

INTERIM REPORT

Q1

2022

Key figures

NOK million	First quarter			Year
	2022	2021	Change	2021
Income statement				
Gross operating revenues and other income underlying	41 874	18 147	23 726	83 440
Net operating revenues and other income underlying	22 087	10 674	11 413	41 749
EBITDA underlying	19 073	8 201	10 872	30 906
Operating profit/loss (EBIT) underlying	17 953	7 216	10 737	26 792
Operating profit/loss (EBIT) IFRS	16 964	6 318	10 646	29 727
Share of profit/loss in equity accounted investments	670	444	226	1 686
Net financial items	1 648	1 511	137	1 331
Profit/loss before tax	19 282	8 273	11 009	32 744
Net profit/loss	11 442	4 819	6 622	16 081
Key financial metrics				
Operating profit/loss (EBIT) margin underlying	42.9%	39.8%	3.1%	32.1%
ROACE	31.0%	8.3%	22.7%	22.4%
ROAE	13.4%	4.2%	9.2%	12.1%
Balance sheet and investments				
Assets	342 923	185 617	157 306	310 004
Equity	119 255	100 466	18 790	107 775
Net interest-bearing debt	11 013	18 379	-7 366	14 439
Capital employed	123 435	116 790	6 645	123 598
Equity accounted investments	15 632	13 959	1 673	14 771
Total investments	2 499	1 519	980	11 868
Cash Flow				
From operating activities	2 586	3 950	-1 364	26 243
Cash and cash equivalents (incl. restricted cash)	37 705	12 203	25 502	37 162
Currency rates				
NOK/EUR average rate	9.93	10.26	-0.33	10.16
NOK/EUR closing rate	9.71	10.00	-0.28	9.99

Definitions

See section Alternative Performance Measures at the end of this report for definitions.

The quarterly report shows the development in the quarter compared with the same quarter last year, unless otherwise stated.

Table of Contents

Strategic targets	2
Corporate responsibility and HSE	3
Market and production	3
Financial performance	5
Segments	13
Outlook	18
Statkraft AS Group Interim Financial Statements	19
Alternative Performance Measures	38



STRONG RESULT AND INCREASED MARKET UNCERTAINTY



High Nordic power prices and a solid contribution from market activities led to a strong result in the quarter.

Russia's invasion of Ukraine has further impacted an extraordinary situation in the energy market, increasing the uncertainty.

Statkraft recorded a very strong EBIT in the quarter. The solid results further strengthen Statkraft's financial capacity and ability to deliver on the company's growth strategy.

In May, a fatal accident occurred at the Tidong hydropower project in India, where two employees of a local contractor lost their lives. Statkraft has initiated a full internal investigation being carried out in cooperation with the local police and authorities.

The underlying EBIT was NOK 18 billion, an increase of NOK 10.7 billion compared with the first quarter last year. The increase was driven by substantially higher Nordic power prices and improved contribution from Market operations.

The average Nordic system price was 109 EUR/MWh compared with 42 EUR/MWh in the same quarter in 2021.

Total power generation was 18.5 TWh, 2.1 TWh lower than the first quarter last year. The decrease was mainly related to Norwegian hydropower and German gas-fired generation. The flexibility of the Norwegian hydropower assets was utilised and the generation, particularly in the southern parts of Norway, increased in the last part of the quarter.

Net profit was NOK 11.4 billion, an increase of NOK 6.6 billion from the same quarter in 2021.

Cash flow from operating activities in the quarter was NOK 2.6 billion. The net interest-bearing liabilities were NOK 11 billion, giving room for significant new investments within renewable energy.

Reinvesting in the Nordic hydropower fleet is a key activity and major rehabilitation projects are underway. The annual reinvestments of NOK 2 billion in the Nordic hydropower assets optimise them for future demands and secures reliable power generation for many years to come.

Green hydrogen is important in decarbonising both the industry and the transport sector. In April, Statkraft and Skagerak Energi were awarded support from Enova to develop a hydrogen bunkering solution for the world's first zero-emission bulk carrier.

Statkraft also signed collaboration agreements with Aker Clean Hydrogen to jointly explore opportunities for green hydrogen and ammonia production in India and Brazil. For the HEGRA project, the partners agreed to change the ownership structure and Statkraft exited the project in March.

In March, Statkraft signed an agreement with the German chemical company WACKER to secure that around 40 per cent of the electricity required at the silicon metal production site in Trøndelag in Norway will be met by green electricity from hydropower. Statkraft will supply a total of 2.35 TWh of certified Norwegian hydropower from 2022 to 2027.

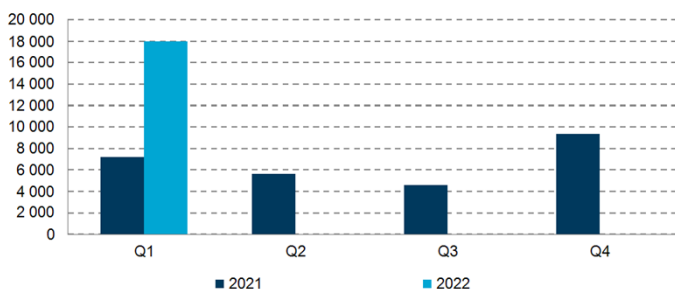
In January, Statkraft divested three solar projects in the Netherlands and one in Spain. These are all part of the business model where the aim is to develop and construct onshore wind and solar farms with the intention to be sold and reinvest the capital in new projects.

In February Statkraft acquired Elmtronics, a supplier and installer of EV charging infrastructure based in the UK. This acquisition strengthens Statkraft's position in the UK and is an important step towards establishing Mer as a North-European market leader.

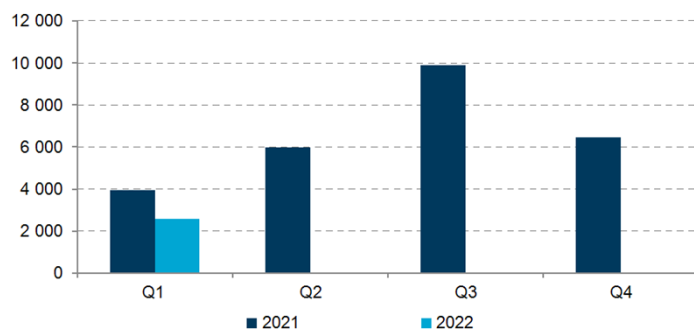
On 5 May the Board of Directors in Agder Energi – owned 45.5% by Statkraft – and Glitre Energi both gave their support to a full merger of the two companies. The new company will become the largest vertically integrated company in the Norwegian power sector with increased efficiency, investment capacity and competence. The completion of the merger is subject to approval from the extraordinary general meetings in both the companies in July. The aim is for the merger to be effective from 1 January 2023.

Russia's invasion of Ukraine is having tragic consequences, with massive loss of lives and human suffering. This is a human tragedy, but the invasion is also affecting Europe's energy markets. The uncertainty related to supply of gas and coal has led to a significant increase in prices and volatility in the energy market. One of the consequences is that countries will encourage more domestic production of energy and demand for locally produced renewable energy will increase.

Operating profit/loss (EBIT) underlying
NOK million



Cash flow from operating activities
NOK million



Strategic targets

The Board of Directors has set financial and non-financial targets for the Group. The performance related to several of the targets will be assessed over a longer time horizon. The main targets and the status at the end of the quarter are listed in the table below.

AMBITION	TARGET	STATUS
HSE and sustainability		
Prevent incidents and be committed to a workplace without injury or harm	Zero serious injuries	5
Prevent corruption and unethical practices in all activities	Zero serious compliance incidents	0
Deliver climate-friendly, renewable power and taking responsible environmental measures	Zero serious environmental incidents	0
Financial performance		
Deliver a solid return on capital	>7% ROACE	31%
Value creation in ongoing business		
Efficient management of energy resources in the Nordic hydropower fleet	>3.5% higher realised prices than the average spot price in the market	9.8%
Growth		
Grow capacity in renewable energy (hydro-, wind- and solar power)	9 GW growth by 2025	3.4 GW
Organisational enablers		
Improve diversity in background, competence and gender across the company	At least 35% women in top management positions by 2025 and at least 40% by 2030	30%

In May, a fatal working accident occurred at the Tidong Hydropower Project in India, where two employees of a local contractor lost their lives. Statkraft has initiated a full internal investigation being carried out in cooperation with the local police and authorities.

In the first quarter of 2022, there were five serious injuries. Strengthening the safety culture and performance – across the organisation and among subcontractors – is the top priority and has high attention throughout the organisation. Caring for people is at the core of Statkraft's activities and Statkraft works continuously towards the goal of zero injuries.

Statkraft has zero tolerance for corruption and unethical practices in all activities, and there were no serious compliance incidents in the first three months of 2022.

Assessing environmental risks is part of Statkraft's daily risk management procedures and practices, and there were no serious environmental incidents in the first quarter of 2022.

Statkraft aims to deliver a solid return on capital employed. Measured on 12 months rolling basis, the ROACE was 31%, which is above the target. See section "Return on average capital employed (ROACE)" for more information.

With Europe's largest portfolio of flexible hydropower plants and reservoir capacity, Statkraft can optimise Nordic hydropower generation over several years. Statkraft is therefore well positioned to achieve a higher average spot price for this generation than the average Nordic spot price. As of March 2022, Statkraft's realised prices (measured over the last 60 months) were 9.8% higher than the average spot price in the Nordics.

The strategy has a growth target of 9 GW by 2025. At the end of the first quarter, the status for this target is 3.4 GW, up from 3.3 GW from the end of 2021. By 2025, the aim is to be a major wind and solar developer with a development rate of 2.5–3 GW per year.

Statkraft aims for a diverse workforce and has a long-term ambition of having at least 40% women in top management positions. At the end of March 2022, the total share of women in all top management positions was unchanged from the end of 2021. The 40% target was reached for the corporate management in 2020.

Corporate responsibility and HSE

	First quarter		Year
	2022	2021	2021
Corporate responsibility and HSE			
Fatal accidents ¹⁾	0	0	0
Serious environmental incidents	0	0	0
Absence due to illness, Group	2.9%	2.2%	2.4%
TRI rate ^{1) 2)}	3.9	3.8	3.6
Full-time equivalents, Group	4 462	4 171	4 385

¹⁾ Includes employees and suppliers in plants where Statkraft owns 20% or more.

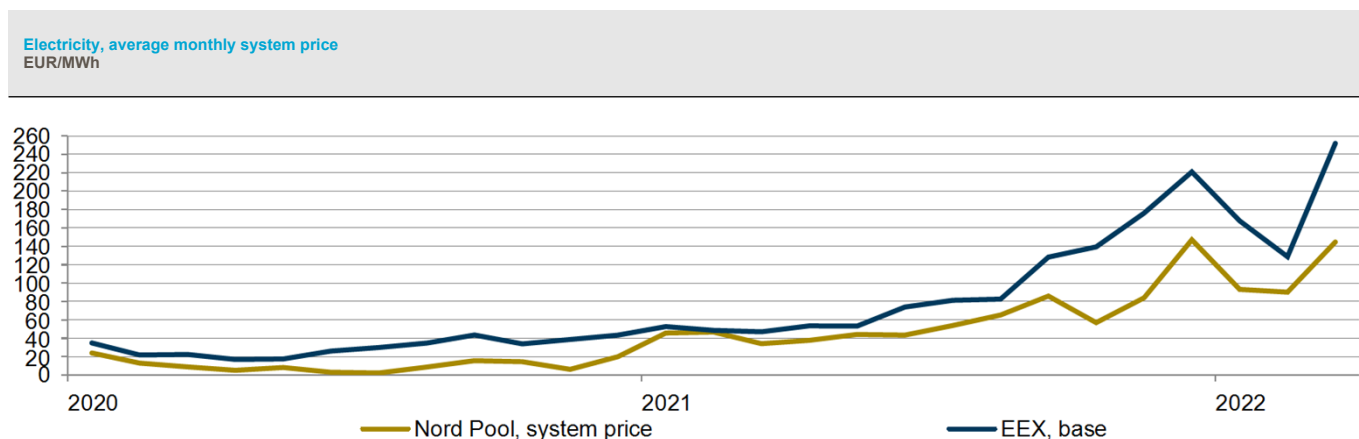
²⁾ TRI rate (rolling 12 months): Number of injuries per million hours worked.

Five serious injuries occurred in the quarter, one in Brazil and four in Norway. The incidents are being investigated according to Statkraft's procedures and all safety measures will be followed up.

Market and production

Power prices and optimisation of power generation constitute 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, commodity prices for thermal power generation, technology cost, grid restrictions and nuclear availability.

POWER PRICES



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

	First quarter			Year
	2022	2021	Change	2021
Market prices (average)				
System price, Nord Pool (EUR/MWh)	109.4	42.3	67.2	62.2
Spot price (base), EEX (EUR/MWh)	182.9	49.6	133.3	96.6
Spot price (peak), EEX (EUR/MWh)	214.4	59.5	154.9	114.5
Spot price (base), N2EX UK (GBP/MWh)	198.4	63.9	134.5	117.4

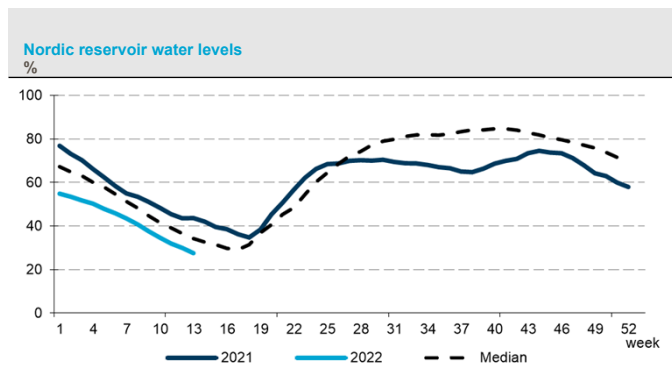
The Russian invasion of Ukraine and the uncertain geopolitical situation have made the power prices in the first quarter remain at the very high level seen at the end of last year.

The average system price in the Nordic region was 109.4 EUR/MWh in the quarter, an increase of 67.2 EUR/MWh. The increase was mainly due to higher thermal prices and lower reservoir levels. This was partly offset by lower consumption and higher wind power generation. In addition, there were significant price area differences in the quarter, with average Norwegian prices in the south around 150 EUR/MWh and prices in the mid- and north around 20 EUR/MWh.

The average base price in the German market (EEX) was 182.9 EUR/MWh in the quarter, an increase of 133.3 EUR/MWh. The increase was mainly due to significantly higher gas, coal and CO₂ prices, partly offset by higher wind power generation.

The average base price in the UK was 198.4 GBP/MWh in the quarter, an increase of 134.5 GBP/MWh. The increase was mainly driven by substantially higher gas prices.

CONSUMPTION AND RESOURCE ACCESS IN THE NORDIC REGION



Source: Nord Pool.

The total reservoir level for all hydropower producers in the Nordic region was 80% of median level at the end of the quarter, corresponding to 27.5% of total capacity. There are significant differences in the reservoir levels in Norway, with the levels in the south of Norway well below median.

STATKRAFT'S POWER GENERATION

Statkraft's generation optimisation is determined by price expectations, water reservoir capacity and reservoir water levels, access to resources (inflow and wind), the margin between power prices and gas in addition to CO₂ prices (spark spread) and grid restrictions.

TWh	First quarter		Year
	2022	2021	2021
Generation, technology			
Hydropower	16.5	18.3	63.0
Wind power	1.5	1.2	3.9
Gas-fired power	0.4	1.1	2.7
Biomass and solar power	0.1	0.1	0.2
Total generation	18.5	20.6	69.9

TWh	First quarter		Year
	2022	2021	2021
Generation, geography			
Norway	14.3	15.9	54.5
Sweden	2.0	2.0	7.1
Europe ex. Nordic	1.0	1.5	4.3
Rest of the world	1.2	1.1	4.0
Total generation	18.5	20.6	69.9

The Group generated a total of 18.5 TWh in the quarter, a decrease of 10% compared with the very high generation in the corresponding quarter last year. The decrease was mainly related to lower Norwegian hydropower generation driven by lower reservoir fillings in southern Norway. In addition, there was lower generation from gas-fired power plants following outage due to revision and fewer hours with positive spark spread.

The district heating deliveries amounted to 0.4 TWh and were 0.1 TWh lower compared with the same quarter last year driven by higher temperatures.

Financial performance

NOK million	First quarter		Change	Year 2021
	2022	2021		
Net operating revenues and other income underlying	22 087	10 674	11 413	41 749
Operating profit/loss (EBIT) underlying	17 953	7 216	10 737	26 792
Operating profit/loss (EBIT) IFRS	16 964	6 318	10 646	29 727
Share of profit/loss in equity accounted investments	670	444	226	1 686
Net financial items	1 648	1 511	137	1 331
Profit/loss before tax	19 282	8 273	11 009	32 744
Tax expense	-7 840	-3 453	-4 387	-16 663
Net profit/loss	11 442	4 819	6 622	16 081

FINANCIAL PERFORMANCE FIRST QUARTER

The increase in underlying EBIT compared with the same quarter last year was mainly driven by very high Nordic power prices. This led to improved results from the segments European flexible generation and Industrial ownership. Furthermore, the results from the Market operations segment significantly improved, particularly related to origination and dynamic asset management portfolios.

Underlying operating expenses increased 20 per cent compared with the first quarter last year, primarily related to an increased activity level in line with the growth strategy and performance-related bonus accruals due to the strong results in Market operations.

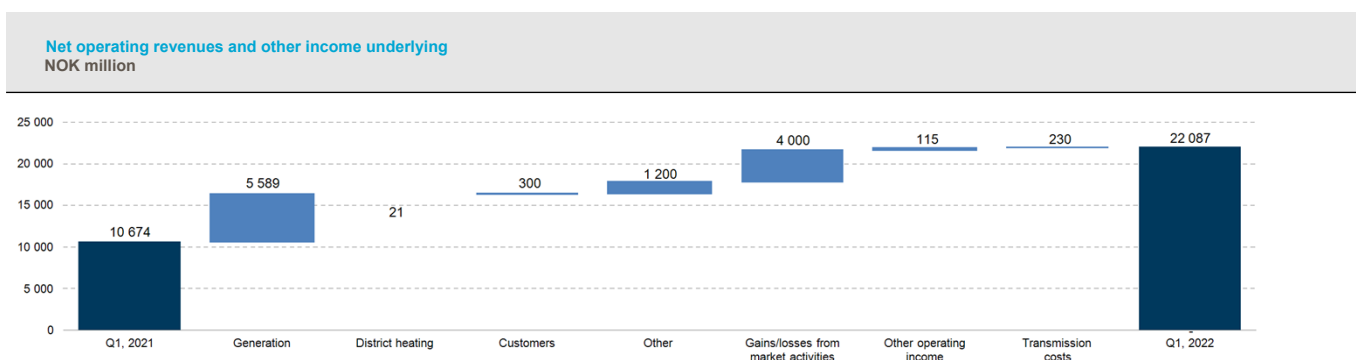
The EBIT IFRS was negatively affected by unrealised value changes from embedded EUR derivatives driven by a stronger NOK against EUR and an impairment in Chile.

The improvement in share of profit/loss in equity accounted investments was primarily related to Agder Energi and wind power investments in the UK which improved the results due to higher power prices.

Net financial items and tax expense are commented in separate sections.

NET OPERATING REVENUES AND OTHER INCOME UNDERLYING

NOK million	First quarter		Change	Year
	2022	2021		2021
Net operating revenues and other income				
Generation	15 476	9 302	6 173	43 412
District heating	366	433	- 67	1 154
Customers	16 790	5 785	11 004	34 062
Other	3 582	1 081	2 500	6 028
Sales revenues	36 213	16 602	19 611	84 656
Gains/losses from market activities	5 436	1 436	4 000	-1 950
Other operating income	225	110	115	734
Gross operating revenues and other income	41 874	18 147	23 726	83 440
Generation	-1 274	- 689	- 585	-3 335
District heating	- 109	- 155	47	- 380
Customers	-16 251	-5 547	-10 704	-33 536
Other	-1 795	- 494	-1 301	-2 717
Energy purchase	-19 429	-6 886	-12 543	-39 968
Transmission costs	- 358	- 588	230	-1 723
Net operating revenues and other income	22 087	10 674	11 413	41 749



In the graph above Generation, District heating, Customers and Other are shown as sales revenues less energy purchase.

- Net operating revenues from Generation increased, mainly driven by significantly higher Nordic power prices, partly offset by lower Norwegian hydropower generation.
- Net operating revenues from Other increased, mainly due to higher contribution from the Baltic cable, a subsea interconnector between Sweden and Germany, driven by a large increase in the price spread.
- Gains/losses from market activities increased, primarily due to higher results from the segment Market operations, driven by improved contribution from origination and dynamic asset management portfolios.
- Transmission costs have decreased, mainly driven by negative energy fees in the NO2 (Southern Norway) price area.

OPERATING EXPENSES UNDERLYING

NOK million	First quarter		Change	Year
	2022	2021		2021
Operating expenses				
Salaries and payroll costs	-1 620	-1 310	- 310	-5 286
Depreciations and amortisations	-1 120	- 985	- 135	-4 113
Regulatory fees	- 368	- 348	- 20	-1 375
Other operating expenses	-1 026	- 814	- 211	-4 183
Operating expenses	-4 134	-3 458	- 676	-14 957

- The increase in salaries and payroll costs was mainly due to higher performance-related bonus costs following the strong results in the segment Market operations. Higher number of full-time equivalents following an increased activity level in line with the growth strategy was also a factor for the increase.
- The increase in depreciations and amortisations was mainly related to the segment European wind and solar and was driven by newly acquired companies within German and French wind power and higher carrying value following previous reversal of impairments within Nordic wind power.
- Other operating expenses was higher mainly due to increased business development costs related to the growth strategy and costs from newly acquired companies.

ITEMS EXCLUDED FROM OPERATING PROFIT/LOSS (EBIT) UNDERLYING

The segment reporting is based on underlying figures, which is in accordance with how the corporate management makes, follows up and evaluates its decisions. Unrealised value changes from embedded EUR derivatives, gains/losses from divestments of business activities and impairments/reversal of impairments are excluded from operating profit/loss (EBIT) underlying. However, gains/losses from divestment of business from the Develop Sell (DS) and Develop Build Sell (DBS) portfolios are included in EBIT underlying. See the section Segments in the quarterly financial statements as well as the Alternative Performance Measures section for further information.

NOK million	First quarter			Year
	2022	2021	Change	2021
Items excluded from operating profit/loss (EBIT) underlying				
Unrealised value changes from embedded EUR derivatives	- 701	- 949	248	-1 285
Gains/losses from divestments of business activities	- 0	-	- 0	817
Impairments/reversal of impairments	- 289	51	- 340	3 403
Items excluded from operating profit/loss (EBIT) underlying	- 990	- 898	- 91	2 934

- Embedded EUR derivatives linked to long-term industry contracts had a negative effect. This was mainly driven by a strengthening of the forward NOK against EUR.
- Impairments/reversal of impairments in the quarter was mainly related to a hydropower project in Chile, see note 9.

NET FINANCIAL ITEMS

	First quarter			Year
NOK million	2022	2021	Change	2021
Net financial items				
Net currency effects	1 215	1 361	- 145	1 089
Interest and other financial items	433	150	283	242
Net financial items	1 648	1 511	137	1 331

Net financial items first quarter

- Net currency gains in the quarter were driven by a strengthening of NOK against EUR and were primarily related to external debt.
- Interest and other financial items increased mainly due to positive value changes on interest rate derivatives and higher interest income from increased liquidity.

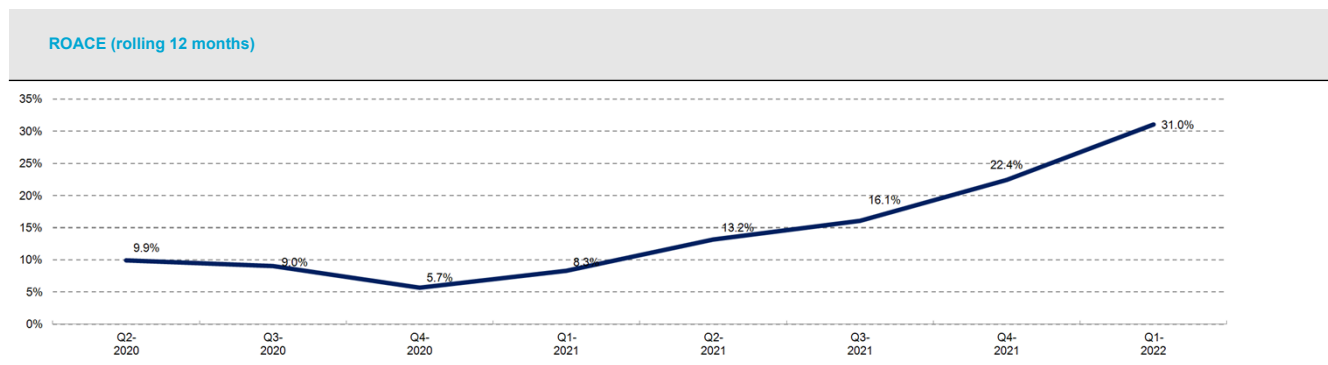
TAX EXPENSE

NOK million	First quarter			Year 2021
	2022	2021	Change	
Tax expense				
Profit/loss before tax	19 282	8 273	11 009	32 744
Nominal tax rate in Norway	22%	22%	0%	22%
Tax calculated at nominal Norwegian tax rate	4 242	1 820	2 422	7 204
Tax on share of profit/loss in equity accounted investments	- 147	- 98	- 50	- 371
Resource rent tax payable	3 401	1 499	1 902	7 749
Resource rent tax deferred	579	- 12	591	2 324
Other differences from the nominal Norwegian tax rate	- 235	244	- 479	- 244
Tax expense	7 840	3 453	4 387	16 663
Effective tax rate	40.7%	41.7%	-1.1%	50.9%

Tax expense first quarter

- Resource rent tax payable increased, mainly due to significantly higher Norwegian power prices. This was partly offset by lower generation.
- Resource rent tax deferred increased, mainly due to unrealised value changes related to embedded derivatives.
- Other differences from the nominal Norwegian tax rate in the quarter were mainly due to changes in unrecognised deferred tax assets.

RETURN ON AVERAGE CAPITAL EMPLOYED (ROACE)



The increase in ROACE compared with the last quarter was mainly due to a higher operating profit/loss (EBIT) underlying (rolling 12 months). Average capital employed was stable compared with the last quarter.

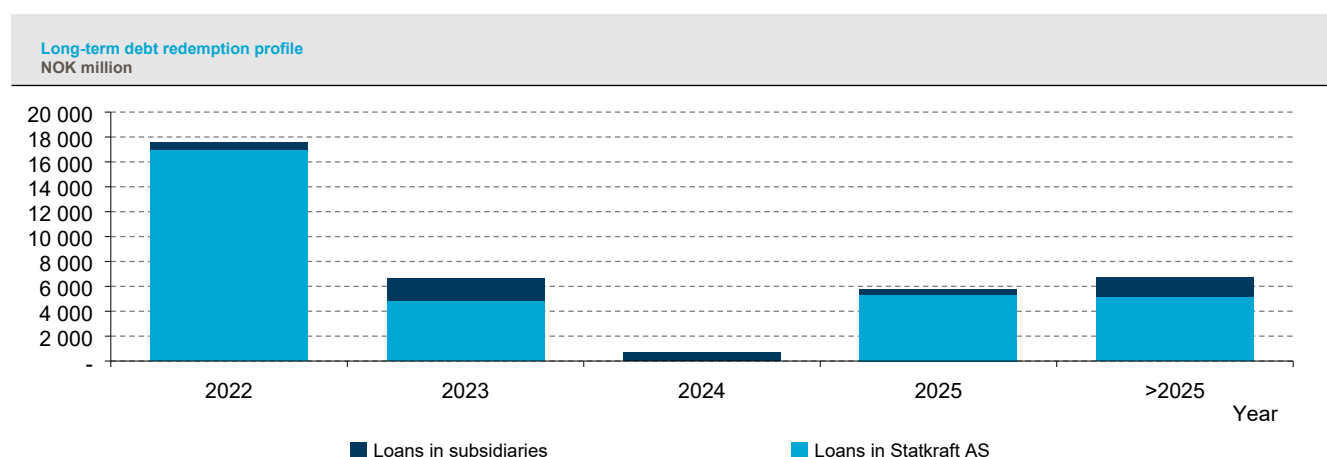
CASH FLOW

NOK million	First quarter		Change	Year 2021
	2022	2021		
Cash flow				
Operating activities	2 586	3 950	-1 364	26 242
Investing activities	-1 503	-1 074	- 429	-5 618
Financing activities	- 415	-1 761	1 346	5 418
Net change in cash and cash equivalents	668	1 115	- 447	26 042
Cash and cash equivalents (incl. restricted cash) at period end				
	37 705	12 203	25 502	37 162

Cash flow in the quarter

- The quarterly EBIT (IFRS) of NOK 16 964 million includes NOK -6594 million of non-cash unrealised effects and was also partly offset by negative working capital changes of NOK -8543 million, leading to a cash flow from operations of NOK 2586 million.
- The negative cash flow from investing activities of NOK -1503 million was mainly due to cash outflow following investments in property, plant and equipment and intangible assets of NOK -1753 million, primarily related to construction projects within wind power in Chile and Brazil and maintenance investments within Norwegian hydropower. This was partly offset by cash inflow of NOK 427 million following the divestment of three solar parks in the Netherlands and one in Spain within the DS/DBS business model.
- The cash flow from financing activities was NOK -415 million and mainly includes repayment of debt of NOK -9979 million and new debt of NOK 9305 million.

INTEREST-BEARING DEBT REPAYMENT PLAN ¹⁾



¹⁾ Lease liabilities and debt related to cash collateral are not included.

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

- Net interest-bearing liabilities were NOK 11 013 million compared to NOK 14 439 at the end of 2021.
- Net interest-bearing liabilities - equity ratio was 8.5%, an improvement from the ratio of 11.8% at the end of 2021.

Very volatile commodity markets with record-high prices have resulted in significantly higher margin requirements. To manage any market volatility, Statkraft has taken precautionary measures to secure liquidity and financial flexibility through raising short-term loans.

INVESTMENTS

New capacity: Construction of new power or heating plants, or investments that increase the capacity (MW) of existing plants. These projects are referred to as build-own-operate (BOO) further in the report.

Maintenance: Investments in existing power or heating plants that do not increase the capacity (MW).

Other: Other investments in property, plant and equipment (PPE) or intangible assets. These include assets such as grid, heating pipes, biofuel assets, vehicle charging infrastructure, data center assets and office equipment.

New capacity for subsequent divestment (DS/DBS): Development and construction investments related to projects that Statkraft intends to divest either before, at the time of, or shortly after completion. The projects are presented as inventories and are reported under the segment European wind and solar. These projects are referred to as develop-sell (DS) and develop-build-sell (DBS) further in the report.

Shareholdings, consolidated: Acquisition of shareholdings that are fully or proportionally consolidated.

Shareholdings, equity accounted: Investments in shareholdings that are accounted for in accordance with the equity method.

Shareholdings, financial non-current: Investments in shareholdings that are recognised as financial assets at fair value.

INVESTMENTS FIRST QUARTER

Investments in new capacity were mainly related to construction of a solar park in India as well as wind farms in Chile and Brazil and a hydropower plant in India. The quarterly maintenance investments were primarily related to Nordic hydropower. Investments classified as “Other” were mainly related to grid in Norway and EV charging activities in the Nordics, whereas wind projects in Ireland and solar projects in both Ireland and the Netherlands were the main quarterly investments in DS/DBS.

NOK million	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities
First quarter 2022								
New capacity	953	-	-	948	-	-	5	-
Maintenance	440	359	-	27	17	1	36	-
Other	558	31	16	144	67	31	176	92
Investments in PPE and intangible assets	1 951	390	16	1 119	84	32	217	92
New capacity for subsequent divestment (DS/DBS)	345	-	-	-	345	-	-	-
Shareholdings, consolidated	160	-	-	-	16	-	-	144
Shareholdings, equity accounted	-	-	-	-	-	-	-	-
Shareholdings, financial non-current	44	-	-	-	-	-	-	44
Investments in shareholdings	204	-	-	-	16	-	-	188
Total investments	2 499	390	16	1 119	445	32	217	280

NOK million	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities
First quarter 2021								
New capacity	178	16	-	147	-	-	16	-
Maintenance	406	325	-	30	-	4	47	-
Other	646	12	3	13	368	67	138	44
Investments in PPE and intangible assets	1 230	353	3	190	368	71	201	44
New capacity for subsequent divestment (DS/DBS)								
	271	-	-	-	271	-	-	-
Shareholdings, consolidated	-	-	-	-	-	-	-	-
Shareholdings, equity accounted	-	-	-	-	-	-	-	-
Shareholdings, financial non-current	17	-	-	-	-	-	-	17
Investments in shareholdings	17	-	-	-	-	-	-	17
Total investments	1 519	353	3	191	640	71	200	62

NOK million	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities
The year 2021								
New capacity	2 271	228	-	1 925	38	-	80	-
Maintenance	2 534	2 117	1	149	25	10	233	-
Other	3 028	105	22	233	1 259	180	690	539
Investments in PPE and intangible assets	7 833	2 450	23	2 307	1 322	190	1 003	539
New capacity for subsequent divestment (DS/DBS)								
	1 892	-	-	-	1 892	-	-	-
Shareholdings, consolidated	2 033	-	-	-	1 762	-	75	195
Shareholdings, equity accounted	10	-	-	-	-	-	10	-
Shareholdings, financial non-current	99	-	-	-	-	-	8	91
Investments in shareholdings	2 142	-	-	-	1 762	-	93	286
Total investments	11 867	2 450	23	2 307	4 976	190	1 096	825

Projects in consolidated operations ¹⁾

First quarter	Project	Business model ²⁾	Country	New capacity (MW) ³⁾	Statkraft's ownership share	Planned completion	
Committed investments in the period							
Wind power	Morro do Cruzeiro ⁵⁾	BOO	Brazil	80	81%	2024	Q1
Hydropower	Tysso 2	n/a	Norway	-	100%	2024	Q1
Main construction projects							
Hydropower	Tidong	BOO	India	150	100%	2022	Q4
	Los Lagos	BOO	Chile	52	100%	2023	Q4
	Straumsmo	n/a	Norway	-	100%	2024	Q1
	Tokke-Vinje	n/a	Norway	-	100%	2024	Q4
	Eringsdalen and Nordalen Dams	n/a	Norway	-	100%	2024	Q4
	Nesjødammen	n/a	Norway	-	100%	2026	Q1
	Hammarforsen	n/a	Norway	-	100%	2026	Q2
	Trollheim Dam	n/a	Norway	-	100%	2026	Q3
Wind power	Taghart	DBS	Ireland	23	100%	2022	Q4
	Torsa	BOO	Chile	108	100%	2022	Q4
	Cloghan	DBS	Ireland	34	100%	2023	Q1
	Ventos de Santa Eugenia	BOO	Brazil	519	81%	2023	Q2
Solar power	Ballymacarney	DBS	Ireland	200	100%	2022	Q2
	Cadiz ⁶⁾	DBS	Spain	234	100%	2022	Q3
	Nellai	BOO	India	76	100%	2022	Q4
	Talayuela 2	DBS	DBS	58	100%	2023	Q2
	South Meath	DBS	Ireland	80	100%	2023	Q3
Other technologies	Lister Drive Greener Grid Park ⁴⁾	BOO	UK	-	100%	2022	Q3
Completed projects in the period							
Wind power	Windy Rig ⁶⁾	DBS	UK	43	100%	2022	Q1
	Twentyshilling	DBS	UK	38	100%	2022	Q1
Hydropower	Songa and Trollfalden Dams	n/a	Norway	-	100%	2022	Q1

¹⁾ Projects with an estimated CAPEX of at least NOK 300 million.

²⁾ In accordance with the strategy: BOO (Build, Own, Operate), DBS (Develop, Build, Sell). n/a refers to rehabilitation projects.

³⁾ Total for project, incl. partners' share. For solar power projects, the new capacity is based on MWp.

⁴⁾ Grid network rotating stabilisers.

⁵⁾ The investment decision was taken in the fourth quarter of 2021.

⁶⁾ The projects have been divested. Statkraft is conducting the construction, engineering and procurement (EPC) of the Cadiz projects. See note 14.

Segments

The Group's operating segments are 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 corporate management and used as a basis for resource allocation and key performance review.

The reportable segments are defined as:

European flexible generation includes asset ownership and operations of most of the Group's hydropower business in Norway, Sweden, Germany and the United Kingdom, as well as the gas-fired and the biomass power plants in Germany and the subsea interconnector between Sweden and Germany.

Market operations includes trading, origination, market access for smaller generators of renewable energy, as well as dynamic asset management portfolios revenue optimisation and risk mitigation activities related to Continental and Nordic power generation. The segment has activities in several countries in Europe, and is also active in Brazil, India and USA. Market operations generates profit from changes in the market value of energy and energy-related products, and from buying and selling both standard and structured products, typically environmental certificates and power contracts.

International power includes development, ownership and operations of renewable assets in emerging markets. The segment operates in Brazil, Peru, Chile, India, Nepal, Turkey and Albania.

European wind and solar has two main business models. One of the models is to develop and construct onshore wind and solar power plants with the intention to divest the power plants either before, at the time of, or shortly after completion. This business model is known as Develop-Sell (DS) or Develop-Build-Sell (DBS). The segment has development and construction activities in several countries in Europe. The segment also has a business model that entails asset ownership and operation of wind farms in Norway, Sweden, Ireland, Germany and France, as well as grid service assets in the UK and Ireland. This business model is known as Build-Own-Operate (BOO).

District heating includes development, ownership and operations of district heating plants in Norway and Sweden.

Industrial ownership includes management and development of Norwegian shareholdings within the Group's core business and includes the shareholdings in Skagerak Energi, Eviny and Agder Energi. Skagerak Energi is included in the consolidated financial statements, while Eviny and Agder Energi are reported as equity accounted investments.

In addition:

Other activities includes costs related to governance of the Group, new businesses within biomass, electric vehicle charging and hydrogen, as well as venture capital investments. Unallocated assets are also reported as Other activities.

Group items includes eliminations.

First quarter	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities	Group items
Income statement									
Gross operating revenues and other income underlying	41 874	15 027	22 151	1 132	1 197	326	2 626	617	-1 202
Net operating revenues and other income underlying	22 087	12 873	5 423	787	533	233	2 414	508	- 684
EBITDA underlying	19 073	11 779	4 695	520	173	155	2 092	- 145	- 196
Operating profit/loss (EBIT) underlying	17 953	11 284	4 687	347	- 18	105	1 959	- 216	- 195
Operating profit/loss (EBIT) IFRS	16 964	10 583	4 687	83	- 41	104	1 959	- 216	- 195
Key financial metrics									
Operating profit/loss (EBIT) margin underlying	42.9%	75.1%	21.2%	30.7%	-1.5%	32.2%	74.6%	n/a	n/a
ROACE	31.0%	55.1%	n/a	0.6%	-1.1%	5.3%	31.3%	n/a	n/a
ROAE	13.4%	n/a	n/a	21.5%	11.7%	n/a	12.1%	n/a	n/a
Investments									
Total investments	2 499	390	16	1 119	445	32	217	280	-
Generation and district heating									
Generation, volume sold (TWh)	18.5	14.1	-	1.5	1.4	-	1.4	-	-
- hydropower (TWh)	16.5	13.7	-	1.4	-	-	1.4	-	-
- wind power (TWh)	1.5	-	-	0.1	1.4	-	-	-	-
- gas-fired power (TWh)	0.4	0.4	-	-	-	-	-	-	-
- biomass and solar power (TWh)	0.1	0.1	-	-	-	-	-	-	-
Delivered volume, district heating (TWh)	0.4	-	-	-	-	0.4	0.1	-	-

EUROPEAN FLEXIBLE GENERATION

NOK million	First quarter		Year
	2022	2021	2021
Gross operating revenues and other income	15 027	8 016	39 727
Net operating revenues and other income	12 873	6 761	33 899
Operating expenses	-1 589	-1 559	-6 343
Operating profit/loss (EBIT) underlying	11 284	5 202	27 557
Unrealised value changes from embedded EUR derivatives	- 701	- 949	-1 285
Impairments/reversal of impairments	-	-	1 020
Operating profit/loss (EBIT) IFRS	10 583	4 252	27 291
Share of profit/loss in equity accounted investments	34	1	-
ROACE (rolling 12 months)	55.1%	12.0%	45.2%
Total investments	390	353	2 450
Generation (TWh)	14.1	15.9	55.0

Key events

- In February, a revised license was received for the Altevatt Water Scheme set by the Norwegian Government. Minimum water flow restrictions will lead to a reduced annual generation of 20 GWh.

Quarterly financial performance

- During the first quarter this year we have seen very high prices in Southern part of Norway mainly due to high prices on fuel and carbon emissions in combination with lower reservoir filling than normal. Achieved price margin for Nordic hydropower against spot price (5-years rolling time horizon) was 9.8% at the end of first quarter of 2022. This margin is well above target due to successful energy management.
- The increase in underlying EBIT was driven by significantly higher Nordic power prices, partly offset by lower Nordic hydropower generation. The segment's embedded derivatives linked to various commodities also contributed to the increased underlying EBIT.

Financial metrics

- ROACE was 55.1%, an increase from last quarter, driven by a significantly higher underlying EBIT.

Quarterly investments

- The investments were mainly related to maintenance within Nordic hydropower.

MARKET OPERATIONS

NOK million	First quarter		Year
	2022	2021	2021
Gross operating revenues and other income	22 151	7 288	32 383
Net operating revenues and other income	5 423	1 398	-2 343
Operating expenses	- 736	- 422	-2 005
Operating profit/loss (EBIT) underlying	4 687	976	-4 348
Unrealised value changes from embedded EUR derivatives	-	-	-
Impairments/reversal of impairments	-	-	-
Operating profit/loss (EBIT) IFRS	4 687	976	-4 348
Share of profit/loss in equity accounted investments	-	-	-
ROACE (rolling 12 months)	n/a	n/a	n/a
Total investments	16	3	23
Generation (TWh)	-	-	-

Key events

- During the first quarter, 66 new short-term fixed price PPAs in Germany have been signed, as more customers related to Germany's Renewable Energy Act (EEG) seek to benefit from the continuous high level of power prices in Germany.

Quarterly financial performance

- The increase in underlying EBIT was driven by record-high prices for power and other power-related commodities and high volatility in the forward markets. These price movements led to significant positive results from Trading & Origination and Dynamic asset management portfolios.
- Dynamic asset management ended with a positive EBIT of NOK 1616 million in the quarter compared with a positive EBIT of NOK 242 million in the first quarter of 2021. The dynamic asset management portfolios in addition to optimise revenues, are risk-reducing portfolios for Statkraft's flexible assets in Europe.
- Trading & Origination had a positive EBIT of NOK 3071 million in the quarter compared with NOK 725 million in the first quarter of 2021.
- The operating expenses increased, primarily related to higher bonus accruals.

INTERNATIONAL POWER

NOK million	First quarter		Year
	2022	2021	2021
Gross operating revenues and other income	1 132	745	2 588
Net operating revenues and other income	787	555	1 632
Operating expenses	- 439	- 401	- 1 677
Operating profit/loss (EBIT) underlying	347	154	- 45
Gains/losses from divestments of business activities	-	-	- 4
Impairments/reversal of impairments	- 264	- 5	- 79
Operating profit/loss (EBIT) IFRS	83	149	- 128
Share of profit/loss in equity accounted investments	52	36	553
Gains/losses from divestments of equity accounted investments ^{*)}	-	-	-
ROACE (rolling 12 months)	0.6%	1.7%	-0.2%
ROAE (rolling 12 months)	21.5%	-21.0%	22.1%
Total investments	1 119	191	2 307
Generation (TWh)	1.5	1.5	4.9

^{*)} Included in Interest and other financial items.

Key events

- An impairment of NOK 258 million related to a hydropower project in Chile. See note 9.

Quarterly financial performance

- The underlying EBIT increased mainly due to high generation revenues in Albania following very high power prices in the region. Further, increased generation in Turkey and higher revenues in Brazil contributed positively.
- Increase in share of profit in equity accounted investments was mainly due to higher power prices and generation in India.

Financial metrics

- ROACE was 0.6%, up from previous quarter driven by a higher underlying EBIT.
- ROAE was 21.5%, a slight decrease from previous quarter.

Quarterly investments

The investments were mainly related to the construction of Nellai solar park in India, the wind farms Torsa in Chile and Ventos de Santa Eugenia in Brazil, as well as hydropower plants Tidong in India and Los Lagos in Chile.

EUROPEAN WIND AND SOLAR

NOK million	First quarter		Year
	2022	2021	2021
Gross operating revenues and other income	1 197	527	2 240
Net operating revenues and other income	533	338	1 703
Operating expenses	- 551	- 375	- 1 867
Operating profit/loss (EBIT) underlying	- 18	- 36	- 164
Gains/losses from divestments of business activities	-	-	821
Impairments/reversal of impairments	- 23	57	2 466
Operating profit/loss (EBIT) IFRS	- 41	20	3 123
Share of profit/loss in equity accounted investments	96	6	3
Gains/losses from divestments of equity accounted investments ^{*)}	-	-	21
ROACE (rolling 12 months)	-1.1%	-8.1%	-1.3%
ROAE (rolling 12 months)	11.7%	0.9%	0.4%
Total investments	444	640	4 976
Generation (TWh)	1.4	1.1	3.5

^{*)} Included in Interest and other financial items.

Key events

- Three solar parks in the Netherlands and one solar park in Spain were divested. See note 14.

Quarterly financial performance

- The improvement in underlying EBIT was mainly driven by divestment of solar parks and Engineering, Procurement and Construction (EPC) activities, partly offset by unrealised losses from hedging activities related to German and French wind farms and higher business development costs.

Financial metrics

- ROACE was -1.1%. The improvement from the previous quarters was primarily due to the improved underlying EBIT.
- ROAE was 11.7%, a significant increase from previous quarters, following higher power prices in the UK.

Quarterly investments

- Investments were mainly related to development and construction of wind and solar projects primarily in Ireland within the DS/DBS business model.

DISTRICT HEATING

NOK million	First quarter		Year
	2022	2021	2021
Gross operating revenues and other income	326	385	1 045
Net operating revenues and other income	233	248	716
Operating expenses	- 128	- 121	- 508
Operating profit/loss (EBIT) underlying	105	126	208
Impairments/reversal of impairments	- 1	- 1	- 4
Operating profit/loss (EBIT) IFRS	104	125	204
Share of profit/loss in equity accounted investments	-	-	-
Gains/losses from divestments of equity accounted investments ^{*)}	-	-	-
ROACE (rolling 12 months)	5.3%	2.5%	5.9%
ROAE (rolling 12 months)	n/a	n/a	n/a
Total investments	32	71	190
Delivered volume (TWh)	0.4	0.4	1.1

^{*)} Included in Interest and other financial items.

Quarterly financial performance

- Underlying EBIT decreased compared with the first quarter in 2021, primarily due to lower heating revenues.
- Delivered heating volume was lower due to relatively mild winter months, while the heating prices were negatively affected by lower regional power prices in the middle and northern parts of Norway

Financial metrics

- The decrease in ROACE compared with the year 2021 was driven by the lower underlying EBIT. The average capital employed was stable.

Quarterly investments

- The investments were primarily related to pipelines and reinvestment in existing assets.

INDUSTRIAL OWNERSHIP

NOK million	First quarter		Year
	2022	2021	2021
Gross operating revenues and other income	2 626	1 512	6 638
Net operating revenues and other income	2 414	1 375	6 053
Operating expenses	- 455	- 424	- 1 716
Operating profit/loss (EBIT) underlying	1 959	951	4 337
Impairments/reversal of impairments	-	-	-
Operating profit/loss (EBIT) IFRS	1 959	951	4 337
Share of profit/loss in equity accounted investments	506	424	1 227
Gains/losses from divestments of equity accounted investments ^{*)}	-	-	-
ROACE (rolling 12 months)	31.3%	6.7%	25.6%
ROAE (rolling 12 months)	12.1%	12.3%	11.6%
Total investments	217	200	1 096
Generation (TWh)	1.4	2.2	6.5

^{*)} Included in Interest and other financial items.

Key events

- Eviny has decided to build the Tverrelvi hydropower plant in Voss municipality. The annual generation is estimated to 41 GWh with an investment of 137 MNOK. Start of operations is expected in 2024.
- On 5 May the Board of Directors in Agder Energi and Glitre Energi both gave their support to a full merger of the two companies. The new company is assessed to be an equity accounted investment for Statkraft. The completion of the merger is subject to approval from the extraordinary general meetings in both the companies in July and the aim is for the merger to be effective from 1 January 2023.

Quarterly financial performance

- Underlying EBIT increased, mainly due to significantly higher Norwegian (NO2) power prices, partly offset by lower generation.
- Share of profit/loss in equity accounted investments increased, mainly due to significantly higher power prices partly offset by lower hydropower generation. In addition, value changes from energy and currency contracts contributed negatively to the result.

Financial metrics

- ROACE was 31.3%, an increase from the previous quarter, driven by a significantly higher underlying EBIT.
- ROAE was 12.1%, an increase from the previous quarter, mainly due to a higher share of profit from Agder Energi.

Quarterly investments

- The investments were primarily related to grid activities.

OTHER ACTIVITIES

NOK million	First quarter		Year
	2022	2021	2021
Gross operating revenues and other income	617	421	1 926
Net operating revenues and other income	508	383	1 677
Operating expenses	- 724	- 576	-2 502
Operating profit/loss (EBIT) underlying	- 216	- 193	- 825
Operating profit/loss (EBIT) IFRS	- 216	- 193	- 825
Share of profit/loss in equity accounted investments	- 19	- 23	- 97
Gains/losses from divestments of equity accounted investments ⁷⁾	-	-	-
Total investments	280	62	826

⁷⁾ Included in Interest and other financial items.

Key events

- In February, Statkraft acquired Elmtronics, a supplier and installer of EV charging infrastructure in the UK.

Quarterly financial performance

- The decrease in underlying EBIT was primarily due to higher activities within EV charging and business development costs within hydrogen.

Quarterly investments

- The investments were primarily related to the acquisition of Elmtronics, purchase of EV charging equipment in MER and investments made by Statkraft Ventures.

Outlook

After the significant increase in the power prices last year, the prices continue at high and volatile levels. The Russian invasion of Ukraine has increased the uncertainty for the future considerably. The market expects the high prices to continue in the short to medium term. In addition, reservoir levels in the Nordics are below normal.

The need for flexibility in the energy market increases. Statkraft has Europe's largest portfolio of flexible hydropower plants and reservoir capacity, and these assets are an important source of dispatchable power generation. The operations of the assets are continuously optimised according to the hydrological situation and expected power prices. To further strengthen this competitiveness, Statkraft continues to make significant reinvestments in the Nordic hydropower portfolio and the activity is at a record-high level going forward.

Statkraft has a substantial volume of long-term power contracts within the segments European flexible generation and International power. These contracts are supplemented with financial power contracts and other risk mitigating activities. This reduces the price risk for significant parts of Statkraft's generation and, in sum, have a stabilising effect on revenues over time. Statkraft will continue to offer new contracts to maintain the position as a competitive supplier to the industry in Norway.

Very high Nordic power prices and successful energy management have led to very strong results. This has had a positive effect on the investment capacity and Statkraft is planning net investments of more than NOK 13 billion annually in renewable energy. The pace and total amount of investments in the strategic period will depend on market opportunities and market development. The investment programme has a large degree of flexibility and will be financed by retained earnings, external financing and divestments. The strategic growth target of developing 9 GW of renewable capacity by 2025 is expected to be met. Statkraft has a solid financial foundation to deliver on the growth strategy and aims to be a major wind- and solar developer with a development rate of 2.5–3 GW per year by 2025. Statkraft's ambition is to maintain the position as the largest generator of renewable energy in Europe and to be a significant player in South America and India through investments in renewable energy. This will contribute to lowering carbon emissions and fight climate change.

Statkraft's commitment to safety, sustainability and responsible business practices continues to be a foundation for all activities.

Oslo, 10 May 2022
The Board of Directors of Statkraft AS

Statkraft AS Group Interim Financial Statements

NOK million	First quarter 2022	2021	Year 2021
STATEMENT OF COMPREHENSIVE INCOME			
PROFIT AND LOSS			
Sales revenues	36 213	16 602	84 656
Gains/losses from market activities	4 735	487	-3 235
Other operating income	225	110	1 556
Gross operating revenues and other income	41 173	17 198	82 976
Energy purchase	-19 429	-6 886	-39 968
Transmission costs	-358	-588	-1 723
Net operating revenues and other income	21 386	9 725	41 286
Salaries and payroll costs	-1 620	-1 310	-5 286
Depreciations and amortisations	-1 120	-985	-4 113
Impairments/reversal of impairments	-289	51	3 403
Regulatory fees	-368	-348	-1 375
Other operating expenses	-1 026	-814	-4 188
Operating expenses	-4 422	-3 407	-11 559
Operating profit/loss (EBIT)	16 964	6 318	29 727
Share of profit/loss in equity accounted investments	670	444	1 686
Net currency effects	1 215	1 361	1 089
Interest and other financial items	431	150	243
Net financial items	1 648	1 511	1 331
Profit/loss before tax	19 282	8 273	32 744
Income tax expense	-7 840	-3 453	-16 663
Net profit/loss	11 442	4 819	16 081
Of which non-controlling interest	333	154	558
Of which owners of the parent	11 108	4 665	15 523
OTHER COMPREHENSIVE INCOME (OCI)			
Items in other comprehensive income that recycle over profit/loss:			
Items recorded in other comprehensive income in equity accounted investments	4	-	1
Recycling of currency translation effects related to foreign operations disposed	-	-	-39
Currency translation effects	-1 379	-2 760	-2 473
Total	-1 375	-2 760	-2 511
Items in other comprehensive income that will not recycle over profit/loss:			
Changes in fair value of financial instruments, net of tax	-29	-12	28
Estimate deviation pension in equity accounted investments	302	71	28
Estimate deviation pension, net of tax	1 059	330	-312
Total	1 332	389	-257
Other comprehensive income	-43	-2 371	-2 767
Total comprehensive income	11 399	2 448	13 315
Of which non-controlling interest	467	136	564
Of which owners of the parent	10 932	2 313	12 750

NOK million	First quarter 2022	2021	Year 2021
STATEMENT OF FINANCIAL POSITION			
ASSETS			
Deferred tax assets	1 470	1 451	1 748
Intangible assets	4 451	4 100	4 112
Property, plant and equipment	116 080	110 202	116 521
Equity accounted investments	15 632	13 959	14 771
Derivatives	36 821	7 145	27 995
Other non-current assets	6 916	6 422	6 488
Non-current assets	181 370	143 278	171 635
Inventories	9 671	8 338	6 614
Receivables	55 117	14 877	42 190
Financial investments	616	605	661
Derivatives	58 444	6 315	51 741
Cash and cash equivalents (incl. restricted cash)	37 705	12 203	37 162
Current assets	161 553	42 338	138 369
Assets	342 923	185 617	310 004
EQUITY AND LIABILITIES			
Paid-in capital	59 219	59 219	59 219
Other reserves	697	2 011	2 234
Retained earnings	53 895	34 918	41 426
Total equity attributable to owners of the parent	113 812	96 148	102 880
Non-controlling interest	5 443	4 317	4 896
Equity	119 255	100 466	107 775
Deferred tax	14 846	10 504	12 723
Pension liabilities	2 761	3 008	3 892
Bond and bank debt	18 940	23 961	19 632
Lease liabilities	1 752	1 744	1 861
Contract liabilities	3 953	4 269	4 052
Derivatives	32 301	8 384	21 985
Other non-current liabilities	3 316	3 062	3 283
Non-current liabilities	77 869	54 932	67 427
Commercial papers, bond and bank debt	18 394	3 580	18 942
Lease liabilities	317	238	303
Contract liabilities	316	316	316
Taxes payable	19 249	5 162	14 527
Derivatives	75 998	8 316	64 647
Other current liabilities	31 525	12 606	36 067
Current liabilities	145 798	30 219	134 802
Equity and liabilities	342 923	185 617	310 004

NOK million	Paid-in capital	Hedging reserves and profit and loss reserves other shares	Accumulated translation differences	Total other reserves	Retained earnings	Total equity attributable to owner of parent	Non-controlling interests	Total equity
STATEMENT OF CHANGES IN EQUITY								
Balance as of 31 Dec 2020	59 219	- 203	4 936	4 733	29 889	93 840	4 188	98 028
Net profit/loss	-	-	-	-	4 665	4 665	154	4 819
Total other comprehensive income	-	- 10	-2 711	-2 721	369	-2 352	- 18	-2 371
Total comprehensive income for the period	-	- 10	-2 711	-2 721	5 034	2 313	136	2 448
Dividend	-	-	-	-	-	-	- 63	- 63
Transactions with non-controlling interests	-	-	-	-	- 4	- 4	56	52
Balance as of 31 Mar 2021	59 219	- 213	2 224	2 011	34 918	96 148	4 318	100 466
Balance as of 31 Dec 2020	59 219	- 203	4 936	4 733	29 888	93 840	4 188	98 028
Net profit/loss	-	-	-	-	15 523	15 523	558	16 081
Total other comprehensive income	-	24	-2 523	-2 499	- 275	-2 773	7	-2 766
Total comprehensive income for the period	-	24	-2 523	-2 499	15 249	12 750	564	13 315
Dividend	-	-	-	-	-3 673	-3 673	- 91	-3 764
Business combinations/divestments	-	-	-	-	-	-	101	101
Transactions with non-controlling interests	-	-	-	-	- 38	- 38	133	95
Balance as of 31 Dec 2021	59 219	- 179	2 413	2 234	41 426	102 880	4 896	107 775
Net profit/loss	-	-	-	-	11 108	11 108	333	11 442
Total other comprehensive income	-	- 20	-1 518	-1 537	1 361	- 176	134	- 43
Total comprehensive income for the period	-	- 20	-1 518	-1 537	12 469	10 932	467	11 399
Transactions with non-controlling interests	-	-	-	-	-	-	81	81
Balance as of 31 Mar 2022	59 219	- 198	895	697	53 896	113 812	5 443	119 255

NOK million	First quarter 2022	2021	Year 2021
STATEMENT OF CASH FLOW			
CASH FLOW FROM OPERATING ACTIVITIES			
Operating profit/loss (EBIT)	16 964	6 318	29 727
Depreciations, amortisations and impairments	1 408	934	710
Gains/losses from divestments and disposals of assets	- 91	2	- 740
Unrealised effects included in operating profit/loss (EBIT)	-6 594	2 887	-2 362
Dividends from equity accounted investments	23	33	571
Changes in working capital	-8 543	- 463	859
Investments in development and construction projects classified as inventories (DS/DBS)	- 345	- 271	-1 892
Cash collateral, margin calls and option prepayments	1 102	-3 477	3 311
Cash effects from foreign exchange derivatives related to operations	239	- 31	- 273
Effects from prepayments from customers	- 99	- 99	- 316
Taxes paid	-1 312	-1 555	-3 042
Other changes	- 165	- 329	- 311
Cash flow from operating activities	A	2 586	3 950
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in property, plant and equipment and intangible assets	-1 753	-1 125	-7 477
Divestment of shares in subsidiaries, net liquidity inflow	-	-	2 442
Acquisitions of shares in subsidiaries, net liquidity outflow	- 157	- 8	-1 730
Loans and interest related to equity accounted investments	22	20	90
Sale of development and construction projects classified as inventories (DS/DBS)	427	13	822
Other investments	- 42	25	233
Cash flow from investing activities	B	-1 503	-1 074
CASH FLOW FROM FINANCING ACTIVITIES			
New debt	9 305	38	14 935
Repayment of debt	-9 979	-1 966	-5 842
Cash collateral related to financing	312	241	333
Interests paid	- 235	- 169	- 567
Interests received from cash and other assets	93	39	158
Dividend and group contribution paid to Statkraft SF	-	-	-3 673
Transactions with non-controlling interests	89	56	73
Cash flow from financing activities	C	- 415	-1 761
Net change in cash and cash equivalents	A+B+C	668	1 115
Currency exchange rate effects on cash and cash equivalents	- 124	- 68	- 34
Cash and cash equivalents 01.01	37 162	11 155	11 155
Cash and cash equivalents 31.03 / 31.12 ¹⁾	37 705	12 203	37 162
<i>Of which are cash and cash equivalents in joint operations</i>	213	363	281
Unused committed credit lines	12 624	9 167	9 167
Unused overdraft facilities	2 052	2 017	2 051
Restricted cash	356	46	342

¹⁾ As of 31 March 2022, NOK 1.3 billion from Baltic Cable is included, see note 12 for further information.

NOK million	First quarter 2022	2021	Year 2021
Reconciliation of investments in property, plant and equipment and intangible assets			
Investments in property, plant and equipment and intangible assets in the cash flow	1 753	1 125	7 477
Capitalised borrowing costs	71	19	136
Capitalised decommissioning provisions	11	22	138
Non-cash additions from right-of-use assets and other non-cash additions	182	268	1 083
Timing differences between capitalisation and payment date	- 66	- 205	-1 001
Investments in property, plant and equipment and intangible assets in the Investments overview	1 951	1 230	7 833

Segments

The segment reporting is based on underlying figures, which is in accordance with how the corporate management makes, follows up and evaluates its decisions. The tables on the next page show the reconciliation of the IFRS figures versus the underlying figures.

FIRST QUARTER 2022

The items below are excluded from the underlying figures:

1. **Gains/losses from market activities:** Unrealised value changes from embedded EUR derivatives related to long-term industry contracts. (NOK 701 million)
2. **Other operating income:** Gains from divestments of business activities that are not classified as DS/DBS.
3. **Impairments/reversal of impairments:** Related to intangible assets, property, plant and equipment. (NOK 289 million)
4. **Other operating expenses:** Losses from divestments of business activities that are not classified as DS/DBS.

THE YEAR 2021

The items below are excluded from the underlying figures:

1. **Gains/losses from market activities:** Unrealised value changes from embedded EUR derivatives related to long-term industry contracts. (NOK 1285 million)
2. **Other operating income:** Gains from divestments of business activities that are not classified as DS/DBS. (NOK -822 million)
3. **Impairments/reversal of impairments:** Related to intangible assets, property, plant and equipment. (NOK -3403 million)
4. **Other operating expenses:** Losses from divestments of business activities that are not classified as DS/DBS. (NOK 5 million)

RECONCILIATION OF IFRS FIGURES VERSUS UNDERLYING FIGURES

NOK million	First quarter 2022			First quarter 2021		
	IFRS	Adjustments	Underlying	IFRS	Adjustments	Underlying
Sales revenues	36 213		36 213	16 602		16 602
Gains/losses from market activities	4 735	701	5 436	487	949	1 436
Other operating income	225	0	225	110	-	110
Gross operating revenues and other income	41 173	701	41 874	17 198	949	18 147
Energy purchase	-19 429		-19 429	-6 886		-6 886
Transmission costs	- 358		- 358	- 588		- 588
Net operating revenues and other income	21 386	701	22 087	9 725	949	10 674
Salaries and payroll costs	-1 620		-1 620	-1 310		-1 310
Depreciations and amortisations	-1 120		-1 120	- 985		- 985
Impairments/reversal of impairments	- 289	289	-	51	- 51	-
Regulatory fees	- 368		- 368	- 348		- 348
Other operating expenses	-1 026	-	-1 026	- 814	-	- 814
Operating expenses	-4 422	289	-4 134	-3 407	- 51	-3 458
Operating profit/loss (EBIT)	16 964	990	17 953	6 318	898	7 216

RECONCILIATION OF IFRS FIGURES VERSUS UNDERLYING FIGURES

NOK million	The year 2021		
	IFRS	Adjustments	Underlying
Sales revenues	84 656		84 656
Gains/losses from market activities	-3 235	1 285	-1 950
Other operating income	1 556	- 822	734
Gross operating revenues and other income	82 976	464	83 440
Energy purchase	-39 968		-39 968
Transmission costs	-1 723		-1 723
Net operating revenues and other income	41 286	464	41 749
Salaries and payroll costs	-5 286		-5 286
Depreciations and amortisations	-4 113		-4 113
Impairments/reversal of impairments	3 403	-3 403	-
Regulatory fees	-1 375		-1 375
Other operating expenses	-4 188	5	-4 183
Operating expenses	-11 559	-3 398	-14 957
Operating profit/loss (EBIT)	29 727	-2 934	26 792

NOK million	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities	Group items
SEGMENTS									
First quarter 2022									
Gross operating revenues and other income, external	41 874	14 788	22 173	1 059	799	318	2 597	208	- 67
Gross operating revenues and other income, internal	-	238	- 22	73	399	8	30	409	-1 135
Gross operating revenues and other income underlying	41 874	15 027	22 151	1 132	1 197	326	2 626	617	-1 202
Net operating revenues and other income underlying	22 087	12 873	5 423	787	533	233	2 414	508	- 684
Operating profit/loss (EBIT) underlying	17 953	11 284	4 687	347	- 18	105	1 959	- 216	- 195
Unrealised value changes from embedded EUR derivatives	- 701	- 701	-	-	-	-	-	-	-
Gains/losses from divestments of business activities	- 0	-	-	-	- 0	-	-	-	-
Impairments/reversal of impairments	- 289	-	-	- 264	- 23	- 1	-	-	-
Operating profit/loss (EBIT) IFRS	16 964	10 583	4 687	83	- 41	104	1 959	- 216	- 195
Share of profit/loss in equity accounted investments	670	34	-	52	96	-	506	- 19	-
Assets and capital employed 31.03.2022									
Property, plant and equipment and intangible assets	120 531	60 522	140	25 675	11 197	3 473	17 305	2 219	-
Equity accounted investments	15 632	2	-	2 857	853	-	11 875	71	- 26
Loans to equity accounted investments	1 440	-	-	1 009	377	-	54	-	-
Inventories (DS/DBS)	2 904	-	-	-	2 904	-	-	-	-
Other assets	202 416	9 503	114 704	3 870	150	257	1 493	72 556	- 116
Total assets	342 923	70 027	114 844	33 410	15 481	3 730	30 727	74 846	- 142
Capital employed	123 435	60 522	140	25 675	14 101	3 473	17 305	2 219	-
Average capital employed (rolling 12 months)	120 871	61 021	n/a	24 201	12 983	3 528	17 077	n/a	n/a
Return on average capital employed (ROACE)	31.0%	55.1%	n/a	0.6%	-1.1%	5.3%	31.3%	n/a	n/a
Return on average equity accounted investments (ROAE)	13.4%	n/a	n/a	21.5%	11.7%	n/a	12.1%	n/a	n/a
Depreciations, amortisations and impairments	-1 408	- 494	- 8	- 437	- 214	- 51	- 134	- 70	-
Total investments	2 499	390	16	1 119	445	32	217	280	-

NOK million	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities	Group items
SEGMENTS									
First quarter 2021									
Gross operating revenues and other income, external	18 147	7 881	7 454	730	141	385	1 486	106	- 36
Gross operating revenues and other income, internal	-	135	- 166	15	386	-	26	315	- 711
Gross operating revenues and other income underlying	18 147	8 016	7 288	745	527	385	1 512	421	- 747
Net operating revenues and other income underlying	10 674	6 761	1 398	555	338	248	1 375	383	- 384
Operating profit/loss (EBIT) underlying	7 216	5 202	976	154	- 36	126	951	- 193	36
Unrealised value changes from embedded EUR derivatives	- 949	- 949	-	-	-	-	-	-	-
Gains/losses from divestments of business activities	-	-	-	-	-	-	-	-	-
Impairments/reversal of impairments	51	-	-	- 5	57	- 1	-	-	-
Operating profit/loss (EBIT) IFRS	6 318	4 252	976	149	20	125	951	- 193	36
Share of profit/loss in equity accounted investments	444	1	-	36	6	-	424	- 23	-
Assets and capital employed 31.03.2021									
Property, plant and equipment and intangible assets	114 301	59 917	140	22 878	9 303	3 543	16 820	1 700	-
Equity accounted investments	13 959	1	-	2 255	832	-	10 794	104	- 28
Loans to equity accounted investments	1 443	-	-	957	445	-	41	-	-
Inventories (DS/DBS)	2 489	-	-	-	2 489	-	-	-	-
Other assets	53 426	2 302	20 397	1 989	605	264	1 378	27 147	- 657
Total assets	185 617	62 220	20 537	28 079	13 674	3 806	29 033	28 953	- 685
Capital employed	116 790	59 917	140	22 878	11 792	3 543	16 820	1 700	-
Average capital employed (rolling 12 months)	117 926	60 883	n/a	24 876	10 161	3 536	16 597	n/a	n/a
Return on average capital employed (ROACE)	8.3%	12.0%	n/a	1.7%	-8.1%	2.5%	6.7%	n/a	n/a
Return on average equity accounted investments (ROAE)	4.2%	n/a	n/a	-21.0%	0.9%	n/a	12.3%	n/a	n/a
Depreciations, amortisations and impairments	- 934	- 489	- 8	- 166	- 41	- 49	- 128	- 53	-
Total investments	1 519	353	3	191	640	71	200	62	-

NOK million	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities	Group items
SEGMENTS									
The year 2021									
Gross operating revenues and other income, external	83 440	39 194	32 844	2 454	839	1 041	6 542	531	- 6
Gross operating revenues and other income, internal	-	533	- 461	134	1 401	4	96	1 395	-3 102
Gross operating revenues and other income underlying	83 440	39 727	32 383	2 588	2 240	1 045	6 638	1 926	-3 108
Net operating revenues and other income underlying	41 749	33 899	-2 343	1 632	1 703	716	6 053	1 677	-1 587
Operating profit/loss (EBIT) underlying	26 792	27 557	-4 348	- 45	- 164	208	4 337	- 825	72
Unrealised value changes embedded EUR derivatives	-1 285	-1 285	-	-	-	-	-	-	-
Gains/losses from divestments of business activities	817	-	-	- 4	821	-	-	-	-
Impairments/reversal of impairments	3 403	1 020	-	- 79	2 466	- 4	-	-	-
Operating profit/loss (EBIT) IFRS	29 727	27 291	-4 348	- 128	3 123	204	4 337	- 825	72
Share of profit/loss in equity accounted investments	1 686	-	-	553	3	-	1 227	- 97	-
Assets and capital employed 31.12.2021									
Property, plant and equipment and intangible assets	120 633	61 416	135	24 711	11 650	3 512	17 213	1 996	-
Equity accounted investments	14 771	-	-	2 828	818	-	11 066	84	- 25
Loans to equity accounted investments	1 459	-	-	1 013	391	-	55	-	-
Inventories (DS/DBS)	2 965	-	-	-	2 965	-	-	-	-
Other assets	170 176	5 236	97 594	3 364	180	348	1 461	61 793	200
Total assets	310 004	66 653	97 728	31 916	16 003	3 860	29 796	63 873	175
Capital employed	123 598	61 416	135	24 711	14 615	3 512	17 213	1 996	-
Average capital employed (rolling 12 months)	119 422	60 949	n/a	23 685	12 325	3 542	16 959	n/a	n/a
Return on average capital employed (ROACE)	22.4%	45.2%	n/a	-0.2%	-1.3%	5.9%	25.6%	n/a	n/a
Return on average equity accounted investments (ROAE)	12.1%	n/a	n/a	22.1%	0.4%	n/a	11.6%	n/a	n/a
Depreciations, amortisations and impairments	- 710	- 954	- 32	- 733	1 990	- 198	- 531	- 253	-
Total investments	11 867	2 450	23	2 307	4 976	190	1 096	825	-

Selected notes to the accounts

1. FRAMEWORK AND MATERIAL ACCOUNTING POLICIES

The consolidated financial statements for the first quarter of 2022, ended 31 March 2022, have been prepared in accordance with International Financial Reporting Standards (IFRS) and consist of Statkraft AS and its subsidiaries and equity accounted investments. 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 report for 2021.

The interim consolidated financial statements have not been audited.

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 JUDGMENTS, 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 statement of profit and loss and the statement of financial position. 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 report for 2021. In preparing the consolidated financial statements for the current 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 statement of profit and loss and statement of financial position, as discussed in the annual report for 2021.

Russian invasion of Ukraine

Since the annual report for 2021 was published, Russia invaded Ukraine on 24 February. The invasion has brought increased geopolitical risks to the global energy markets. The Group's liquidity risk as well as the counterparty risk has been reviewed in light of the new situation. Statkraft has ensured that no operations are in breach with the relevant sanctions set out by the EU or other authorities.

Statkraft does not have operations nor employees in Russia or Ukraine but are impacted as a renewable energy producer and as a participant in the physical and financial energy markets. Especially the uncertainty related to the supply of gas and coal has led to significant price increases and volatility in the energy market. Despite the volatility and uncertainty in the market, Statkraft's assessment is that the energy markets are working orderly as of 31 March. Statkraft's ordinary credit risk assessment forms the basis for the valuation of energy contracts. Specific counterparties that could be significantly affected by the invasion have been monitored regarding default risk.

Statkraft has decided to not enter into new business opportunities with Russian persons or legal entities. The segment Market operations has financial contracts with UK-based Gazprom Marketing and Trading Ltd (GMT), a company that was majority-owned by the Russian state at the end of the first quarter. The contracts are of an insignificant size. In April, the German Ministry of Economy announced that all the shares in Gazprom Germania GmbH (GPG), GMT's immediate parent company, are under the trusteeship of the German Federal Network Agency (BNetzA) until 30 September 2022. This means that the German state is now in control of GPG and its subsidiaries, including GMT.

Statkraft will continue to monitor the situation and adapt to market conditions going forward.

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. CHANGES IN THE FINANCIAL STATEMENTS AND COMPARABLE FIGURES

Presentation of prepayments related to long-term power sales agreements In first quarter 2021, prepayments related to long-term power sales agreements were presented as interest-bearing liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented as Contract liabilities. Comparable figures for the first quarter have been restated with NOK 4269 million for non-current liabilities and NOK 316 million for current liabilities.

Presentation of lease liabilities Liabilities related to lease agreements have previously been presented as interest-bearing liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented as Lease liabilities. Comparable figures for the first quarter have been restated with NOK 1744 million for non-current liabilities and NOK 238 million for current liabilities.

Presentation of bonds and bank debt Liabilities related to bonds and bank debt have previously been presented as interest-bearing liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented separately as Bond and bank debt for non-current liabilities and Commercial papers, bond and bank debt for current liabilities. Comparable figures for the first quarter have been restated with NOK 23 961 million for non-current liabilities and NOK 3580 million for current liabilities.

Presentation of liabilities related to cash collateral Liabilities related to cash collateral have previously been presented as current interest-bearing liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented as Other current liabilities. Comparable figures for the first quarter have been restated with NOK 1388 million.

Presentation of debt to Statkraft SF Debt to Statkraft SF has previously been presented as current interest-bearing liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented as Other current liabilities. Comparable figures for the first quarter have been restated with NOK 200 million.

6. REVENUE SPECIFICATION PER SEGMENT

The Group's sales revenues and energy purchase are divided into four categories:

Generation includes sales revenues and energy purchase related to Statkraft's physical power generating assets. The category includes spot sales, long-term contracts, concessionary sales contracts and certain environmental certificates.

District heating includes sales revenues and energy purchase related to district heating activities in Norway and Sweden.

Customers includes sales revenues and energy purchase related to market access and end-user activities which are in accordance with IFRS 15 and is mainly related to activities in Germany, UK and Norway.

Other mainly consists of:

- Revenues related to DS/DBS business model in Europe.
- A subsea interconnector between Sweden and Germany.
- Rental of power plants in Norway.
- Grid activities in Norway and Peru.
- EV charging activities in Europe.

NOK million	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities	Group items
First quarter 2022									
Generation - sales revenues	15 476	11 500	7	1 321	462	-	2 190	-	- 4
Generation - energy purchase	-1 274	-1 019	-2	- 260	-	-	-	-	7
Generation - net	14 201	10 481	5	1 061	462	-	2 190	-	2
District heating - sales revenues	366	-	-	-	-	317	50	-	- 1
District heating - energy purchase	- 109	-	-	-	-	- 93	- 18	-	2
District heating - net	257	-	-	-	-	224	32	-	1
Customers - sales revenues	16 790	-	17 264	-	-	-	41	-	- 515
Customers - energy purchase	-16 251	-	-16 725	-	-	-	- 41	-	515
Customers - net	539	-	539	-	-	-	-	-	- 0
Other - sales revenues	3 582	2 089	-	66	941	7	317	158	4
Other - energy purchase	-1 795	-1 002	-	- 54	- 630	-	-	- 109	0
Other - net	1 787	1 087	-	12	311	7	317	49	4
Sales revenues - total	36 213	13 589	17 271	1 387	1 403	324	2 598	158	- 517
Energy purchase - total	-19 429	-2 021	-16 727	- 314	- 630	- 93	- 59	- 109	524
Sales revenues adjusted for energy purchase	16 784	11 568	544	1 073	773	231	2 539	49	7

NOK million	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities	Group items
First quarter 2021									
Generation - sales revenues	9 302	7 221	1	670	386	-	1 036	-	- 12
Generation - energy purchase	- 689	- 592	-	- 100	-	-	-	-	3
Generation - net	8 613	6 629	1	570	386	-	1 036	-	- 9
District heating - sales revenues	433	-	-	-	-	384	49	-	- 0
District heating - energy purchase	- 155	-	-	-	-	- 137	- 19	-	1
District heating - net	278	-	-	-	-	247	30	-	1
Customers - sales revenues	5 785	-	6 116	-	-	-	2	-	- 333
Customers - energy purchase	- 5 547	-	- 5 879	-	-	-	-	-	332
Customers - net	238	-	237	-	-	-	2	-	- 1
Other - sales revenues	1 081	424	11	64	143	-	404	55	- 20
Other - energy purchase	- 494	- 251	- 11	- 53	- 161	-	-	- 38	20
Other - net	587	173	-	11	- 18	-	404	17	0
Sales revenues - total	16 602	7 645	6 128	734	529	384	1 491	55	- 364
Energy purchase - total	- 6 886	- 843	- 5 890	- 153	- 161	- 137	- 19	- 38	355
Sales revenues adjusted for energy purchase	9 716	6 802	238	581	368	247	1 472	17	- 9

NOK million	Statkraft AS Group	European flexible generation	Market operations	International power	European wind and solar	District heating	Industrial ownership	Other activities	Group items
The year 2021									
Generation - sales revenues	43 412	34 113	13	3 058	1 357	-	5 029	-	- 158
Generation - energy purchase	-3 335	-2 912	- 1	- 568	- 1	-	-	-	146
Generation - net	40 076	31 201	12	2 490	1 357	-	5 029	-	- 12
District heating - sales revenues	1 154	-	-	-	-	1 031	128	-	- 5
District heating - energy purchase	- 380	-	-	-	-	- 330	- 56	-	6
District heating - net	774	-	-	-	-	701	73	-	0
Customers - sales revenues	34 062	-	35 227	-	1	-	167	-	-1 333
Customers - energy purchase	-33 536	- 1	-34 702	-	-	-	- 163	-	1 330
Customers - net	527	- 1	525	-	1	-	4	-	- 2
Other - sales revenues	6 028	3 274	38	264	921	2	1 184	351	- 8
Other - energy purchase	-2 717	-1 832	- 23	- 205	- 435	-	-	- 249	26
Other - net	3 311	1 442	16	60	485	2	1 184	102	19
Sales revenues - total	84 656	37 387	35 278	3 322	2 279	1 033	6 509	351	-1 504
Energy purchase - total	-39 968	-4 745	-34 726	- 772	- 436	- 330	- 219	- 249	1 508
Sales revenues adjusted for energy purchase	44 688	32 642	553	2 550	1 843	704	6 290	102	5

7. UNREALISED EFFECTS REPORTED IN THE STATEMENT OF PROFIT AND LOSS

The table below discloses the effects recognised in the statement of profit and loss from unrealised value changes from:

- **Gains/losses from market activities** includes inventories and financial instruments measured at fair value.
- **Net currency effects** includes currency gains and losses on financial instruments measured at amortised cost and fair value.
- **Interest and other financial items** includes financial instruments measured at fair value.

NOK million	First quarter 2022		Total
	Unrealised	Realised	
UNREALISED EFFECTS REPORTED IN PROFIT AND LOSS			
Gains/losses from market activities ¹⁾	6 594	-1 859	4 735
Unrealised effects included in Operating profit/loss (EBIT)	6 594		
Net currency effects ²⁾	1 109	107	1 215
Interest and other financial items	345	88	433
Unrealised effects included in Net financial items	1 454		
Total unrealised effects	8 048		

¹⁾ All other financial statement line items included in Operating profit/loss (EBIT) have no unrealised effects.

²⁾ Gains year to date from internal loans were NOK 201 million, of which all was realised.

NOK million	First quarter 2021			Year 2021		
	Unrealised	Realised	Total	Unrealised	Realised	Total
UNREALISED EFFECTS REPORTED IN PROFIT AND LOSS						
Gains/losses from market activities ¹⁾	-2 887	3 373	487	2 362	-5 597	-3 235
Unrealised effects included in Operating profit/loss (EBIT)	-2 887			2 362		
Net currency effects ²⁾	813	547	1 361	770	319	1 089
Interest and other financial items	187	- 37	150	655	- 412	242
Unrealised effects included in Net financial items	1 000			1 424		
Total unrealised effects	-1 886			3 786		

¹⁾ All other financial statement line items included in Operating profit/loss (EBIT) have no unrealised effects.

²⁾ Currency gains for the year 2021 from internal loans were NOK 27 million, of which NOK 406 million was realised.

8. NORWEGIAN HYDROPOWER AND RELATED BUSINESS

This note discloses selected financial figures from Norwegian hydropower and related business. See note 4 in the annual report 2021.

	"Norwegian hydropower" from:			Sum "Norwegian hydropower, excluding related business"	Associated regional companies	Sum "Norwegian hydropower and related business"
NOK million	Statkraft AS Group	Statkraft Energi AS	Skagerak Kraft Group			
Year to date 2022						
Gross operating revenues and other income	41 173	10 401	2 258	12 669		12 669
Net operating revenues and other income	21 386	10 220	2 208	12 436		12 436
Operating profit/loss (EBIT)	16 964	9 130	2 015	11 145		11 145
Share of profit/loss in equity accounted investments	670	32	0	32	501 ¹⁾	533
Net financial items	1 648	412	- 9	403		403
Tax expense	-7 840	-5 394	-1 173	-6 566		-6 566
Net profit/loss	11 442	4 181	834	5 014	501	5 515
Net profit/loss (of which owners of the parent)	11 108	4 181	555	4 736	501	5 237
Assets 31.03.22						
Equity accounted investments	15 632	2	4	6	11 729 ¹⁾	11 735
Other assets	327 291	38 534	10 175	48 709		48 709
Total assets	342 923	38 536	10 179	48 715	11 729	60 444
EBITDA	18 373	9 409	2 063	11 471		11 471
Depreciations, amortisations and impairments	-1 409	- 279	- 47	- 326		- 326
Maintenance and other investments	997	258	39	298		298
Investments in new capacity	953	-	5	5		5
New capacity for subsequent divestment (DS/DBS)	345	-	-	-		-
Investments in shareholdings	204	-	-	-		-
Total investments	2 499	258	44	302		302

¹⁾ Statkraft's share.

	"Norwegian hydropower" from:			Sum "Norwegian hydropower, excluding related business"	Associated regional companies	Sum "Norwegian hydropower and related business"
NOK million	Statkraft AS Group	Statkraft Energi AS	Skagerak Kraft Group			
The year 2021						
Gross operating revenues and other income	82 976	25 373	5 267	30 658		30 658
Net operating revenues and other income	41 286	24 107	5 008	29 135		29 135
Operating profit/loss (EBIT)	29 727	19 977	4 266	24 244		24 244
Share of profit/loss in equity accounted investments	1 686	-	1	1	1 217 ¹⁾	1 219
Net financial items	1 331	- 330	- 47	- 377		- 377
Tax expense	-16 663	-12 842	-2 426	-15 267		-15 267
Net profit/loss	16 081	6 805	1 795	8 601	1 217	9 818
Net profit/loss (of which owners of the parent)	15 523	6 805	1 193	7 998	1 217	9 215
Paid dividend and group contribution to Statkraft		2 300 ²⁾	53 ³⁾	2 353	495 ³⁾	2 849
Assets 31.12.21						
Equity accounted investments	14 771	2	4	6	10 927 ¹⁾	10 932
Other assets	295 233	38 571	10 173	48 745		48 745
Total assets	310 004	38 574	10 177	48 750	10 927	59 677
EBITDA	30 437	21 091	4 457	25 548		25 548
Depreciations, amortisations and impairments	- 710	-1 114	- 190	-1 304		-1 304
Maintenance investments and other investments	5 562	1 698	252	1 950		1 950
Investments in new capacity	2 271	44	80	124		124
New capacity for subsequent divestment DS/DBS	1 892	-	-	-		-
Investments in shareholdings	2 142	-	-	-		-
Total investments	11 867	1 742	332	2 074		2 074

¹⁾ Statkraft's share.

²⁾ Dividend and group contribution after tax paid from Statkraft Energi AS.

³⁾ Dividend paid to Statkraft.

9. INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT

NOK million	First quarter 2022	2021	Year 2021
INTANGIBLE ASSETS			
Balance as of 01.01.	4 112	4 113	4 113
Additions	173	34	298
Additions from acquisition of companies	176	-	- 35
Reclassifications	- 29	108	29
Amortisations	- 51	- 39	- 234
Impairments	- 62	- 5	- 61
Reversal of impairments	-	-	26
Derecognition from divestments	-	-	- 32
Disposals	-	- 10	- 44
Currency translation effects	132	- 103	51
Balance as of end of period	4 451	4 100	4 112
PROPERTY, PLANT AND EQUIPMENT			
	2022	2021	2021
Balance as of 01.01.	116 521	112 057	112 057
Additions	1 653	909	6 316
Additions due to IFRS 16 (new contracts)	53	268	1 083
Remeasurements and other changes (IFRS 16)	42	- 8	- 154
Additions from acquisition of companies	15	-	1 815
Capitalised borrowing costs	72	19	137
Reclassifications	29	- 5	- 29
Depreciations	-1 069	- 946	-3 879
Impairments	- 227	- 22	- 21
Reversal of impairments	-	79	3 460
Derecognition from divestments	- 106	-	-2 128
Disposals	- 13	- 16	- 254
Currency translation effects	- 890	-2 133	-1 882
Balance as of end of period	116 080	110 202	116 521

Accounting policies, judgment and assumptions for impairments are described in note 15 in the annual report 2021.

Hydropower in Chile In the first quarter an impairment of NOK 258 million related to a hydropower project was recognised in the statement of profit and loss. The impairment is explained by increased estimated future costs and decreased revenues.

The estimated values are sensitive to changes in future power prices and cost of capital.

NOK million			First quarter
Technology	Segment	Country	
Hydropower	International power	Chile	- 258
Other			- 31
Total impairments (-)/reversal of impairments (+)			- 289
			<i>Intangibles</i>
			- 62
			<i>Property, plant and equipment</i>
			- 227

10. INVENTORIES

Statkraft's inventories consist of environmental certificates and wind- and solar projects that Statkraft intends to develop and divest to third parties either before, at the time of or shortly after construction (DS/DBS). In addition, Statkraft also has some inventories which are directly related to the tangible assets, whereof spare parts are the most significant group.

Environmental certificates:

Statkraft's environmental certificates consist of green certificates in the Nordics, Renewable Obligation Certificates (ROCs) in the UK, European Union Allowances (EUAs) and carbon allowances in the US. A significant part of the environmental certificates are ROCs which are purchased from origination and market access activities and in addition from own generating assets that are eligible for receiving these government grants.

Wind- and solar projects:

Inventories in Statkraft comprise costs of solar and wind power development or construction projects that Statkraft intends to divest to third parties. In some cases, an agreement has been entered with third parties to divest the projects when the project reaches agreed conditions. In other cases, no agreements with third parties are entered prior to construction being finalised, however the intention is always to divest the project and a selling process will be ongoing.

Statkraft has defined three categories of inventory within the DS/DBS model:

- **Development projects:** include early-stage wind- and solar projects which have not yet reached the construction phase.
- **Construction projects:** If management has decided to start construction of a wind farm or a solar park based on the developed project, the development project will be transferred to Construction projects.
- **In operation:** After the construction is completed and the project has reached commercial operation date, the wind- or solar park is either sold to a customer or the project will be moved to the category In operation while a process to sell the completed project will be ongoing.

Statkraft currently has 11 ongoing construction projects, as well as one project where construction is completed. For four of these projects, a put/call option agreement (PCOA) or other types of sales agreements have been signed. These agreements will be closed when the projects reach the agreed conditions.

Statkraft also divested one solar park in Spain and three solar parks in the Netherlands, which had been classified as inventories. See also note 14.

NOK million	First quarter 2022	2021	Year 2021
Inventories measured at fair value less costs to sell			
Environmental certificates	5 754	5 148	3 372
Inventories measured at the lower of cost price and net realisable value			
Environmental certificates	752	453	20
Spare parts	175	150	153
Other	86	99	105
Total	1 014	702	277
Wind and solar projects (DS/DBS) measured at the lower of cost price and net realisable value			
Development projects	990	1 140	1 006
Construction projects ¹⁾	1 870	1 348	1 807
In operation	44	-	152
Total	2 904	2 489	2 965
Total inventories	9 671	8 338	6 614

¹⁾ Of which NOK 1335 million is from projects where PCOA or similar forward sales agreements have been signed at the end of the quarter.

11. INTEREST-BEARING LIABILITIES

The table below discloses the specification of interest-bearing liabilities.

NOK million	First quarter 2022	2021 ¹⁾	Year 2021
INTEREST-BEARING LIABILITIES, CURRENT			
Commercial papers, bond and bank debt	18 394	3 580	18 942
Lease liabilities	317	238	303
Cash collateral	9 359	1 388	10 967
Debt to Statkraft SF	200	200	200
Other current liabilities	16	29	14
Total	28 285	5 435	30 426
INTEREST-BEARING LIABILITIES, NON-CURRENT			
Bond and bank debt	18 940	23 961	19 632
Lease liabilities	1 752	1 744	1 861
Total	20 692	25 705	21 493
Total interest-bearing liabilities	48 978	31 141	51 919

¹⁾ Comparable figures have been restated. See note 5.

12. BALTIC CABLE – REGULATIONS OF CONGESTION REVENUES

Baltic Cable AB (BC) is a subsidiary of Statkraft reported under the segment European flexible generation. The company is the owner of a subsea interconnector between Sweden and Germany. BC is a European transmission system operator (TSO) and was certified in accordance with the German energy legislation in November 2019. The European unbundling guidelines, implemented by both Sweden and Germany, allow integrated energy companies such as Statkraft to own a TSO provided a strict unbundling business model is implemented. Both the Swedish regulator, Ei, and the German regulator, BNetzA, are currently assessing how to regulate the activities in BC. The outcome of the regulation is still uncertain and could impact Statkraft's flexibility with regard to the use of both existing and future cash generated from the business in BC.

As of 31 March 2022, cash and cash equivalents in BC amounted to NOK 1.3 billion and is presented under the line item Cash and cash equivalents in Statkraft's statement of financial position.

13. DISPUTES, CONTINGENCIES AND UNCERTAIN TAX POSITIONS

There are no material changes to the facts and circumstances of the significant legal proceedings and uncertain tax positions disclosed in the annual report for 2021.

14. MERGERS, ACQUISITIONS AND OTHER SIGNIFICANT AGREEMENTS

From the Develop-Sell / Develop-Build-Sell (DS/DBS) business model:

On 28 January, Statkraft divested three newly constructed solar parks with a total capacity of 40 MWp in the Netherlands to Encavis AG for a total consideration of NOK 435 million, including cash received for debt paid as part of the Share Purchase Agreements. This led to a total gain of NOK 71 million, recognised as Other operating income.

Statkraft also entered into agreements to provide asset management and operation and maintenance services on the solar parks subsequent to the divestments.

On January 31, Statkraft divested a 58 MWp solar park under construction in Cadiz in Spain to The Renewables Infrastructure Group (TRIG) for a total consideration of NOK 172 million. This led to Statkraft recognising gains of NOK 112 million as Other sales revenues and NOK 27 million as Other operating income.

Following agreements signed in 2021, Statkraft will after the divestment also perform Engineering, Procurement and Construction (EPC) activities to construct the solar park, as well as provide asset management and operation and maintenance activities going forward.

15. SUBSEQUENT EVENTS

There are no significant subsequent events.

Alternative Performance Measures

As defined in ESMA's guideline on alternative performance measures (APM), an APM is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Statkraft uses the following APMs:

EBITDA underlying is defined as operating profit/loss (EBIT) underlying before depreciations and amortisations. The APM is used to measure performance from operational activities. EBITDA underlying should not be considered as an alternative to operating profit and profit before tax as an indicator of the company's operations in accordance with generally accepted accounting principles. Nor is EBITDA underlying an alternative to cash flow from operating activities in accordance with generally accepted accounting principles.

Operating profit/loss (EBIT) underlying is an APM used to measure performance from operational activities.

Items excluded from operating profit/loss (EBIT) underlying:

Statkraft adjusts for the following three items when reporting operating profit (EBIT) underlying:

1. **Unrealised value changes from embedded EUR derivatives**, since they do not reflect how the segment is following up on the results. The EUR exposure in the power sales agreements with the power intensive industry are hedged by entering into currency derivatives or EUR bonds. Hence, the unrealised value changes from the energy (EUR) derivatives are partly offset in Net financial items in the Profit and loss statement.
2. **Gains/losses from divestments of business activities that are not classified as DS/DBS**, since the gains or losses do not give an indication of future performance or periodic performance from operating activities. Such gains or losses are related to the cumulative value creation from the time the asset is acquired until it is sold.
3. **Impairments/reversal of impairments**, since they affect the economics of an asset for the useful life of that asset; not only the period in which it is impaired, or the impairment is reversed.

The above items are also excluded from **Gross operating revenues and other income underlying** and **Net operating revenues and other income underlying**. See also section Segment.

ROACE is defined as operating profit/loss (EBIT) underlying divided by capital employed. ROACE is calculated on a rolling 12-month average and is used to measure return from the operational activities as well as benchmarking performance.

ROAE is defined as share of profit/loss in equity accounted investments, divided by the book value of the Group's equity accounted investments. ROAE is calculated on a rolling 12-month average. The financial metric is used to measure return from the Group's equity accounted investments as well as benchmarking performance.

Capital employed is the capital allocated to perform operational activities. Property, plant and equipment, intangible assets and solar- and wind projects presented under inventories in the statement of financial position (DS/DBS) are defined as Statkraft's capital employed.

Net interest-bearing liabilities is used to measure indebtedness.

Net interest-bearing liabilities - equity ratio is calculated as net interest-bearing liabilities relative to the sum of net interest-bearing liabilities and equity.

Operating profit/loss (EBIT) margin underlying (%) is calculated as operating profit/loss (EBIT) underlying relative to gross operating revenues and other income underlying.

NOK million	First quarter 2022	2021	Year 2021
ALTERNATIVE PERFORMANCE MEASURES			
OPERATING PROFIT/LOSS (EBIT) MARGIN UNDERLYING			
Operating profit/loss (EBIT) underlying	17 953	7 216	26 792
Gross operating revenues and other income underlying	41 874	18 147	83 440
Operating profit/loss (EBIT) margin underlying	42.9%	39.8%	32.1%
RECONCILIATION OF OPERATING PROFIT/LOSS (EBIT) UNDERLYING TO EBITDA UNDERLYING			
Operating profit/loss (EBIT) underlying	17 953	7 216	26 792
Depreciations and amortisations	1 120	985	4 113
EBITDA underlying	19 073	8 201	30 906
FINANCIAL STATEMENT LINE ITEMS INCLUDED IN CAPITAL EMPLOYED			
Intangible assets	4 451	4 100	4 112
Property, plant and equipment	116 080	110 202	116 521
Inventories (DS/DBS)	2 904	2 489	2 965
Capital employed	123 435	116 790	123 598
Average capital employed ¹⁾	120 871	117 926	119 422
RETURN ON AVERAGE CAPITAL EMPLOYED (ROACE)			
Operating profit/loss (EBIT) underlying, rolling 12 months	37 530	9 796	26 792
Average capital employed ¹⁾	120 871	117 926	119 422
ROACE	31.0%	8.3%	22.4%
RETURN ON AVERAGE EQUITY ACCOUNTED INVESTMENTS (ROAE)			
Share of profit/loss in equity accounted investments, rolling 12 months	1 911	558	1 686
Average equity accounted investments ¹⁾	14 310	13 280	13 941
ROAE	13.4%	4.2%	12.1%
NET INTEREST-BEARING LIABILITIES			
Non-current interest-bearing liabilities	20 692	25 705	21 493
Current interest-bearing liabilities	28 285	5 435	30 426
Cash and cash equivalents incl. restricted cash (A)	-37 705	-12 203	-37 162
Restricted cash (B)	356	46	342
Cash and cash equivalents included in net interest-bearing liabilities (A+B)	-37 349	-12 157	-36 819
Current financial investments	- 616	- 605	- 661
Net interest-bearing liabilities	11 013	18 379	14 439
NET INTEREST-BEARING LIABILITIES-EQUITY RATIO			
Net interest-bearing liabilities	11 013	18 379	14 439
Equity	119 255	100 466	107 775
Sum of net interest-bearing liabilities and equity	130 268	118 844	122 214
Net interest-bearing liabilities - equity ratio	8.5%	15.5%	11.8%

¹⁾ Average capital employed and average equity accounted investments are based on the average for the last four quarters.

Statkraft AS
PO Box 200 Lilleaker
NO-0216 Oslo
Tel: +47 24 06 70 00
Visiting address:
Lilleakerveien 6



Organisation no:
Statkraft AS: 987 059 699

www.statkraft.com

INTERIM REPORT Q1 2022