	1.6	1.3	2.6

Highlights

- Statkraft and Norfund signed an agreement with a shared intention of restructuring and extending their cooperation within renewable energy. The objective is to create a leading international hydropower environment, based on assets from Statkraft, SN Power and Agua Imara. A final agreement on the ownership structure is expected by the end of 2013.
- The acquisition of Devoll Hydropower Sh.A. has been approved by the Albanian Ministry of Finance, Trade and Energy, and Statkraft now owns 100% of the shares. The company will build two power plants with a total installed capacity of 243 MW and an annual production of about 700 GWh.
- La Higuera in Chile was back in operation on 17 May following a rockslide in the intake tunnel in August 2011.
- SN Power sold the shares in Norvind in Chile on 2 July.

Financial performance

- EBITDA was on par with the second quarter of 2012.
- Unrealised changes in value for energy contracts related to rising prices in the Brazilian power market.
- The decline in share of profit from associated companies and joint ventures primarily related to lower contributions from the business in the Philippines compared with the same period last year, somewhat offset by improved developments in Chile.

Investments

- Maintenance investments related primarily to hydropower plants in Peru.
- Investments in new capacity relate to the hydropower developments in Turkey, Peru and Panama.

WIND POWER

NOK million	Second quarter		Year to date		Year
	2013	2012	2013	2012	2012
Net operating revenues, underlying	210	83	442	172	511
EBITDA, underlying	112	-43	230	-33	-25
Operating profit, underlying	27	-76	68	-92	-141
Unrealised value changes					
energy contracts	-	-	-	-	-
Significant non-recurring items	-	-	-	-	-
Operating profit, booked	27	-76	68	-92	-141
Share of profit from associated companies and joint ventures	-5	1	-10	-5	-25
Maintenance investments	4	-	10	1	7
Investments in new capacity	988	1 112	1 327	1 690	3 188
Investments in shareholdings	4	9	4	9	144
Production, volume sold (TWh)	0.3	0.1	0.6	0.4	0.7

Highlights

- The onshore wind farms Baillie (52.5 MW) in the UK and Stamåsen (60 MW) in Sweden started production. The segment has another five onshore wind farms under construction – four in Sweden and one in the UK. The total installed capacity of these wind farms is 524 MW.

Financial performance

- EBITDA increased as a result of the Sheringham Shoal offshore wind farm being in full operation in the second quarter of 2013. The farm was still under construction in the corresponding quarter last year. The onshore wind farms also made positive contributions as a result of higher realised prices and new production capacity from the two new wind farms.
- In total, the segment produced 286 GWh in the second quarter, with 169 GWh from onshore wind farms and 117 GWh from offshore wind farms. This represents a doubling of the production compared with the same quarter in 2012.

Investments

- The investments in increased capacity relate primarily to the onshore wind farms under construction.

DISTRICT HEATING

NOK million	Second quarter		Year to date		Year 2012
	2013	2012	2013	2012	
Net operating revenues, underlying	75	82	216	192	384
EBITDA, underlying	17	29	93	79	142
Operating profit, underlying	-18	-3	22	17	-2
Unrealised value changes energy contracts	-	-	-	-	-
Significant non-recurring items	-	-	-	-	-
Operating profit, booked	-18	-3	22	17	-2
Share of profit from associated companies and joint ventures	-	-	-	-1	-1
Maintenance investments	-	7	-	7	-
Investments in new capacity	113	76	219	193	369
Investments in shareholdings	-	4	-	4	6
Production, volume sold (TWh)	0.2	0.2	0.7	0.6	0.9

Highlights

- Alingsås Energi has exercised its option to repurchase the production plant in Alingsås in Sweden. The agreement was signed in June and the transaction will be completed with accounting effect in the third quarter.

Financial performance

- The lower EBITDA is due mainly to corrections for energy purchase costs in connection with previous periods.

Investments

- Investments relate primarily to the construction in Ås and Sandefjord in Norway, Hammargård in Sweden and district heating grids.

INDUSTRIAL OWNERSHIP

NOK million	Second quarter		Year to date		Year 2012
	2013	2012	2013	2012	
Net operating revenues, underlying	746	622	1 717	1 569	3 010
EBITDA, underlying	395	299	947	844	1 495
Operating profit, underlying	278	187	720	637	1 061
Unrealised value changes energy contracts	12	14	29	-14	1
Significant non-recurring items	-	-	-	-	-216
Operating profit, booked	290	201	749	623	846
Share of profit from associated companies and joint ventures	202	97	449	456	781
Maintenance investments	81	81	201	150	381
Investments in new capacity	152	122	220	243	538
Investments in shareholdings	-	-	-	-	-
Production, volume sold (TWh)	1.2	1.2	3.0	3.1	6.0

Highlights

- BKK has decided to build a new 420 kV power line from Kollsnes to Mongstad in Hordaland. The line will start operations in 2017, and will significantly improve security of supply in the Bergen region.
- Agder Energi has decided to build the power plant Iveland 2, which will increase production in the Otra river system by 140 GWh. Construction has started.

Financial performance

- EBITDA is up NOK 95 million compared with same period in 2012, due to higher revenues from power sales as well as higher revenues from grid activities.
- The increase in the share of profit from associated companies is mainly due to higher production and prices, as well as positive unrealised changes in value on energy contracts. In addition, revenues from grid activities make a contribution.

Investments

- Investments are proceeding as planned. Most of the investments are new investments in hydropower and district heating.

OTHER ACTIVITIES¹⁾

NOK million	Second quarter		Year to date		Year
	2013	2012	2013	2012	2012
Net operating revenues, underlying	143	131	290	298	565
EBITDA, underlying	-124	-142	-200	-264	-787
Operating profit, underlying	-143	-157	-237	-293	-856
Unrealised value changes					
energy contracts	-52	3	-45	-20	7
Significant non-recurring items	-	-	-	60	175
Operating profit, booked	-195	-154	-282	-253	-674
Share of profit from associated companies and joint ventures	-	-	-	-	-
Maintenance investments	-	-9	-	-	-
Investments in new capacity	94	55	175	87	229
Investments in shareholdings	-	-	-	-	-
Production, volume sold (TWh)	0.1	0.1	0.1	0.1	0.3

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

Financial performance

- Positive change in EBITDA due to higher internal sales and increased cost allocation.

Investments

- Investments in increased capacity mainly relate to investments in small-scale hydropower and property.

Outlook

The short-term Nordic power prices are expected to be somewhat higher than in 2012. Statkraft's large reservoir capacity with both seasonal and multiple-year reservoirs provides the Group with ample flexibility in relation to managing water resources efficiently. Long-term power contracts contribute to stabilise the Group's earnings. The market situation in Europe means that Statkraft's gas power plants do not currently have any power production. If market conditions change, the gas power plants can be restarted at relatively short notice.

In emerging markets, the growth in demand is expected to continue. The letter of intent recently signed by Statkraft and Norfund aims to restructure and extend the companies' international cooperation within renewable energy.

Statkraft focuses on European flexible power production, market activities, hydropower in emerging markets, wind power and district heating. The overall investment level will be adapted to ensure that the company maintains a strong financial position.

Oslo, 14 August 2013
The Board of Directors of Statkraft AS

Declaration from the Board of Directors and President and CEO

We hereby declare to the best of our knowledge that the six-month interim financial statements for the period 1 January to 30 June 2013 have been prepared in accordance with IAS 34, Interim Reporting, and that the accounting information provides a true and fair view of the Group's assets, liabilities, financial position and performance as a whole, and that the six-month interim report provides a true and fair view of important events in the accounting period and their influence on the six-month interim financial statements, associated material transactions and the key risk and uncertainty factors facing the business in the next accounting period.

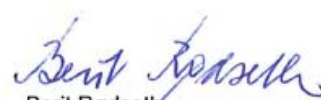
Oslo, 14 August 2013
The Board of Directors of Statkraft AS



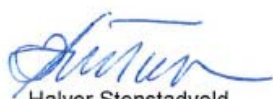
Olav Fjell
Chairman



Ellen Stensrud
Deputy chair



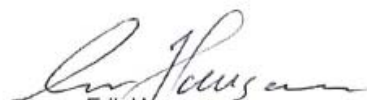
Berit Rødseth
Board member



Halvor Stenstadvold
Board member



Silja Seres
Board member



Erik Håugane
Board member



Thorbjørn Holøs
Board member



Odd Vanvik
Board member



Lena Halvari
Board member



Christian Rynning-Tønnesen
President and CEO

Statkraft AS Group Interim Financial Statements

NOK million	Second Quarter		Year to date		The year
	2013	2012	2013	2012	2012
COMPREHENSIVE INCOME					
PROFIT AND LOSS					
Sales revenues	10 362	8 051	22 953	19 091	36 447
Other operating revenues	512	135	702	477	1 103
Gross operating revenues	10 874	8 186	23 655	19 569	37 550
Energy purchase	-4 720	-4 187	-10 754	-9 350	-18 172
Transmission costs	-186	-222	-490	-536	-1 026
Net operating revenues	5 968	3 777	12 411	9 683	18 352
Salaries and payroll costs	-648	-626	-1 474	-1 427	-3 046
Depreciation, amortisation and impairments	-699	-617	-1 347	-1 232	-4 814
Property tax and licence fees	-418	-346	-826	-682	-1 345
Other operating expenses	-755	-850	-1 452	-1 528	-3 469
Operating expenses	-2 519	-2 439	-5 099	-4 869	-12 674
Operating profit/loss	3 449	1 337	7 311	4 815	5 679
Share of profit/loss from associates and joint ventures	256	370	459	789	871
Financial income	66	705	104	785	996
Financial expenses	-313	-325	-615	-689	-1 301
Net currency effects	-3 948	1 146	-4 954	2 517	4 468
Other financial items	-291	109	-858	35	-1 822
Net financial items	-4 486	1 636	-6 323	2 649	2 341
Profit/loss before tax	-781	3 344	1 447	8 252	8 890
Tax expense	-127	-901	-1 912	-2 380	-4 220
Net profit/loss	-908	2 443	-466	5 873	4 671
Of which non-controlling interest	101	113	211	322	230
Of which majority interest	-1 010	2 331	-677	5 551	4 440
OTHER COMPREHENSIVE INCOME					
Changes in fair value of financial instruments	-186	-728	-401	164	337
Estimate deviation pensions	66	-15	249	-15	1 045
Items recorded in other comprehensive income in associates and joint arrangements	145	-126	145	-161	320
Currency translation effects	3 123	-159	5 799	-2 005	-4 536
Other comprehensive income	3 148	-1 028	5 792	-2 017	-2 833
Comprehensive income	2 240	1 415	5 326	3 856	1 838
Of which non-controlling interest	207	224	654	231	-156
Of which majority interest	2 034	1 191	4 673	3 625	1 994

NOK million	30.06.2013	30.06.2012	31.12.2012	31.12.2011
STATEMENT OF FINANCIAL POSITION				
ASSETS				
Intangible assets	4 006	3 552	3 242	3 136
Property, plant and equipment	96 721	87 915	88 665	85 195
Investments in associates and joint ventures	15 867	16 535	15 924	15 080
Other non-current financial assets	2 666	12 500	10 714	12 163
Derivatives	4 531	6 128	5 397	4 687
Non-current assets	123 790	126 631	123 942	120 261
Inventories	1 273	1 127	1 588	977
Receivables	8 226	7 390	9 604	9 272
Short-term financial investments	432	452	457	455
Derivatives	5 318	3 396	4 996	5 356
Cash and cash equivalents (included restricted cash)	10 742	8 428	5 440	8 605
Current assets	25 991	20 793	22 084	24 664
Assets	149 782	147 424	146 026	144 925
EQUITY AND LIABILITIES				
Paid-in capital	49 111	45 569	45 569	45 569
Retained earnings	10 607	11 572	9 934	12 840
Non-controlling interest	7 482	7 402	6 934	7 241
Equity	67 200	64 543	62 437	65 651
Provisions	20 513	21 514	20 035	21 350
Long-term interest-bearing liabilities	35 505	29 538	33 517	31 820
Derivatives	4 486	5 265	6 038	4 673
Long-term liabilities	60 504	56 317	59 591	57 842
Short-term interest-bearing liabilities	3 716	7 704	7 108	5 467
Taxes payable	2 916	2 784	3 246	3 411
Other interest-free liabilities	10 960	11 462	9 341	6 960
Derivatives	4 485	4 614	4 303	5 596
Current liabilities	22 077	26 561	23 999	21 433
Equity and liabilities	149 782	147 424	146 026	144 925

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 01.01.2012	45 569	20 795	-7 955	12 840	58 409	7 241	65 651
Net profit/loss	-	5 551	-	5 551	5 551	322	5 873
Items in other comprehensive income that recycles over profit/loss							
Changes in fair value of financial instruments	-	178	-	178	178	-14	164
Estimate deviation pensions	-	-9	-	-9	-9	-6	-15
Items recorded in other comprehensive income in associates and joint ventures	-	-177	-	-177	-177	16	-161
Currency translation effects	-	-	-1 918	-1 918	-1 918	-87	-2 005
Total comprehensive income for the period	-	5 543	-1 918	3 625	3 625	231	3 856
Dividend and Group contribution paid	-	-4 900	-	-4 900	-4 900	-212	-5 112
Business combinations and divestments	-	7	-	7	7	129	136
Liability of the option to increase shareholding in subsidiary	-	-	-	-	-	-137	-137
Capital increase	-	-	-	-	-	149	149
Balance as of 30.06.2012	45 569	21 445	-9 873	11 572	57 141	7 402	64 543
Balance as of 01.01.2012	45 569	20 795	-7 955	12 840	58 409	7 241	65 651
Net profit/loss	-	4 441	-	4 441	4 441	230	4 671
Items in other comprehensive income that recycles over profit/loss							
Changes in fair value of financial instruments	-	372	-	372	372	-35	337
Estimate deviation pensions	-	1 224	-	1 224	1 224	229	1 453
Income tax related to estimate deviation pensions	-	-343	-	-343	-343	-64	-407
Items recorded in other comprehensive income in associates and joint ventures	-	320	-	320	320	-	320
Currency translation effects	-	-	-4 020	-4 020	-4 020	-516	-4 536
Total comprehensive income for the period	-	6 014	-4 020	1 994	1 994	-156	1 839
Dividend and Group contribution paid	-	-4 900	-	-4 900	-4 900	-308	-5 208
Business combinations and divestments	-	-	-	-	-	126	126
Liability of the option to increase shareholding in subsidiary	-	-	-	-	-	-137	-137
Capital increase	-	-	-	-	-	167	167
Balance as of 31.12.2012	45 569	21 909	-11 975	9 933	55 503	6 934	62 437
Net profit/loss	-	-677	-	-677	-677	211	-466
Items in other comprehensive income that recycles over profit/loss							
Changes in fair value of financial instruments	-	-502	-	-502	-502	102	-401
Estimate deviation pensions	-	249	-	249	249	-	249
Items recorded in other comprehensive income in associates and joint ventures	-	145	-	145	145	-	145
Currency translation effects	-	-	5 459	5 459	5 459	341	5 799
Total comprehensive income for the period	-	-785	5 459	4 673	4 673	653	5 326
Dividend and Group contribution paid	-	-4 000	-	-4 000	-4 000	-119	-4 119
Business combinations and aquisition of assets	2 918	-	-	-	2 918	-	2 918
Capital increase	624	-	-	-	624	14	638
Balance as of 30.06.2013	49 111	17 124	-6 517	10 607	59 718	7 482	67 200

NOK million	Year to date		The year
	2013	2012	2012
STATEMENT OF CASH FLOW			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	1 447	8 252	8 890
Profit/loss on sale of non current assets	3	-18	-28
Depreciation, amortisation and impairments	1 347	1 232	4 814
Profit from bargain purchase	-162	-	-
Profit/loss from the sale of shares, and associates and joint ventures	120	-	-81
Share of profit/loss from associates and joint ventures	-459	-789	-871
Unrealised changes in value	4 345	-1 362	-1 452
Taxes	-2 371	-2 853	-4 426
Cash flow from operating activities	4 269	4 462	6 846
Changes in long term items	-468	-184	-225
Changes in short term items	-342	1 745	1 710
Dividend from associates	754	1 136	1 958
Net cash flow operating activities	A	4 213	7 159
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in property, plant and equipment, maintenance	-557	-403	-1 065
Investments in property, plant and equipment, new capacity*	-3 773	-4 162	-8 396
Proceeds from sale of non-current assets	8 515	48	126
Business combinations, net liquidity outflow from the Group**	27	90	-54
Loans to third parties	-335	-328	-670
Repayment of loans	56	8	8
Considerations regarding investments in other companies***	-27	-2 416	-2 433
Net cash flow from investing activities	B	3 907	-12 484
CASH FLOW FROM FINANCING ACTIVITIES			
New debt	591	638	7 919
Repayment of debt	-3 505	-884	-4 573
Dividend and group contribution paid	-119	-	-4 293
Share issue in subsidiary to non-controlling interests	14	149	167
Net cash flow from financing activities	C	-3 018	-780
Net change in cash and cash equivalents	A+B+C	5 102	-2 974
Currency exchange rate effects on cash and cash equivalents	200	-77	-191
Cash and cash equivalents 01.01	5 440	8 605	8 605
Cash and cash equivalents 30.06/31.12	10 742	8 428	5 440
Unused committed credit lines	12 000	12 000	12 000
Unused overdraft facilities	1 973	1 159	2 205
Restricted Cash	-340	-818	-232

*Investments in new capacity are NOK 4119 million lower than investments in new capacity in the segment reporting due to aquisition of assets of NOK 4021 million from Statkraft SF and NOK 98 million from investments not yet paid as of second quarter 2013.

** Included in cash and cash equivalents are NOK 244 million related to joint operations as of second quarter 2013.

NOK million	Statkraft AS Group	Nordic Hydropower	Continental Energy & Trading	International Hydropower	Wind Power	District Heating	Industrial Ownership	Other activities	Group Items
SEGMENTS									
2nd Quarter 2013									
Operating revenue external, underlying	10 874	2 121	4 707	419	5	123	1 630	25	1 844
Operating revenue internal, underlying	-	777	-10	-	213	-	22	118	-1 121
Gross operating revenues, underlying	10 874	2 898	4 697	419	219	123	1 652	143	723
Net operating revenues, underlying	5 968	2 662	454	268	210	75	746	143	1 408
Operating profit/loss, underlying	3 449	1 581	103	50	27	-18	278	-143	1 571
Unrealised value change energy derivatives	-	980	289	37	-	-	12	-52	-1 266
Non-recurring items	-	164	-	162	-	-	-	-	-326
Operating profit/loss	3 449	2 726	391	248	27	-18	290	-195	-21
Share of profit/loss from associates and joint ventures	256	-	3	56	-5	-	202	-	-
Profit and loss, before financial items and tax	3 705	2 726	394	304	22	-18	492	-195	-21
Year to date 2013									
Operating revenue external, underlying	23 655	5 062	10 262	883	11	382	4 112	55	2 889
Operating revenue internal, underlying	-	2 202	-16	-	450	1	39	237	-2 913
Gross operating revenues, underlying	23 655	7 264	10 245	883	460	383	4 152	292	-24
Net operating revenues, underlying	12 411	6 741	915	534	442	216	1 717	290	1 556
Operating profit/loss, underlying	7 311	4 574	171	111	68	22	720	-237	1 882
Unrealised value change energy derivatives	-	1 262	196	155	-	-	29	-45	-1 597
Non-recurring items	-	164	-	162	-	-	-	-	-326
Operating profit/loss	7 311	6 000	367	427	68	22	749	-282	-41
Share of profit/loss from associates and joint ventures	459	-	2	17	-10	-	449	-	-
Profit/loss, before financial items and tax	7 770	6 000	369	445	58	22	1 198	-282	-41
Balance sheet 30.06.2013									
Investment in associates and joint ventures	15 867	-	2	6 472	71	-	9 320	-	2
Other assets	133 915	53 931	5 080	12 991	10 949	3 052	14 567	57 255	-23 910
Total assets	149 782	53 931	5 082	19 463	11 020	3 052	23 887	57 255	-23 908
Depreciations, amortisation and impairments	-1 347	-601	-153	-97	-162	-70	-227	-37	-
Maintenance investments	557	285	41	21	10	-	201	-	-
Investments in new generating capacity	7 892	4 599	64	1 288	1 327	219	220	175	-
Investments in other companies	27	-	-	23	4	-	-	-	-
2nd Quarter 2012									
Operating revenue external, underlying	8 186	2 439	3 958	384	-	119	1 305	26	-45
Operating revenue internal, underlying	-	587	-124	4	32	-	12	106	-617
Gross operating revenues, underlying	8 186	3 026	3 834	388	32	119	1 317	132	-662
Net operating revenues, underlying	3 777	2 846	344	259	83	82	622	131	-591
Operating profit/loss, underlying	1 337	1 855	-96	43	-76	-3	187	-157	-416
Unrealised value change energy derivatives	-	-504	175	-99	-	-	14	3	411
Non-recurring items	-	-	-	-	-	-	-	-	-
Operating profit/loss	1 337	1 350	79	-56	-76	-3	201	-154	-5
Share of profit/loss from associates and joint ventures	370	-	10	262	1	-	97	-	-
Profit/loss before financial items and tax	1 708	1 350	89	206	-75	-3	298	-154	-5
Year to date 2012									
Operating revenue external, underlying	19 569	5 614	8 565	770	-	322	3 561	85	653
Operating revenue internal, underlying	-	1 680	-135	9	121	-	19	215	-1 910
Gross operating revenues, underlying	19 569	7 294	8 430	780	121	322	3 580	300	-1 258
Net operating revenues, underlying	9 683	6 808	957	524	172	192	1 569	298	-836
Operating profit/loss, underlying	4 815	4 755	248	99	-92	17	637	-293	-556
Unrealised value change energy derivatives	-	-1 030	574	-99	-	-	-14	-20	590
Non-recurring items	-	-	-	-	-	-	-	60	-60
Operating profit/loss	4 815	3 725	822	-	-92	17	623	-253	-26
Share of profit/loss from associates and joint ventures	789	-	10	329	-5	-1	456	-	-
Profit before financial items and tax	5 603	3 725	832	329	-97	16	1 079	-253	-26
Balance sheet 30.06.2012									
Investment in associates and joint ventures	16 535	-	46	7 812	91	-	8 586	-	1
Other assets	130 889	48 579	6 459	9 956	7 724	2 790	14 203	61 276	-20 099
Total assets	147 424	48 579	6 505	17 768	7 815	2 790	22 789	61 276	-20 098
Depreciations, amortisation and impairments	-1 232	-561	-212	-102	-59	-61	-207	-29	-
Maintenance investments	403	176	32	37	1	7	150	-	-
Investments in new generating capacity	3 926	446	420	847	1 690	193	243	87	-
Investments in other companies	2 420	-	-	2 407	9	4	-	-	-

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 2012									
Operating revenue external, underlying	37 550	10 143	16 857	1 566	17	625	6 691	117	1 533
Operating revenue internal, underlying	-	3 221	-32	1	508	1	33	452	-4 184
Gross operating revenues, underlying	37 550	13 365	16 825	1 567	526	626	6 724	568	-2 651
Net operating revenues, underlying	18 352	12 479	2 016	1 054	511	384	3 010	565	-1 667
Operating profit/loss, underlying	5 679	8 274	397	98	-141	-2	1 061	-856	-3 152
Unrealised value change energy derivatives	-	-1 663	738	-113	-	-	1	7	1 030
Non-recurring items	-	-	-1 986	-78	-	-	-216	175	2 105
Operating profit/loss	5 679	6 610	-850	-93	-141	-2	846	-674	-17
Share of profit/loss from associates and joint ventures	871	-	-31	146	-25	-1	781	-	-
Profit/loss before financial items and tax	6 549	6 610	-881	53	-166	-3	1 627	-674	-17
Balance sheet 31.12.2012									
Investment in associates and joint ventures	15 924	-	-	6 368	82	-	9 463	-	12
Other assets	130 102	48 837	4 808	10 442	9 433	2 874	14 254	58 947	-19 495
Total assets	146 026	48 837	4 808	16 810	9 515	2 874	23 717	58 947	-19 483
Depreciations, amortisation and impairments	-4 814	-1 136	-2 397	-301	-116	-145	-650	-69	-
Maintenance investments	1 065	460	127	90	7	-	381	-	-
Investments in new generating capacity	8 073	1 048	1 014	1 687	3 188	369	538	229	-
Investments in other companies	2 583	-	-	2 433	144	6	-	-	-

Selected notes to the accounts

1. FRAMEWORK AND MATERIAL ACCOUNTING POLICIES

The consolidated interim financial statements for the second quarter of 2013, the three months ending 30 June 2013, have been prepared in accordance with International Financial Reporting Standards (IFRSs) and include Statkraft AS, 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 2012. The interim accounts have not been audited. Applied accounting principles in the quarterly report are the same as those applied in the annual accounts, with the exception of the implementation of IFRS 10, 11, 12 and 13

The Group has chosen to implement the following standards early, with associated changes in other standards as of the 2013 fiscal year.

- **IFRS 10 Consolidated financial statements** The standard relates to definition of subsidiaries and places greater emphasis on actual control than earlier rules did. Investments in subsidiaries and associated companies have been evaluated in accordance with IFRS 10. The implementation of the standard has not resulted in any changes for Statkraft.
- **IFRS 11 Joint arrangements** The standard regulates accounting of activities where Statkraft has joint control with other investors. Joint operations shall, in accordance with the new standard, be incorporated in accordance with a method corresponding to the gross method. The agreement between the participants describing individual rights and obligations in the joint operations will determine how to account for an asset in jointly controlled operations. For Statkraft, this entails that several shareholdings previously presented in accordance with the equity method will now be presented in accordance with the proportionate consolidation in accordance with IFRS 11. All entities that meet the definition of joint ventures will be accounted for using the equity method. The effect of the implementation of IFRS 11 is shown in Note 9
- **IFRS 12 Disclosure of interests in other entities** The standard sets requirements related to note information concerning investments in subsidiaries, associated companies and jointly controlled entities. The purpose is to provide information about characteristics and risks in connection with the Group's investments in such companies, and the effect this has on the Group's balance sheet, results and cash flows. The standard introduces several new information requirements for the annual accounts.
- **IFRS 13 Fair Value Measurement** The standard defines principles and guidelines for measuring the fair value of assets and liabilities which other standards require or permit to be measured at fair value. The effect of the implementation of IFRS 13 is limited.

Practice for presentation of power sales revenues and energy purchases is changed from 1 January 2013

Gross presentation is the basis for presentation of revenues in the consolidated financial statements. In 2013, Statkraft has reviewed the existing practice as regards classification of certain energy contracts in the income statement. This has resulted in some contracts that were previously recorded net under sales revenues now being classified gross as either sales revenues or energy purchases. In this connection, reference is made to Note 9, which shows the overall effect as a result of changed practice and implementation of IFRS 11.

2. PRESENTATION OF FINANCIAL ACCOUNTS

The presentation of the interim report has been prepared in accordance with the requirements in IAS 34. The schedules comply with the requirements in IAS 1. Comparable figures following the implementation of the changed accounting principles have been converted, and the effect presented in Note 9.

3. ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group's accounting policies in connection with 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 that can have a significant risk of material changes to the amounts recognised in future accounting periods are discussed in the annual report for 2012.

In preparing the consolidated financial statements for the second 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 2012.

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	Second Quarter 2013			Year to date 2013		
	Unrealised	Realised	Total	Unrealised	Realised	Total
UNREALISED EFFECTS REPORTED IN P&L						
Sales revenues						
Long term contracts	730	1 808	2 539	442	3 550	3 992
Nordic and Continental Dynamic Asset Management Portfolio	68	54	123	60	110	170
Trading and origination	-143	336	193	-168	631	462
End User	-2	984	982	-	2 574	2 574
Other sales revenues	-	6 594	6 594	-	15 813	15 813
Eliminations	-52	-17	-68	-45	-13	-58
Total sales revenues	602	9 760	10 362	289	22 664	22 953
Energy purchase	521	-5 241	-4 720	1 139	-11 894	-10 754
Net currency effects	-3 944	-4	-3 948	-5 033	79	-4 954
Other financial items						
Net gains and losses on derivatives and securities	-404	2	-402	-741	3	-738
Impairment and gain/loss of financial assets	73	37	111	-	-120	-120
Total unrealised effects	-3 150			-4 346		

NOK million	Second Quarter 2012			Year to date 2012			The Year 2012		
	Unrealised	Realised	Total	Unrealised	Realised	Total	Unrealised	Realised	Total
UNREALISED EFFECTS REPORTED IN P&L									
Sales revenues									
Long term contracts	-301	1 525	1 223	-851	3 080	2 229	-1 613	6 179	4 566
Nordic and Continental Dynamic Asset Management Portfolio	-139	232	93	-33	426	393	71	525	596
Trading and origination	-5	119	114	-7	333	325	460	266	726
End User	-	781	781	-	2 178	2 178	-	4 024	4 024
Other sales revenues	-	5 842	5 842	-	13 976	13 976	-	26 534	26 534
Eliminations	3	-5	-2	-20	10	-10	7	-6	1
Total sales revenues	-443	8 493	8 051	-911	20 003	19 091	-1 076	37 523	36 447
Energy purchase	27	-4 214	-4 187	314	-9 664	-9 350	506	-18 678	-18 172
Net currency effects	862	284	1 146	1 921	596	2 517	3 815	653	4 468
Other financial items									
Net gains and losses on derivatives and securities	197	1	199	128	-	128	347	2	349
Impairment and gain/loss of financial assets	-90	-	-90	-90	-3	-93	-2 140	-30	-2 171
Total unrealised effects	553			1 362			1 452		

6. OTHER FINANCIAL ASSETS

Other financial fixed assets in the balance sheet included the shareholding in E.ON SE. Statkraft has divested its entire shareholding of 83.4 million shares over the course of the first six months of 2013. The divestment has resulted in a loss of NOK 120 million in 2013. The sale has freed up NOK 8515 million.

7. CURRENCY EFFECTS ON INTERNAL LOANS

Net currency effects on internal loans as of the second quarter amounted to NOK -3226 million, of which NOK -3109 million was unrealised. The negative effect is mainly due to a weaker NOK and SEK 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 is reported in other comprehensive income. This equalises currency gains and losses added to the equity through the income statement.

8. HEDGE ACCOUNTING

Statkraft has used hedge accounting in 2013 that has reduced volatility in the income statement. A major share of the debt in EUR has been hedged against changes in interest rates.

Statkraft has established hedging for accounting purposes of the net investment in STC in EUR. The effect so far this year, is NOK 762 million in losses being recognised in other comprehensive income, and not the income statement.

9. CHANGED ACCOUNTING PRINCIPLES

Statkraft has changed accounting principles from the equity method to the gross method in accordance with IFRS 11 Joint Arrangements for the following investments:

- Scira Offshore Energy Ltd. (Sheringham Shoal)
- Dudgeon Offshore Wind Ltd.
- Forewind Ltd.

- Naturkraft AS
- Kraftwerksgesellschaft Herdecke, GmbH & Co. KG

The effect of the implementation of IFRS 11, as well as the transition to gross presentation for some contracts, is shown in the tables below:

NOK million	Second quarter 2012	Year to date 2012	The year 2012
COMPREHENSIVE INCOME			
PROFIT AND LOSS			
Increase in gross operating revenues*	734	3 017	5 219
Increase in net operating revenues	-136	243	693
Increase (-)/ decrease (+) in operating expenses	-35	2	-380
Changes in operating profit/loss	-171	245	314
Decrease in share of profit/loss from associates and joint ventures	162	-182	-153
Changes in net financial items	-14	-31	-76
Changes in profit/loss before tax	-23	32	84
Increase in tax expense	23	-32	-84
Changes in net profit/loss	-	-	-
OTHER COMPREHENSIVE INCOME			
Changes in other comprehensive income	-	-	-
Changes in comprehensive income	-	-	-
* Increase in gross operating revenues, include increase from changes to gross presentation of different contracts of NOK 3036 million year to date 2012 and NOK 5236 million for the year 2012. The opposite effect is presentet in energy purchase, leaving a net effect of zero of net operating revenue.			

NOK million	30.06.2012	31.12.2012	31.12.2011
STATEMENT OF FINANCIAL POSITION			
ASSETS			
Increase in intangible assets	25	28	29
Increase in property, plant and equipment	5 154	5 608	3 954
Decrease om investments in associates and joint ventures	-1 142	-2 050	-1 029
Increase in other non current assets	468	616	372
Increase in cash and cash equivalents (included restricted cash)	211	394	322
Increase in other current assets	-3 821	-3 562	-2 601
Increase in assets	896	1 034	1 046
EQUITY AND LIABILITIES			
Changes in equity	-	-	-
Changes in long-term liabilities	478	490	490
Changes in current liabilities	418	544	559
Changes in equity and liabilities	896	1 034	1 047

NOK million	Second quarter 2012	The year 2012
STATEMENT OF CASH FLOW		
CASH FLOW FROM OPERATING ACTIVITIES		
Changes in Net cash flow operating activities	29	-342
Changes in net cash flow from investing activities	-135	254
Changes in Net cash flow from financing activities	-5	16

10. BUSINESS COMBINATIONS AND TAKE-OVER OF ASSETS

On 7 May, Statkraft acquired the remaining 50% of the shares in Devoll Hydropower Sh.A., and now owns 100%. Cost for 100% of the shares in the step acquisition was NOK 162 million. Devoll's net assets amount to NOK 324 million. The preliminary acquisition analysis shows a bargain purchase with a gain of NOK 162 million immediately recognised in the financial statements.

On 1 April, Statkraft SF transferred net assets worth NOK 3542 million to the Group, of which NOK 624 million was reported as capital increase and NOK 2918 million as other paid-in equity.



Interim Report
Q2/2013
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