

To Hafslund ASA shareholders:

Notice of merger between Hafslund ASA and its wholly owned subsidiary Hafslund Produksjon Holding AS

Shareholders of the company Hafslund ASA are hereby notified that the boards of directors of Hafslund ASA and its wholly owned subsidiary Hafslund Produksjon Holding AS have prepared a merger plan.

The boards of directors of Hafslund ASA and Hafslund Produksjon Holding AS are planning to vote in favor of the merger of the two companies at their board meetings, both of which will be held 9 October 2004. Hafslund ASA is the acquiring company in the merger.

Pursuant to section 13-24 (2) no. 3 of Norway's Public Limited Liability Companies Act, the merger plan prepared by the boards of directors of the two participating companies is hereby provided to all Hafslund ASA shareholders. The merger plan has been submitted to Norway's Register of Business Enterprises for publication in accordance with the Public Limited Liability Companies Act. The financial statements for 2003 including annual reports and auditor's reports, and balance sheets as of 30 June 2004 of the parties to the merger, Hafslund ASA and Hafslund Produksjon Holding AS, are available for inspection by shareholders of the two companies at Hafslund ASA's Oslo headquarters. At shareholders' request, financial statements for 2003 including annual reports and auditor's reports, and balance sheet as of 30 June 2004 of Hafslund ASA and Hafslund Produksjon Holding AS will be mailed to them free of charge. The aforementioned documents are also available at Hafslund's English-language website: www.hafslund.com. (The Norwegian versions are located by following the IR/Konsern link on Hafslund's Norwegian website: www.hafslund.no.)

The proposed merger between Hafslund ASA and Hafslund Produksjon Holding AS is part of the reorganization of the power generation activities of the Hafslund Group, aimed at facilitating further development of hydropower generation as a business area.

In a letter dated 3 September 2004, Norway's Ministry of Petroleum and Energy notified the merger parties that the reorganization is exempt from the requirement to apply for licensing and the preemptory right of purchase, under the industrial licensing act.

Oslo, 7 September 2004

Sincerely yours,

Christian Brinch, Board Chairman
On behalf of the Board of Directors of Hafslund ASA