



Third-quarter 2009 presentation to analysts
28 October 2009

1. Third-quarter 2009 results: Christian Berg, CEO
2. District Heating: Jan Presttun, Group SVP
3. Additional information

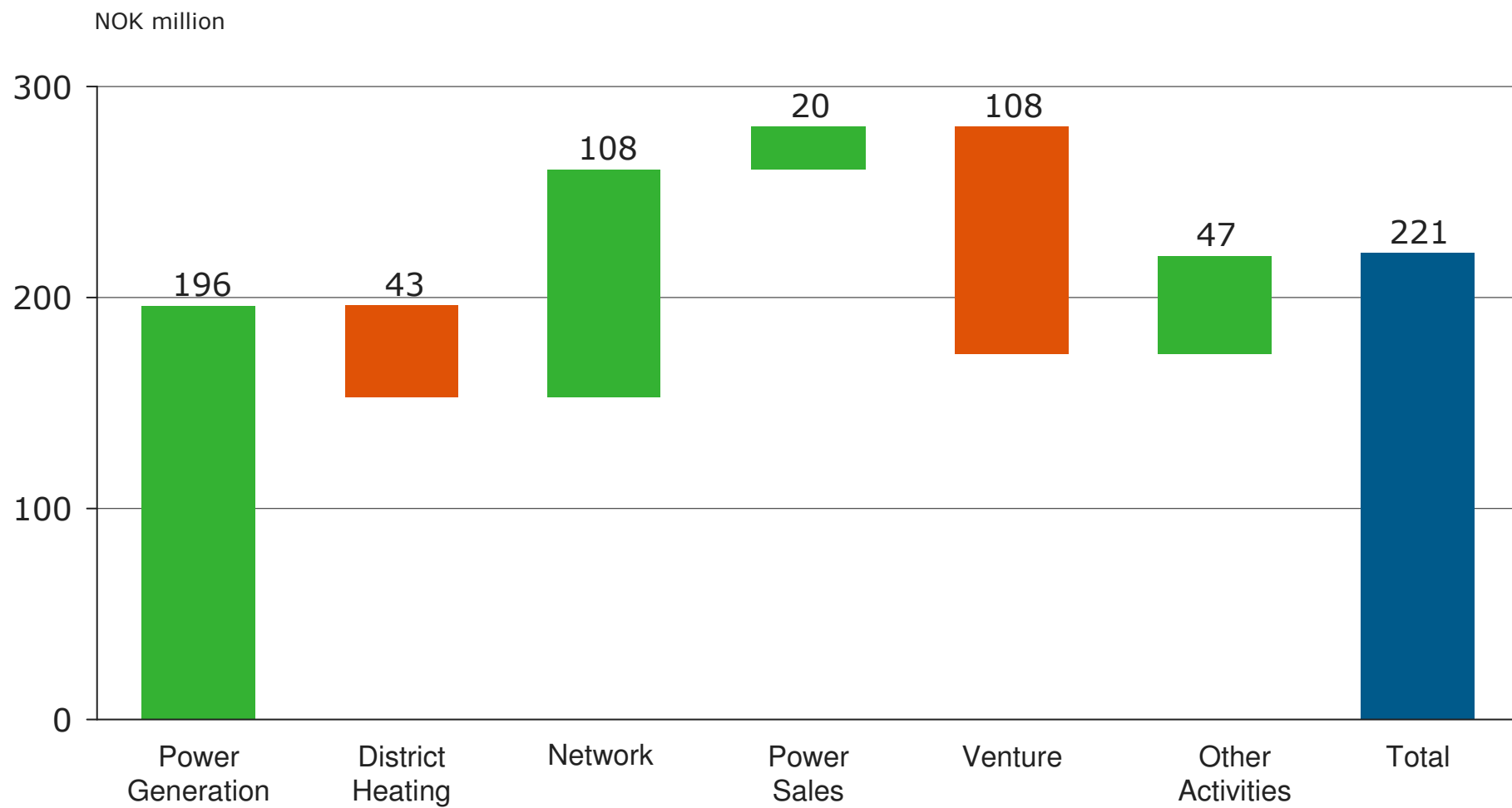
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Highlights - third quarter 2009

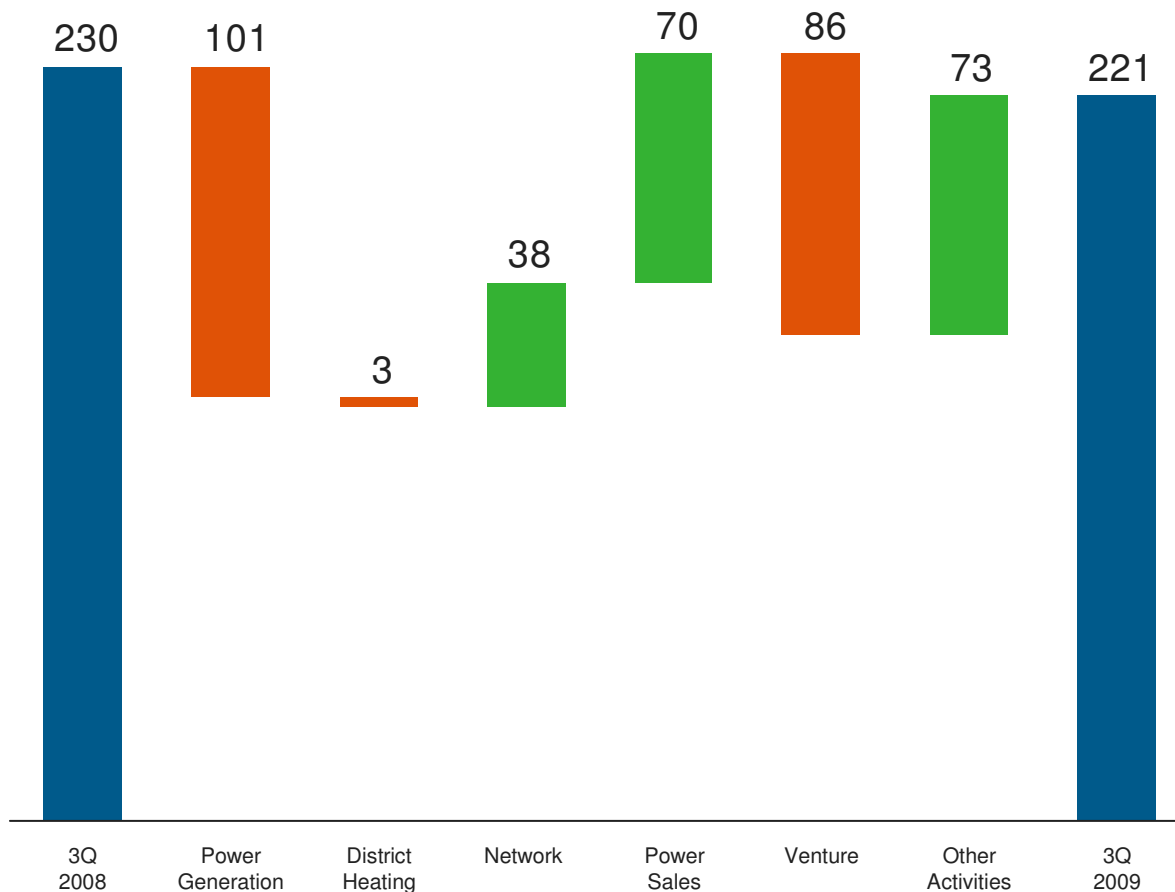
- Operating profit: NOK 221 million (3Q 2008: NOK -1 636 million, which included a NOK 1 866 million decline in value of the Group's Renewable Energy Corporation investment).
- Pre-tax profit charged NOK 178 million due to changes in value of shareholdings, derivatives, loans, and licensed power obligations to municipalities.
- Increased hydropower generation: up 11 percent from 3Q 2008 and 15 percent above normal for third-quarter production.
- After-tax profit: NOK -65 million (NOK -1 750 million). EPS: NOK 0.33 (NOK -8.97).
- Solid cash flow from operations: NOK 480 million (NOK -306 million).



Operating profit — third quarter 2009



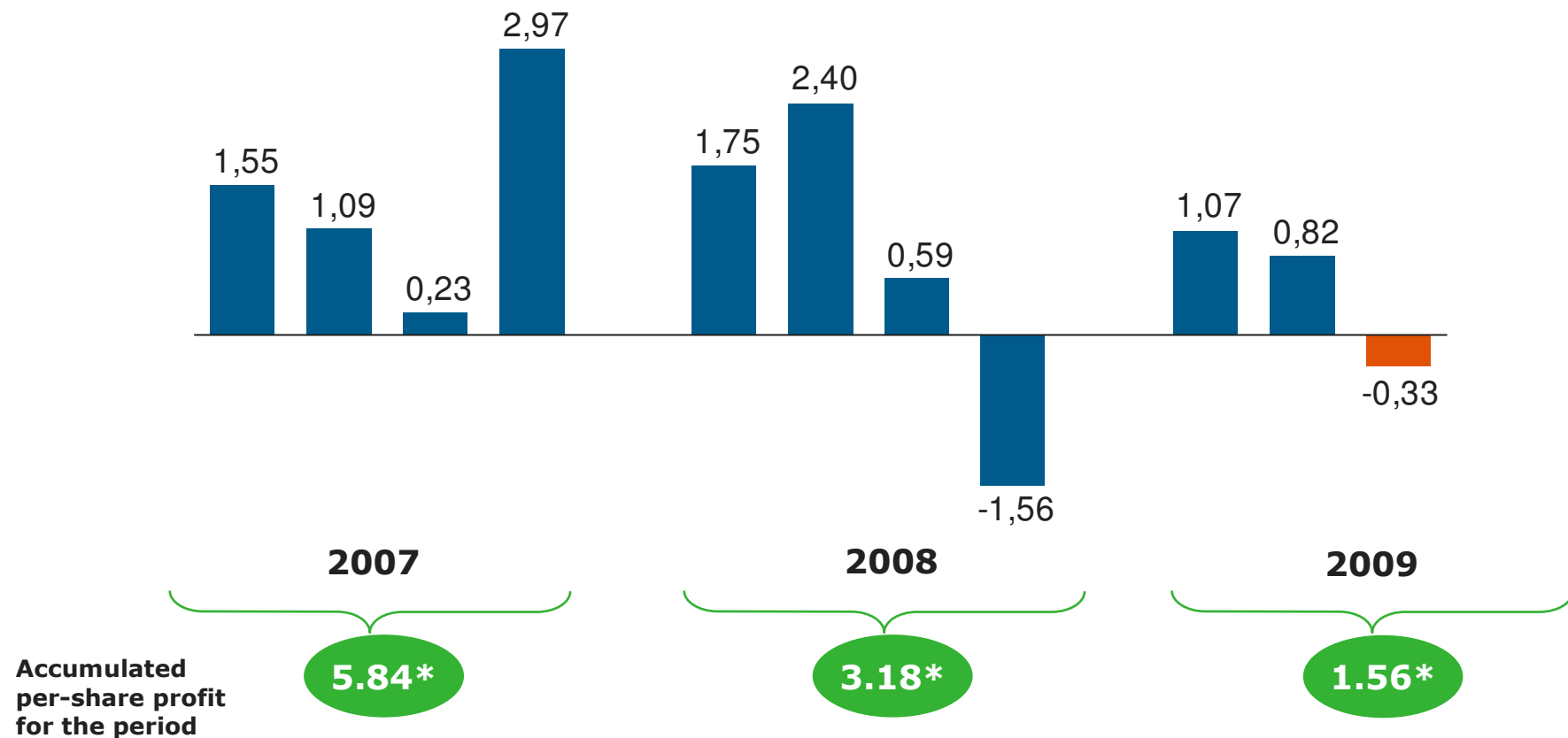
Operating profit — comparison with 3Q 2008 (excl. REC)



- Power prices: 35 percent below 3Q 2008.
- Network business: gradual profit improvement.
- Power Sales: Weak profit performance in 2008.
- Venture portfolio: Negative value development.
- Other Activities: Gains and value growth on derivatives.

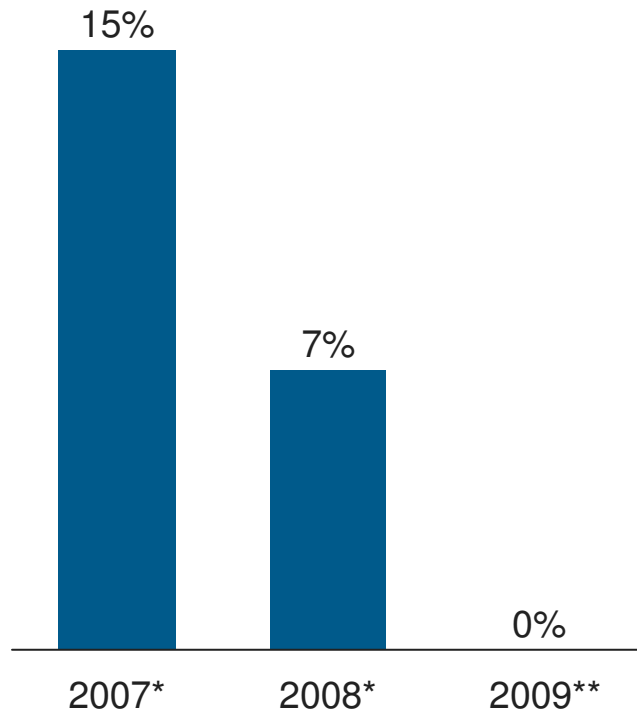
Earnings per share

By quarter
EPS in NOK

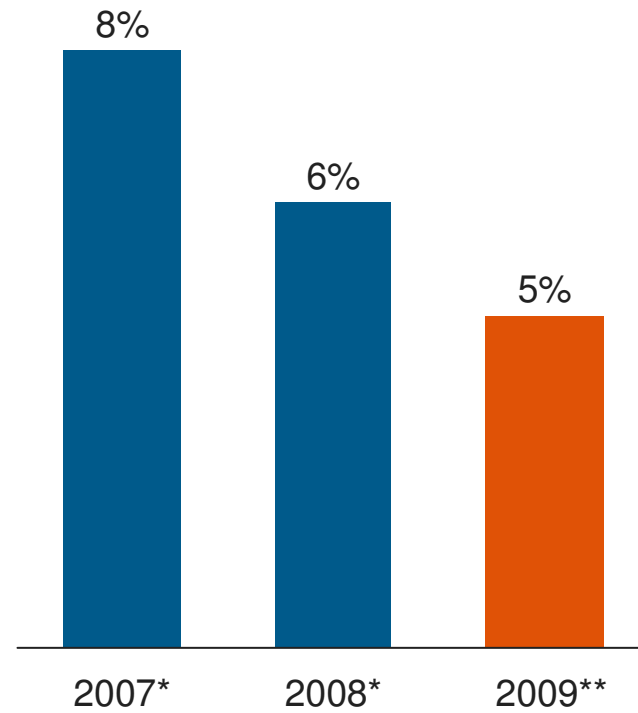


Rates of return

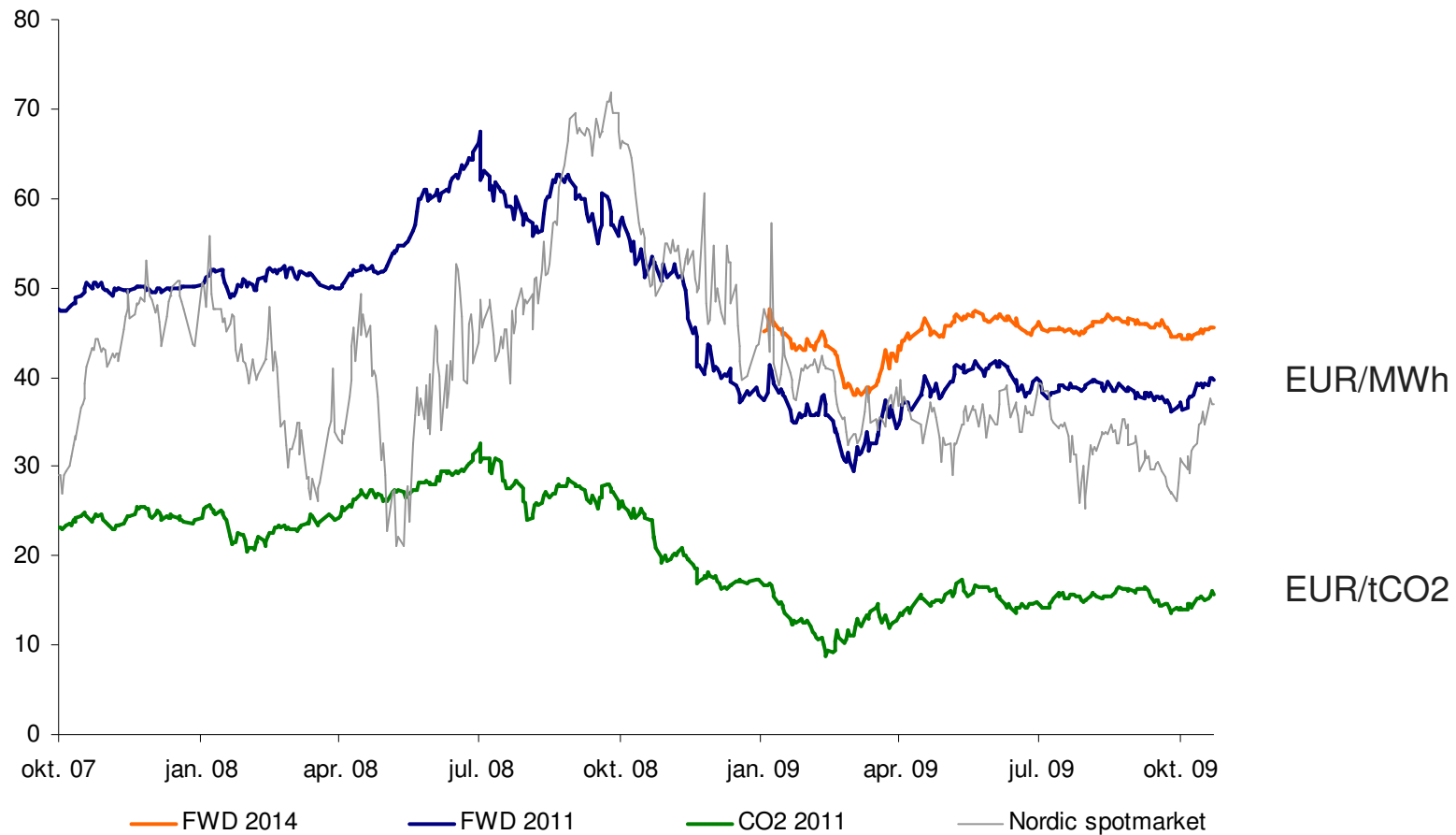
Equity (ROE)



Capital employed (ROCE)

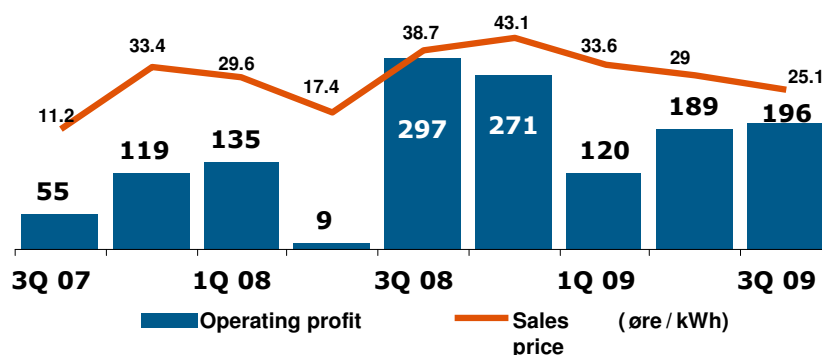


Power and CO₂ prices - 3Q 2009



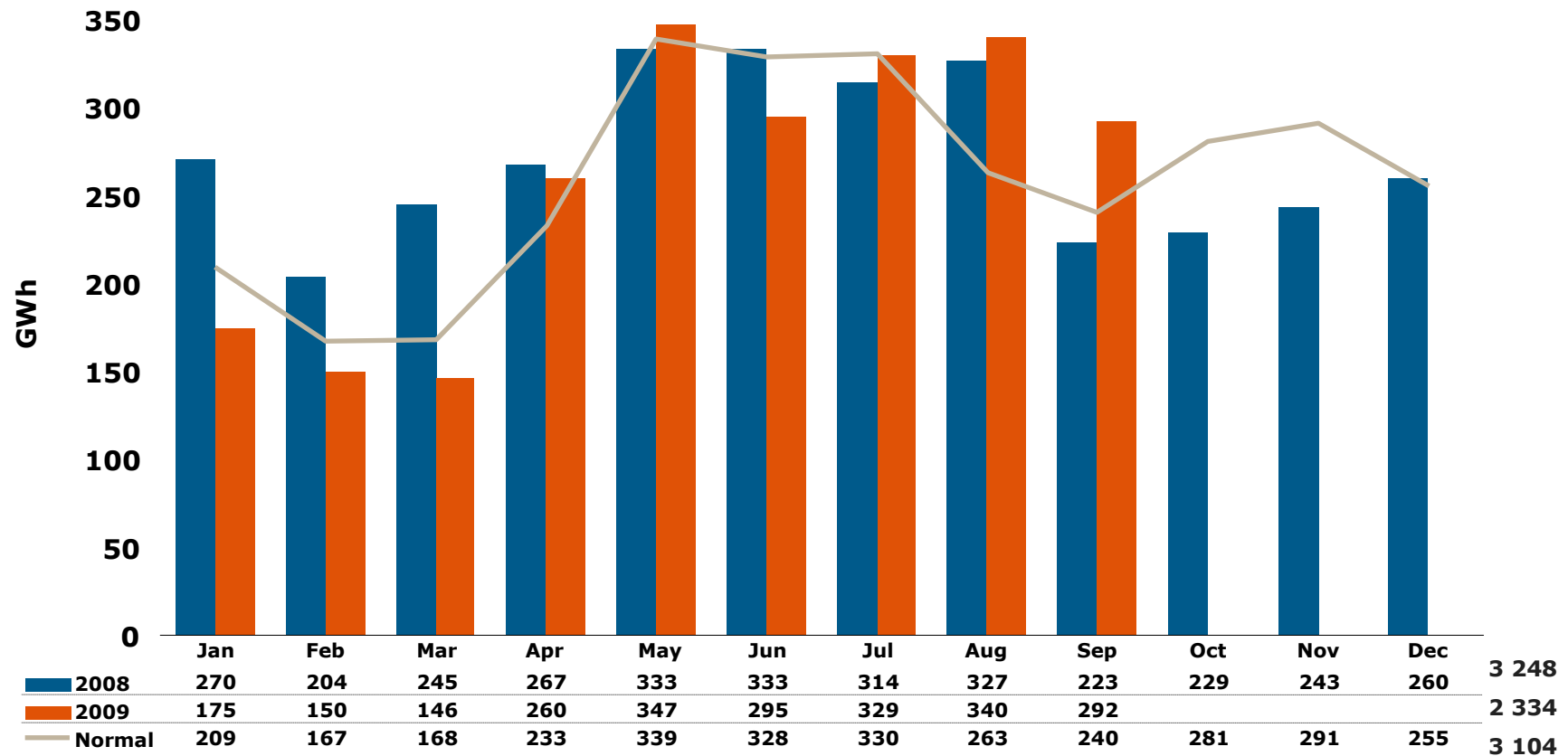
Power Generation

NOK million	3Q 09	3Q 08	YTD 09	YTD 08
Operating revenue	236	326	653	691
Operating profit before depreciation	207	306	538	471
Operating profit	196	297	506	442
Investments	24	23	127	64
Production (GWh)	962	865	2334	2516
Sales price (øre/kWh)	25,1	38,7	28,5	28,2



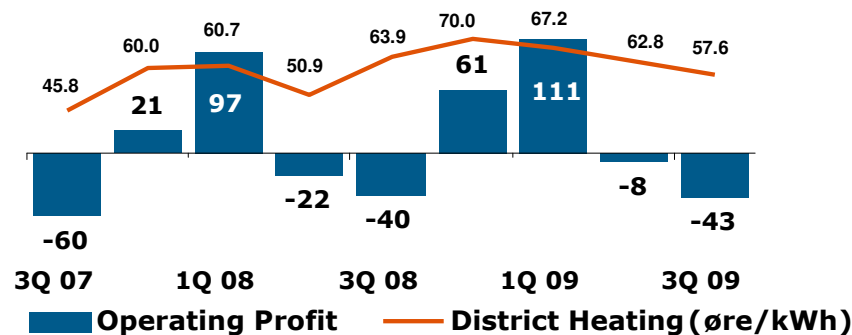
- Profit and revenue figures reflect lower power prices compared with 3Q 2008.
- Power generation: 15 percent above normal for the reporting period.
- Lower forward prices for 2014 delivery reduced licensed power obligations. Profit contribution: NOK 21 million (NOK 27 million).
- Projected 4Q 2009 generation: about 110 GWh below average.
- Expansion and upgrade projects on schedule.

Power Generation profile



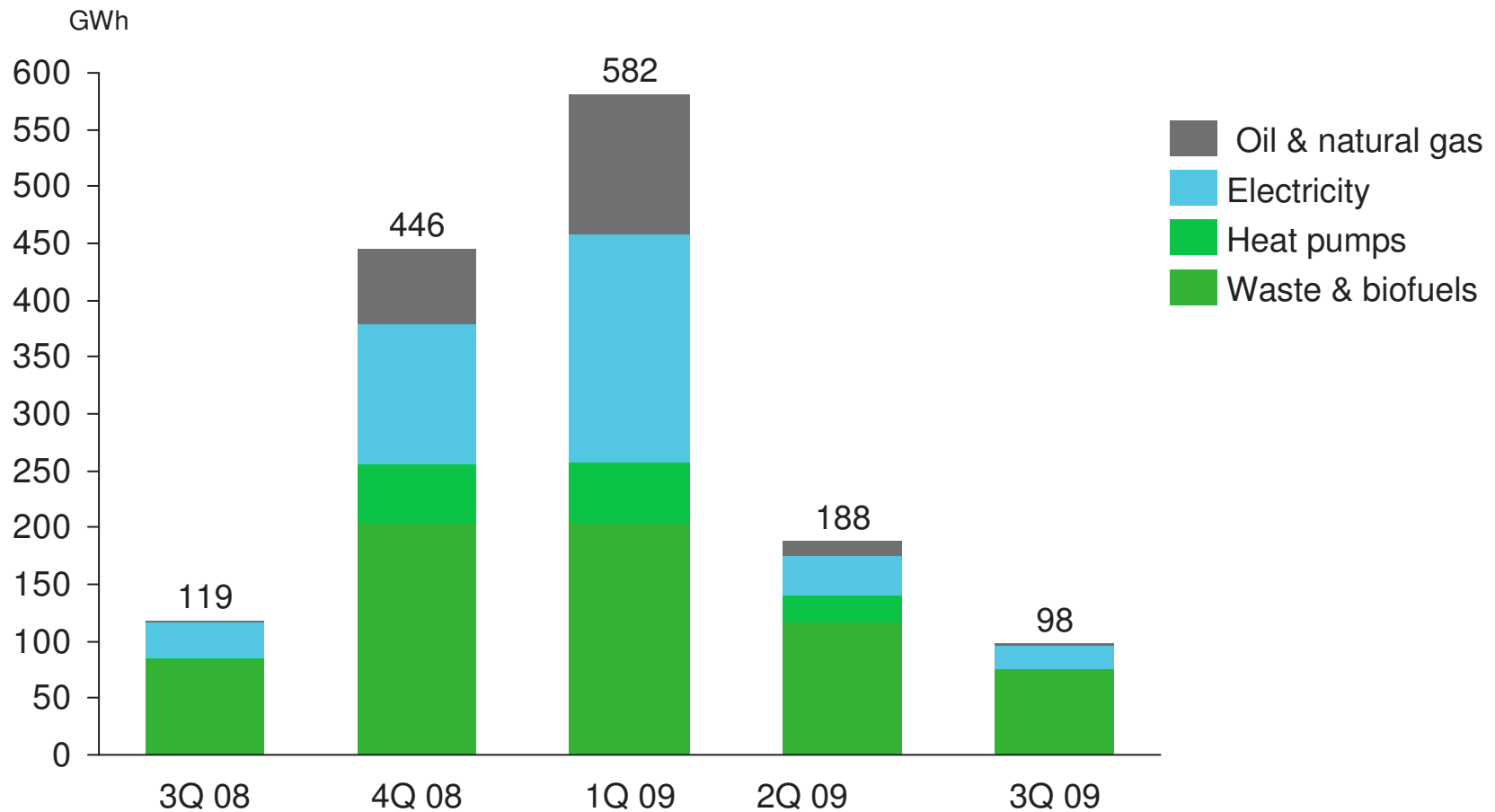
District Heating

NOK million	3Q 09	3Q 08	YTD 09	YTD 08
Operating revenue	48	58	503	412
Operating profit before depreciation	(11)	(7)	155	134
Operating profit	(43)	(40)	60	36
Investments	99	159	305	270
Production (GWh)	98	118	868	746
Production cost (in øre per kWh)	24,1	25,9	27,7	23,7
Salesprice (in øre per kWh)	57,6	63,9	64,6	59,7



- Gross contribution margin: NOK 0.335 per kWh, down NOK 0.045 per kWh from 3Q 2008.
- 3Q is the seasonally weakest quarter: Low energy consumption. About 10 percent of annual production.
- Renewable energy sources: 86 percent of energy input.
- New customer contracts for annual energy outtake of 125 GWh signed YTD.
- Investments in second half of 2009 mostly for customer tie-ins to district heating grid.

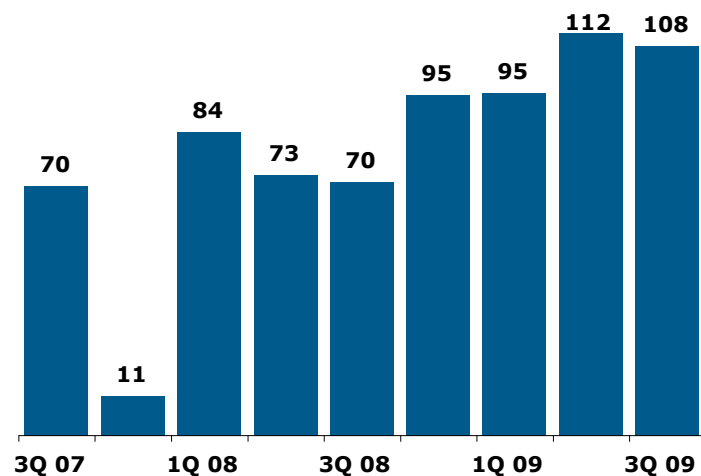
District Heating — quarterly production mix



Network

NOK million	3Q 09	3Q 08	YTD 09	YTD 08
Operating revenue	698	760	2 377	2 353
Operating profit before depreciation	243	208	721	636
Operating profit	108	70	315	227
Investments	160	191	323	388

Operating profit development



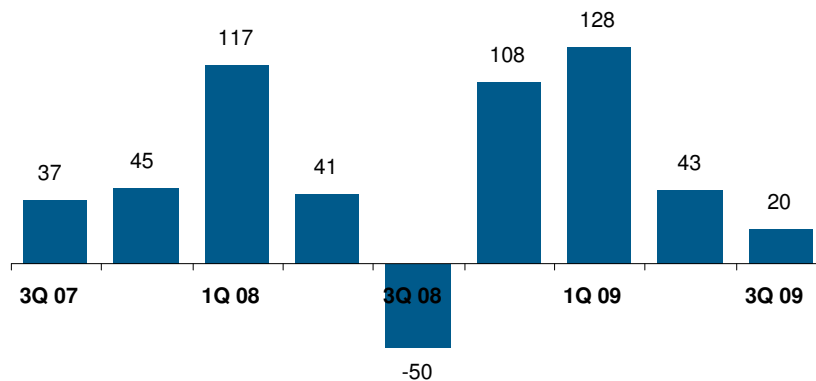
- 2009 income ceiling excl. transmission costs: NOK 2,428 million, up NOK 439 million.
- Higher income ceiling yields NOK 110 million quarter-on-quarter increase over 2008.
- Network maintenance: on a par with 3Q 2008 level.
- NOK 95 million in “under income” affects operating profit comparison with 3Q 2008.
- Investments mainly focus on 132 MV upgrades and grid substation reinvestments.
- Risk associated with inconsistent and unpredictable framework conditions.

Power Sales

NOK million	3Q 09	3Q 08	YTD 09	YTD 08
Operating revenues	662	946	3 409	3 153
Operating profit before depreciation	22	(48)	197	114
Operating profit	20	(50)	191	108
Sold volume (GWh)	2 162	2 222	9 133	8 989

- Operating revenues reflect lower power prices compared with 3Q 2008.
- Satisfactory profit in a seasonally weak quarter due to low power consumption.
- Add-on products offering features beyond traditional power products are paying off.
- Customer-base growth: 13,500

Operating profit development



Venture

NOK million	3Q 09	3Q 08	YTD 09	YTD 08
Operating revenue	152	192	603	631
Operating profit (excl REC)	(108)	(22)	-108	483
- REC	0	(1 866)	0	(12 005)



- Portfolio market value declines: NOK 86 million charged against 3Q 2009 profit.
- Embriq: gathers several Venture company ownership interests under a new corporate umbrella.
 - o Automatic meter reading technology
 - o IT-related services
 - o Venture's profit charged NOK 26 million in write-downs associated with establishment of Embriq.
- Hafslund Telekom EBITDA: NOK 28 million (3Q 2008: NOK 22 million)
- REC investment book value: 94.7 million shares at NOK 50.70 per share = NOK 4.8 billion (as of 30 September 2009).
- Capital employed (excluding REC investment): NOK 1.7 billion as of close of 3Q 2009.



Other Activities

NOK million	3Q 09	3Q 08	YTD 09	YTD 08
Support	(37)	(20)	(121)	(101)
Power trading	(18)	(41)	(24)	64
Other renewable energy	(9)	(12)	(20)	(32)
Real estate	33	6	40	13
Billing and customer service	30	24	79	65
Financial derivatives, ass. comp.	58	16	133	68
Other	(10)	0	(30)	0
Operating profit other	47	(26)	56	77

- NOK 65 million profit contribution from derivatives value growth and real estate sales
 - o Derivatives: NOK 38 million
 - o Real estate gains: NOK 27 million
- Energy recovery facility at Fredrikstad generates 24.5 GWh (3Q 2008: 7.3 GWh).
- Energy recovery facility at Borregaard ready for pilot operations at year-end 2009.
- Wood pellets factory at Averøya plans 2Q 2010 pilot operations start-up.

Group cash flow statement

NOK million	3Q 09	3Q 08	YTD 09	YTD 08
Pretax profit	(48)	(1 856)	584	(11 020)
Depreciation	235	212	660	620
Profit and loss items without liquidity effects	157	1 979	(375)	11 119
Cash flow from operations	344	335	869	719
Change in working capital, etc.	136	(641)	1 589	776
Total cash flow from operations	480	(306)	2 458	1 495
Cash flow per share from operations	2,5	(1,6)	12,6	7,7
Net operations and expansion investments	(348)	(463)	(1 117)	(1 217)
Portfolio changes Venture, etc.	(636)	(110)	(652)	(329)
Cash flow before financing activities and dividends	(504)	(879)	689	(51)

Group profit and loss account

NOK million	3Q 09	3Q 08	YTD 09	YTD 08
Operating revenue	1 834	2 295	7 638	7 243
Gain/loss financial items	(21)	(1 886)	94	(11 501)
Operating expenses	(1 357)	(1 833)	(6 053)	(5 754)
Operating profit before depreciation	456	(1 424)	1 679	(10 012)
Depreciation	(235)	(212)	(660)	(620)
Operating profit	221	(1 636)	1 020	(10 633)
Interest expences	(118)	(190)	(382)	(502)
Market value change loan portfolio	(151)	(30)	(53)	115
Financial expenses	(269)	(220)	(435)	(387)
Pre-tax profit	(48)	(1 856)	584	(11 020)
Tax	(17)	(77)	(280)	(267)
Results discontinued operations	-	183	-	208
Profit after tax	(65)	(1 750)	305	(11 078)
Majority's share of profit	(67)	(1 766)	306	(11 093)
Earnings per share (EPS) in NOK	(0,33)	(8,97)	1,56	(56,76)

Group balance sheet

NOK million	30.09.2009	30.06.2009	31.12.2008	30.09.2008
Intangible assets	2 295	2 318	2 308	2 412
Fixed assets	18 604	18 432	18 102	17 926
Financial assets	6 109	5 446	6 452	8 821
Accounts receivables and inventory	1 766	1 944	3 077	2 472
Cash and cash equivalents	300	942	681	360
Assets	29 075	29 083	30 620	31 991
Equity (incl. Min. int.)	11 751	11 715	12 426	16 226
Allocation for liabilities	3 283	3 232	3 072	2 885
Long-term debt	8 949	8 807	7 653	8 027
Other currently liabilities	2 983	3 119	4 871	3 074
Short-term debt	2 109	2 210	2 599	1 780
Equity and liabilities	29 075	29 083	30 620	31 991
Net interest-bearing debt	11 161	10 661	11 442	10 261
Equity ratio	40 %	40 %	41 %	51 %

Hafslund outlook

- Continue to invest in renewable energy.
- Further development in the infrastructure, and growth in power sales.
- Still a close alignment to this strategy.

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3. Additional information

District Heating — today and tomorrow

- District Heating today
- Key framework conditions that will promote growth
- Our ambition: greater renewable energy production
- Pilot geothermal plant at Haraldrud



District Heating today

Agenda — May 2008

→ To the present



- Norges største fjernvarmeleverandør
- 1,2 TWh – skal bygges ut til det dobbelte
- Viktig for at Oslo skal nå sine klimamål
- Anlegg i Oslo, Oppegård og Gardermoen

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Hafslund

- Rapid development pace maintained: 125 GWh in 2009, corresponding to the needs of 12 500 households
- Klemetsrud pipeline completed on schedule in summer 2009
- Evaluating opportunities to increase production of renewable energy

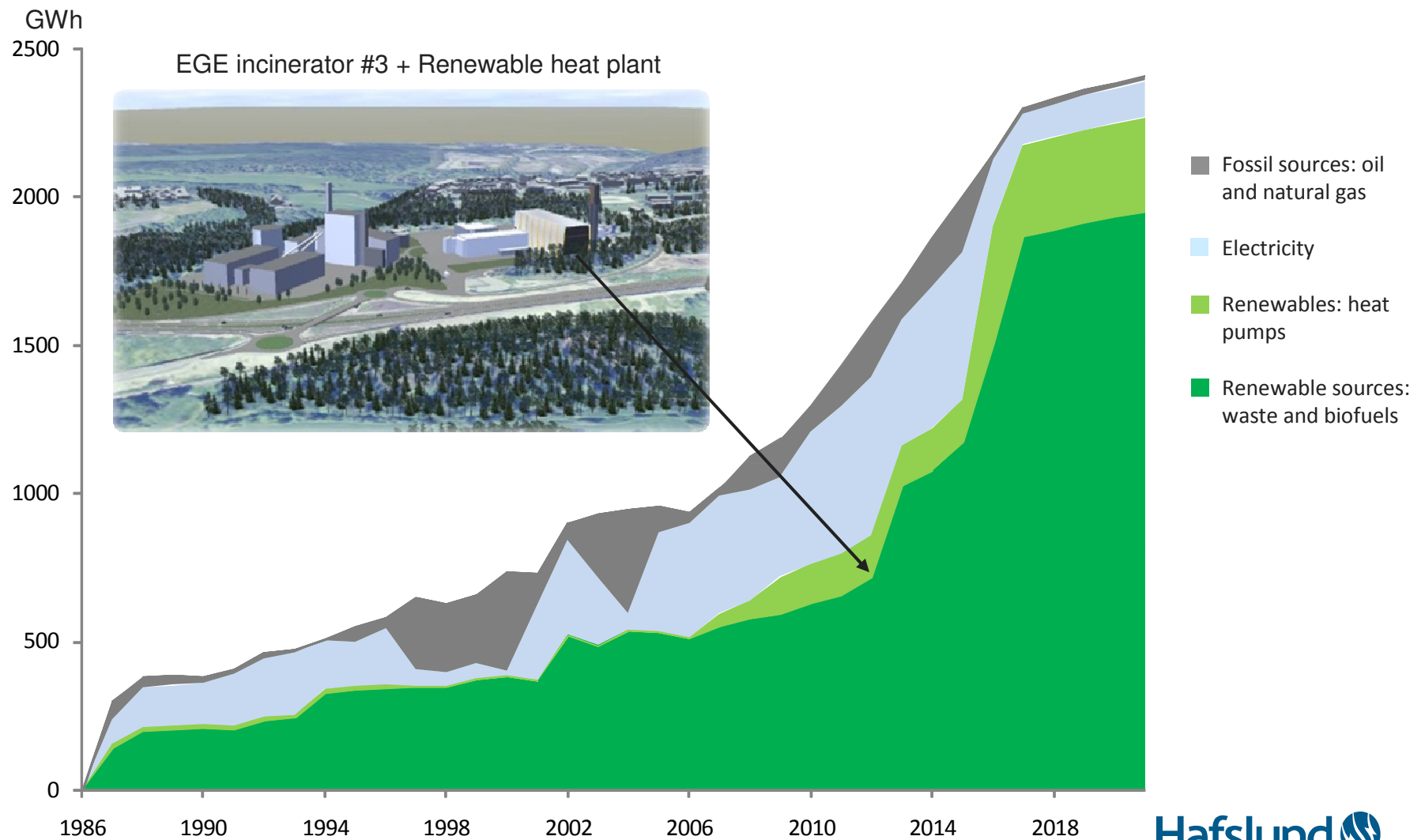
- Norway's largest district heating supplier
- 1.2 TWh today — we plan to double that capacity
- Fundamental to Oslo reaching its climate goals
- Production facilities in Oslo, Oppegård, and Gardermoen

Hafslund

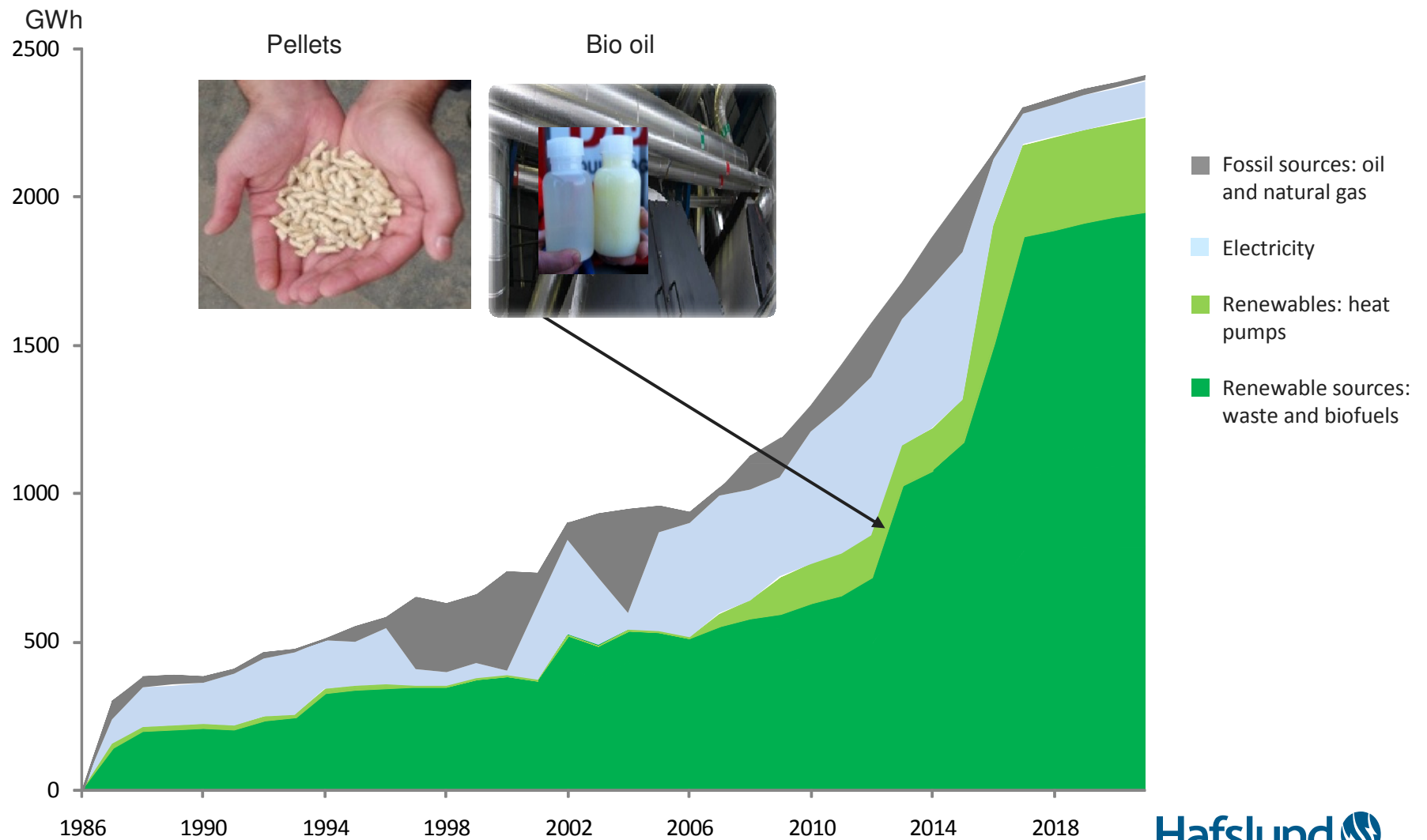
Key framework conditions that will promote growth

- Funding
 - Enova grants, public funding, commercial incentives
- Local conditions
 - Availability of land on which to build facilities and challenges related to digging up city streets
- Market-driven conditions
 - CO₂ quota trade and green certificates
- Regulatory
 - Norway's energy act, urban planning policy, building regulations

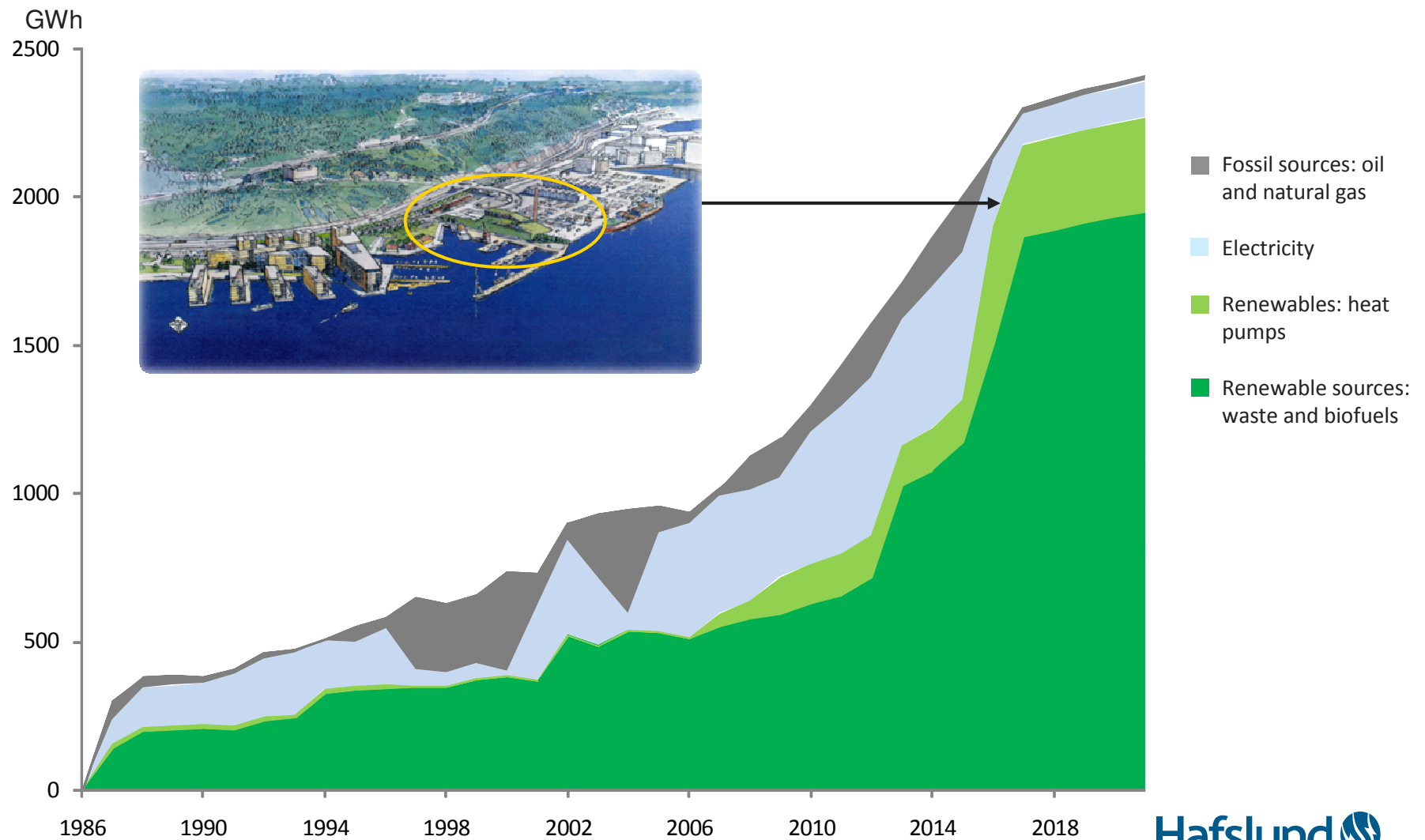
Significant opportunities to increase renewable energy production at Klemetsrud facility



Ambition: replace fossil fuels with bio pellets and bio oil

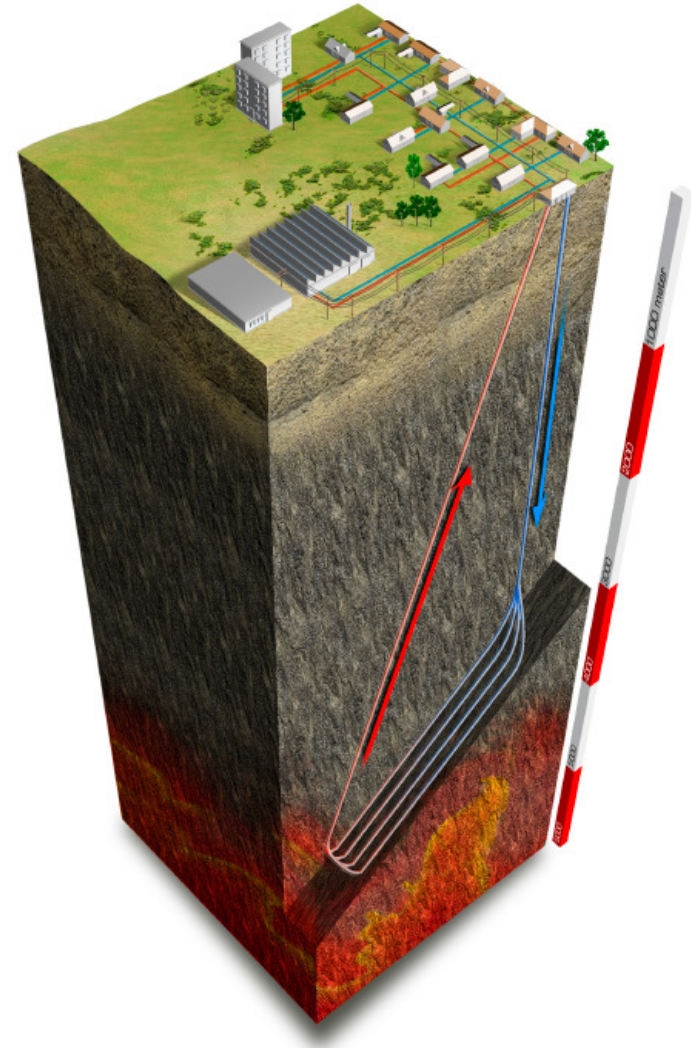


Ambition: build renewable cooling and heat production plant at Nordre Kongshavn



Pilot geothermal plant at Haraldrud, Oslo site

- Rock Energy plans to build a pilot geothermal heat recovery plant:
 - Drilling to 4,000–6,000 meters
 - Diagonal well bores descend some 2,000 meters
 - Planned generation: approx. 5 MW
 - Heating supply: 20-25 GWh/year
 - Water temperature: about 90 °C
- Hafslund will purchase heat at a competitive price
- Hafslund District Heating can acquire the facility if testing is successful.



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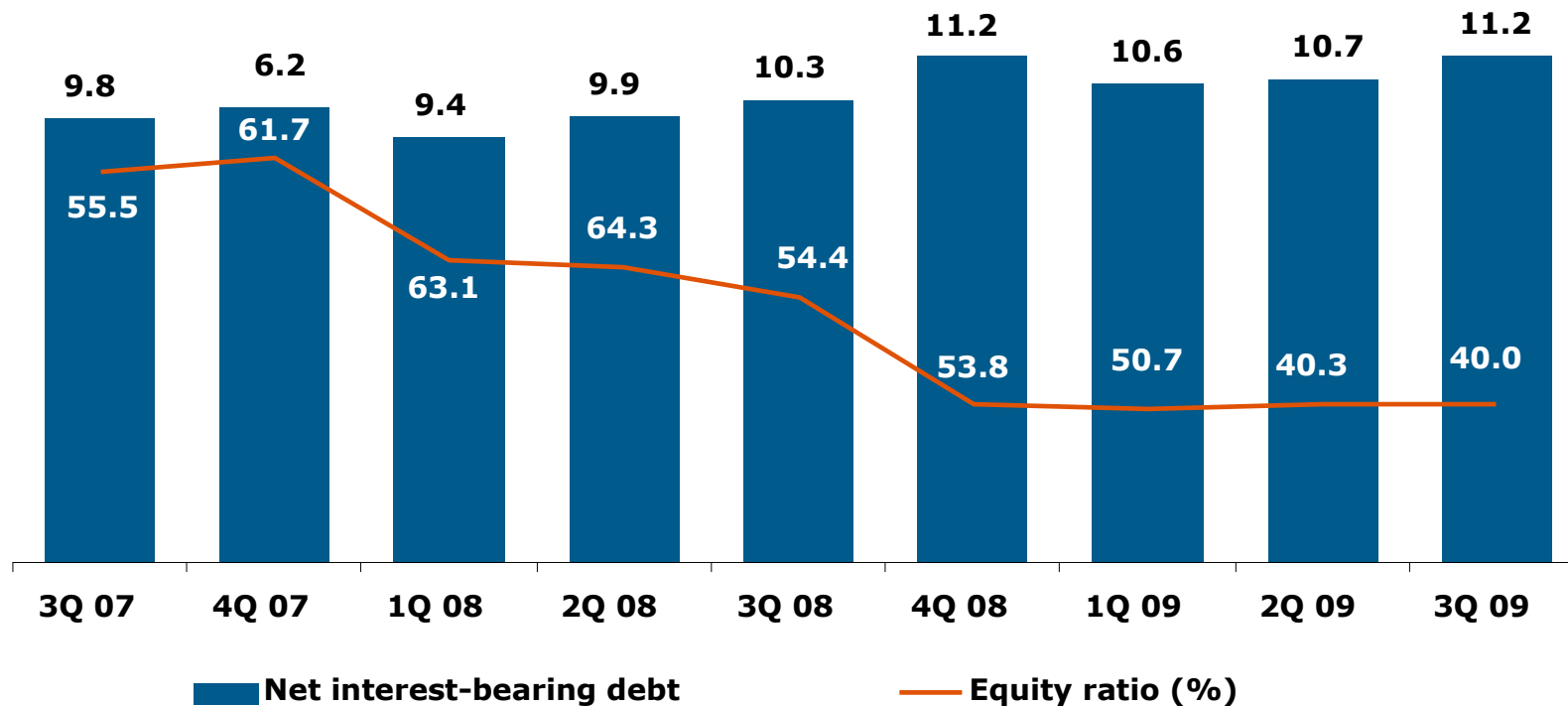
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We make everyday life safer and better

Additional information

Capital structure development

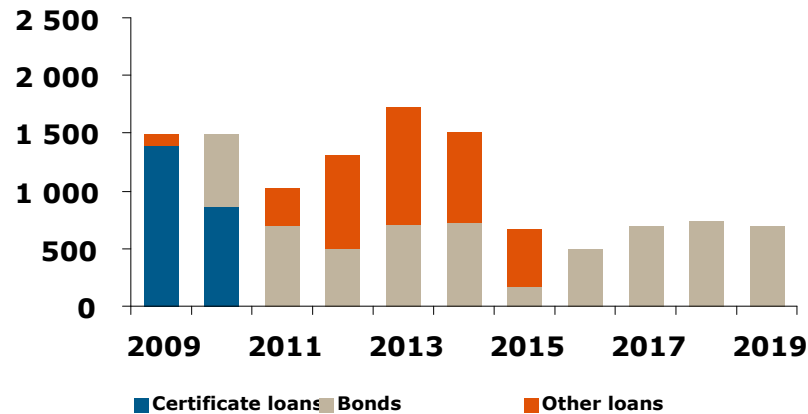
In NOK billion and percent



Loans – portfolio data

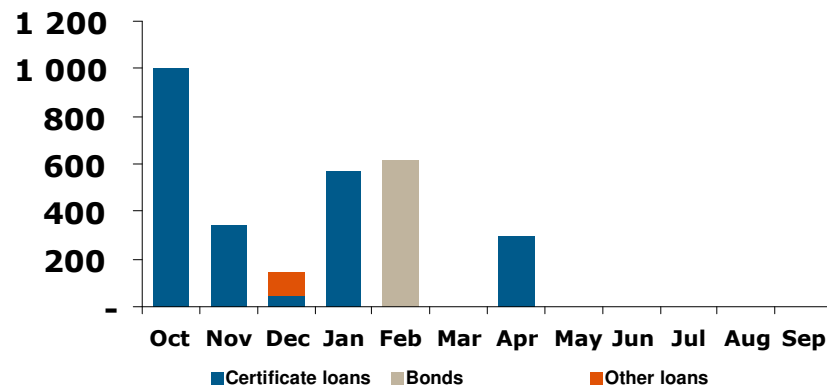
Debt maturity profile

NOK million



Loans at maturity, next 12 months

NOK million

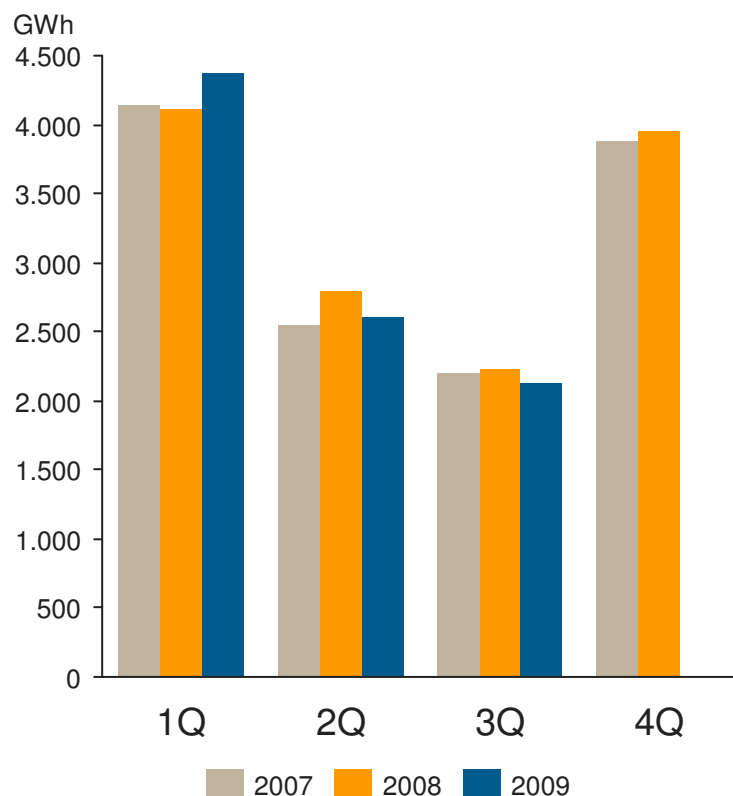


Portfolio details	30.09.09	30.09.09	Change
Bonds	51 %	51 %	0,7 %
Certificate loans	19 %	20 %	-1,0 %
Other loans	30 %	29 %	0,4 %

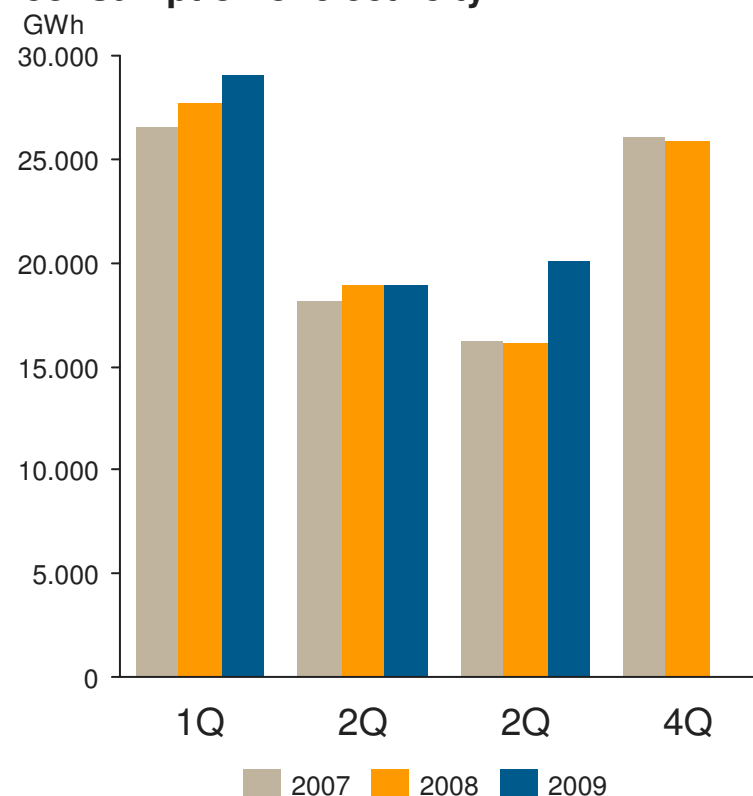
Portfolio details	30.09.09	30.09.09	Change
Nominal value - market value of loans	(81)	70	(151)
Market value interest rate swaps	(75)	(112)	37
Average interest incl. derivatives	4,2 %	4,7 %	-0,5 %
Proportion of loan portfolio with fixed interest	43 %	43 %	0,0 %
Loans at maturity next quarter (NOK million)	1 488	806	682
Unused drawing facilities (NOK million)	4 630	4 909	(279)

Hafslund Power Sales in 3Q 2009: 2,126 GWh = 11% of total Norwegian consumption

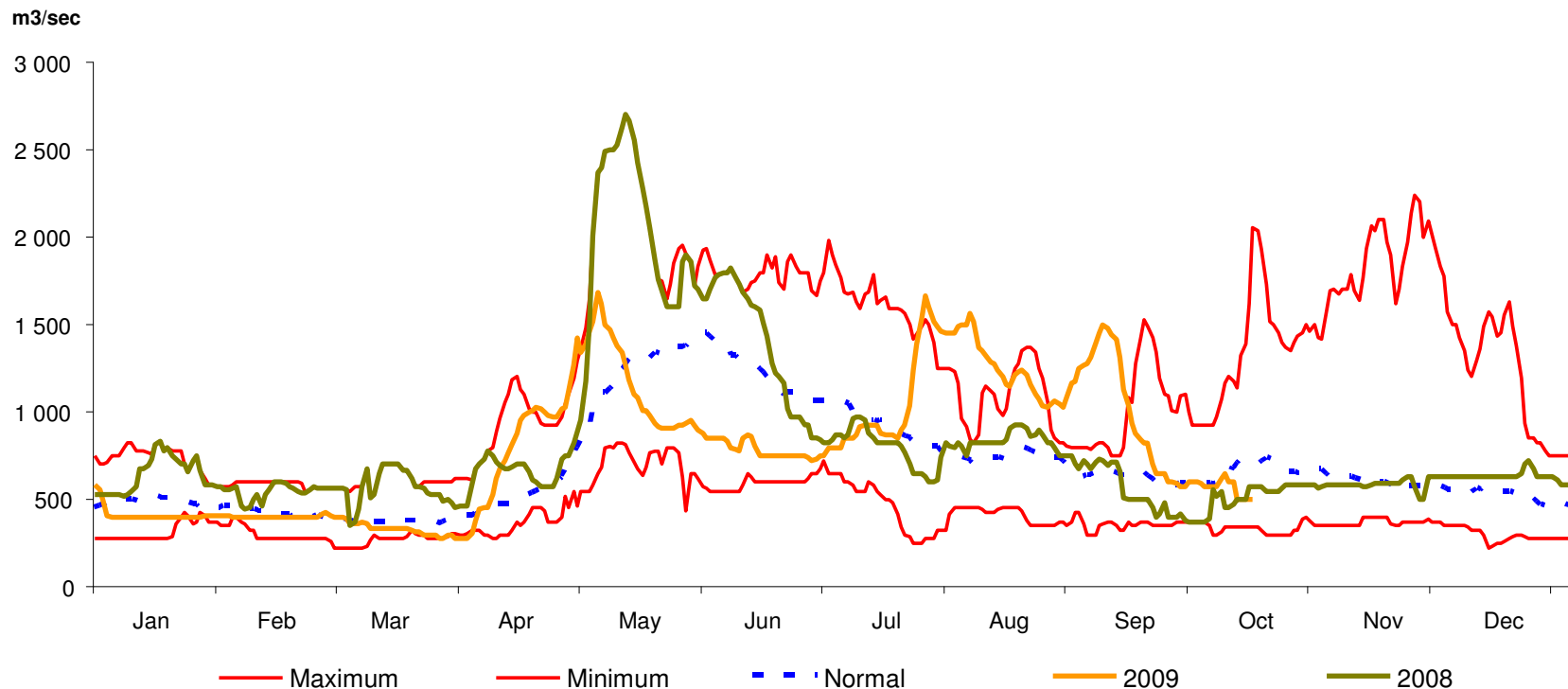
Hafslund Power Sales



Norway's gross general consumption of electricity*

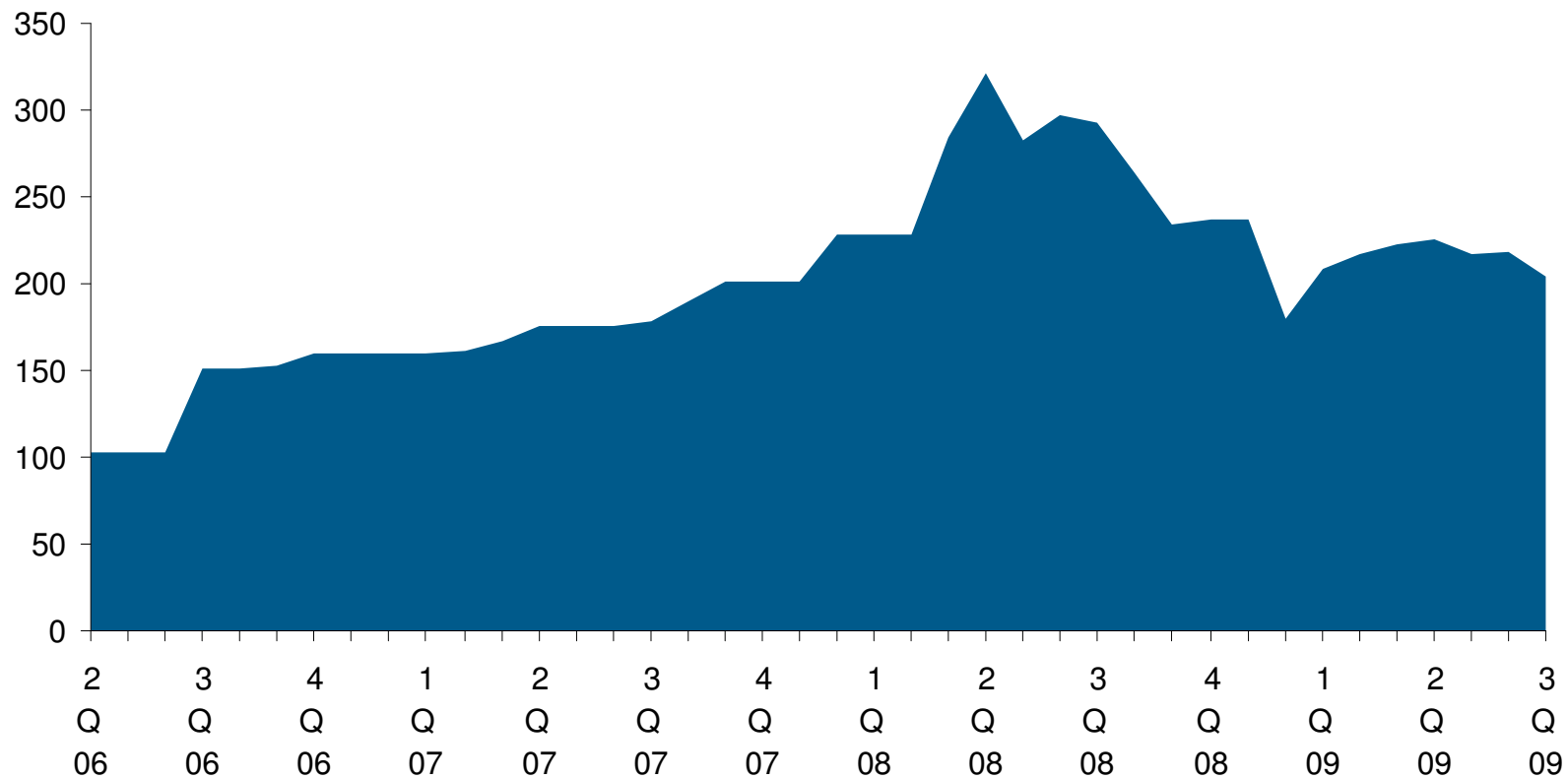


Power Generation — Glomma waterway flow



- A great deal of precipitation in July, August, and part of September resulted in high power production.
- Water flow exceeds turbine intake capacity 21 July — first flow peak on 25 July at 1,665 m³ per second.
- A wet fall season led to high water flow on 7 September — flow rate peaks at 1,502 m³ per second.
- Projected water influx will be below normal until Christmas. Power generation projection: 110 GWh below normal 4Q production.
- Maximum Vamma turbine intake capacity: 940 m³ per second.

Power Generation — licensed power obligations



- Annual outtake of 62 GWh at a price of NOK 0.097 per kWh for licensed power obligations; price determined by Norway's Ministry of Petroleum and Energy.
- Total licensed power obligations to municipalities: NOK 205 million, down NOK 21 million in the third quarter of 2009, based on forward prices for delivery in 2014.

Shareholders (as of 30 September 2009)

#	Shareholder	Class A shares held	Class B shares held	Total	Ownership	Share of voting rights
Shareholding in thousands						
1	City of Oslo	67 525	37 343	104 868	53,7 %	58,5 %
2	Fortum Forvaltning AS	37 853	28 706	66 559	34,1 %	32,8 %
3	Østfold Energi AS	5 201	4	5 205	2,7 %	4,5 %
4	Verdipapirfond Odin Norden	63	2 256	2 319	1,2 %	0,1 %
5	MP Pensjon	-	1 564	1 564	0,8 %	0,0 %
6	Verdipapirfond Oden Norge	-	1 047	1 047	0,5 %	0,0 %
7	Hafslund ASA	-	491	491	0,3 %	0,0 %
8	AS Herdebred	107	271	378	0,2 %	0,1 %
9	VP Danske Invest AK	-	274	274	0,1 %	0,0 %
10	JP Morgan Chase Bank	-	268	268	0,1 %	0,0 %
Total, 10 largest shareholders		110 749	72 224	182 973	93,7 %	95,9 %
Other shareholders		4 679	7 534	12 213	6,3 %	4,1 %
Total		115 428	79 758	195 186	100 %	100 %

Key figures

Group	3Q 2009	3Q 2008	District heating	3Q 2009	3Q 2008
Capital matters			Capital employed	3 901	3 590
Total assets	29 075	31 991	Sales price (øre/kWh)	64,6	59,7
Capital employed	25 933	28 980	Sales volume (GWh)	868	746
Equity	11 751	16 226			
Market capitalization	14 350	21 382	Network	3Q 2009	3Q 2008
Equity ratio	40 %	51 %	Capital employed	9 254	9 408
Net interest-bearing debt	11 161	10 261	Annual Income ceiling	2 428	1 989
			NVE-capital (regulatory)	6 462	6 262
Profitability excl. REC					
Profit after tax	305	927	Power Sales	3Q 2009	3Q 2008
Equityreturn (last 12 month)	0 %	26 %	Capital employed	1 289	1 707
Earnings per share (EPS)	1,60	4,75	Total volume (GWh)	9 133	8 989
Cash flow per share	12,6	7,7			
Power Generation	3Q 2009	3Q 2008	Venture	3Q 2009	3Q 2008
Capital employed	4 031	3 858	Capital employed excl REC	1 681	1 774
Sales price (øre/kWh)	28,5	28,2	Market value REC	4 801	7 427
Production volume (GWh)	2 334	2 516			
Production as a % of normal	103 %	110 %			

Definitions

Items	Definition
Group	
Capital employed	Equity + Net interest-bearing debt + Net tax positions
Equity ratio (in%)	$(\text{Equity incl. Minority interests} / \text{Total assets}) \times 100$
Earnings per share	Profit after tax / Average no. of shares outstanding
Cash flow per share	Net cash from operations / Average no. of shares
Return on equity	Result after tax / Average equity (incl. Minority interests)
Return on capital employed	Operating profit / (Average equity + Net interest-bearing debt + Net t
Power generation	
Mean production	Average power generation over the past 10 years.

Investor information <<HNA: Please verify job titles>>

- **Additional information is available from Hafslund's website:**

- www.hafslund.no
- You can subscribe to Hafslund press releases

- **Group SVP Treasury and CFO, Gunnar Gjørtz**

- gunnar.gjortz@hafslund.no
- Tel: +47 922 17 200

- **SVP Communications, Karen Onsager**

- karen.onsager@hafslund.no
- Tel: +47 920 87 007

- **Financial Director, Morten J. Hansen**

- mjh@hafslund.no
- Tel: +47 908 28 577



www.hafslund.no

