



GRANINGE

Danderyd, 3 April 2001

Press release

Granninge's annual report for 2000:

Optimism in Granninge:

"Good start of the year 2001"

In an interview excerpt from the annual report, Managing Director and CEO Lars Enslöf of Granninge said that the year 2001 has shown a good start with high production in the hydropower stations and with high prices in the spot market. But he will not give any forecasts for this year:

-- But I will say that if the past year was rainy, the current year looks to be a dry one. An unusually thin snow pack has been noted, especially in the Norwegian mountains. Which doesn't mean we will be seeing a drop in earnings on par with 1996, the driest year on record. On the contrary, for the reasons I have mentioned above we should be able to at least partly offset the shortfall in production through higher prices.

In the annual report, Lars Enslöf describes an optimistic and promising future for Granninge:

-- No other power company in Sweden has electricity production derived exclusively from environmentally friendly energy sources. Granninge sells close to half of all green electricity in Sweden, and is licensed to use the Swedish Society for the Conservation of Nature's "Good Environmental Choice" label. This market segment clearly belongs to Granninge and I am convinced that the Granninge name will be increasingly associated with green electricity.

The latter years have shown extremely high precipitation. This has pressed down the prices, and about last year Lars Enslöf says:

The heavy rainfall enabled Granninge to produce a 20 per cent more electricity than normal, which was roughly on par with the drop in prices. The latter should be kept in mind when discussing low prices. The falling electricity prices have been largely attributable to high run-off, something Granninge has been able to fully exploit thanks to its reliance on hydropower. This has been especially true after deregulation, when production has been increasingly detached from sales of electricity.

The annual report will be distributed to all the shareholders within a few days.

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