

PRESS RELEASE

THE HAFSLUND GROUP's (HNA) RESULTS FIRST 4 MONTHS 1999

(Comparable figures for 1998 in parenthesis)

Income before taxes for the Hafslund Group was NOK 260 million (NOK 159 million) for the interim period 1 January to 30 April 1999 and net income was NOK 189 million (NOK 167 million).

Operating profit was NOK 84 million (NOK 108 million) in the first 4 months 1999. Operating revenues were NOK 805 million (NOK 787 million).

Net financial items (incl. associated companies) amounted to NOK 180 million (NOK 55 million) per first interim period 1999, including net interest expenses of NOK -97 million (NOK -42 million).

Earnings per share were NOK 1.64 per first interim period 1999 (NOK 1.45).

The generation in the interim period 1. January to 30. April 1999 was 893 GWh (810 GWh), an increase of 10% from 1998. Hafslund's average generation in the period is 752 GWh. Hafslund Produksjon Norway achieved an average price of 14.4 øre/kWh in the first interim period of 1999 (15.9 øre/kWh).

Hafslund owns 7,676,015 shares in Saga Petroleum at an average market price of NOK 114.10 per share. At the end of the first four months of 1999 the stock exchange price of Saga was NOK 86.50. After the first interim period, two bids have been publicised for Saga Petroleum ASA. Norsk Hydro has offered 1 Hydro share for 3 Saga shares while French Elf has come with a cash offer of NOK 125.00 per share

Operating revenues and operating profit for the first interim period 1999 are as follows:

NOK million	Operating revenues		Operating profit	
	1. i. 99	1. i. 98	1. i. 99	1. i. 98
Hafslund Produksjon	166	165	95	88
Hafslund Nett	114	116	22	22
Hafslund Energi	55	29	-10	-4
Hafslund Markets	253	213	-9	3
Other/eliminations	217	264	-14	-1
Total	805	787	84	108

The 1 st Interim Report 1999 - First Four Months - is available at Hafslund's headquarters in Karenslyst Allè 11, Oslo, at Oslo Stock Exchange and on Internet-address: <http://www.huginonline.com/Norway/HNA/>

For further information, please contact CFO Knut Øversjøen, tel. +47 2301 4200.

Oslo, 9. June 1999
HAFSLUND ASA

INTERIM REPORT 1999 – FIRST FOUR MONTHS

To the shareholders of Hafslund ASA

(Comparable figures for 1998 in brackets)

Income before taxes for the Hafslund group for the interim 1 January to 30 April 1999 was NOK 260 mill. (NOK 159 mill.) and earnings per share after tax were NOK 1.64 (NOK 1.45). Operating revenues were NOK 805 mill. (NOK 787 mill.) and operating profit amounted to NOK 84 mill. (NOK 108 mill.) in the first interim period.

Operating profit for Hafslund Produksjon in the first interim period of 1999 was NOK 95 mill. (NOK 88 mill.). Production in this period was 893 GWh (810 GWh), an increase of 10% from 1998. Hafslund's average production in the period is 752 GWh. Hafslund Produksjon Norway achieved an average price of 14.4 øre/kWh in the first interim period of 1999 (15.9 øre/kWh). Corresponding figures for activities in the USA were 107.3 øre/kWh (107.0 øre/kWh). Production cost in Norway, based on average production and including corporate costs, amounted to 7.4 øre/kWh (7.7 øre/kWh) in the first four months of 1999.

Operating profit for Hafslund Markets in the first interim period of 1999 was NOK -9.1 mill. (NOK 2.6 mill.). The result has been affected by further development of the activities in the Nordic countries and the establishment of new business in USA. The trading result in Hafslund Delta was NOK 4.1 million in the first interim period of 1999 (NOK 5.8 million).

Due to higher precipitation than normal in the period January to April, prices have maintained a low level through the entire winter. Periodic warm weather has led to lower power consumption than normal for the period. The average system price in the first four months of 1999 was 11.5 øre/kWh, compared with 14.1 øre/kWh for the same period last year. The level of water in the reservoirs at the end of April was high, and low prices are expected for the rest of the summer although not as low as in summer 1998. There was less snow in the mountains than normal at the end of April in Norway in general. In the East of Norway however, snow accumulation has been higher than normal throughout the winter, which can produce somewhat over normal melting through the summer.

Operating profit for Hafslund Nett in the first four months of 1999 was NOK 22 mill. (NOK 22 mill.). Power transmission through Hafslund's grid was 2,297 GWh in the first interim period (2,125 GWh). An operating profit of NOK 23 mill before depreciation for goodwill and an official regulators asset value of NOK 602 million gives a dividend of 3.8% on the official regulators asset value capital.

Operating profit for Hafslund Energi in the first interim period of 1999 was NOK -9,8 million. Earnings from

purchased customer bases are as expected, but the result is affected by the establishment of a central marketing unit and the costs of launching Hafslund as a national supplier of electricity to the private and business markets.

Net financial items were NOK 180 mill. in the first interim period of 1999 (NOK 55 mill.). Unrealised gains from marketable securities have increased by NOK 208 mill. in this period and amounted to NOK -160 mill. as of 30 April 1999. The realised gains and dividends from marketable securities in the first four months of 1999 were NOK 49 mill. (NOK 72 mill.). Results from associated companies are included amounting to NOK 27 mill. in the first interim period of 1999 (NOK 12 mill.). Net interest expenses were NOK -97 mill. (NOK -42 mill.).

Hafslund owns 7,676,015 shares in Saga Petroleum at an average market price of NOK 114.10 per share. At the end of the first four months of 1999 the stock exchange price of Saga was NOK 86.50. After the first interim period, two bids have been publicised for Saga Petroleum ASA. Norsk Hydro has offered 1 Hydro share for 3 Saga shares while French Elf has come with a cash offer of NOK 125.0 per share.

Net interest bearing debt as of 30 April 1999 amounted to NOK 3.7 billion., the same level as at 1 January 1999.

Hafslund's activities in England through Hafslund UK Holding Ltd will during the second interim period be coordinated with Gurta AG/Samid SA's ownership in Fesil ASA and Tennant Midgley Group Ltd respectively. Hafslund UK Holding Ltd will change its name to Tensil Ltd and after the coordination will own 39.9% of the shares in Fesil ASA and 91% in Tennant Midgley Group Ltd. Hafslund's ownership interests in Tensil will be 46.5%, while Gurta AG and Samid SA will own 51.3%.

As a result of the introduction of new accounting laws, comparable figures for previous years have been revised in accordance with new accounting principles and therefore deviate in some areas from the previously published accounts.

The share capital of Hafslund ASA is NOK 115,463,420, divided into 68,290,861 class A shares and 47,172,559 class B shares of NOK 1 nominal value. As of 30 April 1999, the market price on the Oslo Stock Exchange was NOK 44.50 for class A shares and NOK 29.50 for B shares. The market price as of 31 December 1998 was NOK 48.20 for class A shares and NOK 32.20 for B shares.

Oslo, 9 June 1999
HAFSLUND ASA
The Board of Directors

CONSOLIDATED INCOME STATEMENT FIRST FOUR MONTHS 1999 (The accounts are unaudited)

NOK million	Interim 1 98	Interim 1 99	*Year 1998
Operating revenues	787	805	2,234
Operating expenses	646	681	1,811
Depreciation and amortisation	33	40	110
Operating profit	108	84	313
Financial items	55	180	-539
Minority interests	-4	-4	-17
Income before taxes	159	260	-243
Taxes *	8	-71	229
Net income	167	189	-14
Earnings per share (NOK)	1.45	1.64	0.12
No. of shares (in 1,000) used in comput. of EPS	115.463	115.463	115.463

*Taxes have been restated to comply with the new accounting act.

MAIN FIGURES FIRST INTERIM 1999 (The accounts are unaudited)

INTERIM RESULTS

NOK mill.	Interim 1 98	Interim 2 98	Interim 3 98	Interim 1 99
Operating revenues	787	702	745	805
Operating costs	679	574	668	721
Operating profit	108	128	77	84
Financial items	55	-445	-149	180
Minority interests	-4	-6	-7	-4
Income before taxes	159	-323	-79	260

BUSINESS SEGMENTS

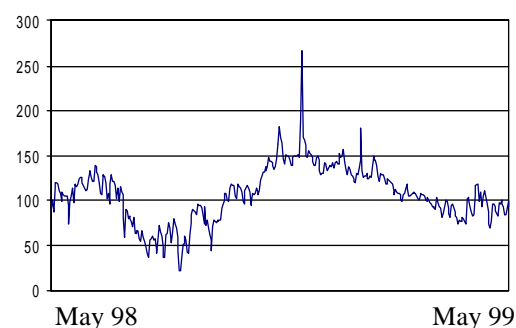
NOK million	Interim 1 99	Interim 1 98	1998
Hafslund Produksjon (Generation)	166	165	510
Hafslund Nett (Distribution)	114	116	292
Hafslund Energi	55	29	81
Hafslund Markets	253	213	681
Other/elimination	217	264	670
Total operating revenues	805	787	2,234
Hafslund Produksjon (Generation)	95	88	287
Hafslund Nett (Distribution)	22	22	45
Hafslund Energi	-10	-4	-18
Hafslund Markets	-9	3	5
Other/elimination	-14	-1	-6
Operating profit	84	108	313

CONSOLIDATED BALANCE SHEET

NOK million	30.04.99	30.04.98	31.12.98
Fixed & intangible assets	3,224	3,000	3,218
Financial fixed assets	1,516	1,096	1,452
Current assets	2,650	1,915	2,271
Total assets	7,390	6,011	6,941
Shareholders equity	2,370	2,480	2,175
Minority interests	93	89	98
Provisions	100	77	80
Other long term liabilities	2,929	1,528	2,988
Current liabilities	1,898	1,837	1,600
Total liab. and equity	7,390	6,011	6,941

PRICE DEVELOPMENT SPOT MARKET

Average weekly system price (NOK/MWh)



STATEMENT OF CASH FLOW

NOK million	1.1-30.4.99	1.1.-30.4.98	1998
Net income	189	167	-14
Cash flow from/to other operations	-147	5	-652
Net cash to/from operating activities	42	172	-666
Net cash to investment activities	-80	-130	-624
Net cash provided from/to financial activities	97	-51	1,153
Net change in cash and cash equivalents	59	-9	-137
Cash and cash equivalents at the beginning of the period	157	294	294
Cash and cash equivalents at the end of the period	216	285	157

Internet-adresse: <http://www.huginonline.com/Norway/HNA/>