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Sydkraft to exchange HEW shares for assets in Vattenfall

Sydkraft and Germany's E.ON Energie have now reached the final agreement with Vattenfall regarding the compensation that will be paid to both companies for their individual shareholdings in Hamburgische Electricitäts-Werke (HEW). In total, the agreement relates to slightly more than 37 percent of the shares in HEW. Sydkraft owns approximately 22 percent of the shares in HEW. In total, Vattenfall will pay slightly less than SEK 4,3 billion in cash and shares participations in a number of companies in Sweden, Norway, the Czech Republic and Lithuania.

In brief, the compensation for Sydkraft's and E.ON Energie's holdings in HEW takes the following form:

1. Vattenfall will pay slightly more than SEK 4,2 billion in cash.
2. Vattenfall will transfer 8.5 percent of the shares in Forsmark Kraft AB, corresponding to 8.5 percent of capacity and equal to approximately 2 TWh of electricity.
3. Vattenfall will transfer the network area that was formerly Forskraft Distribution AB, and which conducts operations in Östergötland.
4. Vattenfall will transfer the network area in Vikbolandet and Söderköping in Östergötland.
5. Vattenfall will transfer its shares (A and B) in the listed Norwegian company, Hafslund AS, corresponding to 31.7 percent of the votes and 20.5 percent of the share capital.

6. Vattenfall will transfer its shares in the Norwegian company, Fredrikstad Energiverk AS, corresponding to 49 percent of both the votes and share capital, and its shares in Fredrikstad Energinet AS, corresponding to 35 percent of both the votes and share capital, and the shares in Fredrikstad Fjernvarme AS corresponding to 35 percent of the votes as well as of the capital.
7. Vattenfall will transfer its shares in Baltic Cable AB, corresponding to one third of both the votes and share capital.
8. Vattenfall will transfer its shares in VCE, in the Czech Republic, corresponding to 41.7 percent of both the votes and share capital.
9. Vattenfall will transfer its shares in LPC, in Lithuania, corresponding to 10 percent of both the votes and share capital.

The transaction is conditional upon the approval of the relevant competition authorities and decision at the companies boards.

For further information, please contact:

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