

**HAFSLUND ASA (HNA) - Establishment of agreement**

**HNA agreement concerning Østnett**

Hafslund ASA, Viken Energinett AS and Akershus Energi AS have today entered final agreements on the formation of a joint company under the name of Østnett AS. The agreements will have accounting effect from 1 January 2001.

Østnett will own and operate the regional grids in Akershus and Østfold along with the decentralised district heating of Viken and Akershus Energi in Akershus. In addition, Østnett will take over Hafslund's ownership interests in Rygge Elverk and Rakkestad Energiverk as well as Akershus Energi's shares in Søndre Follo Energi, Follo Energiverk AS and Gjermå Energiverk. Directly and indirectly, Østnett has more than 131,000 grid customers.

Østnett will be 51% owned by Akershus Nett Holding, which in turn is 51% owned by Akershus Energi and 49% by Viken Energinett. The remaining 49% in Østnett will be owned by Viken Energinett, which will thus directly and indirectly own 74% of Østnett. As part of the agreement, Hafslund has increased its ownership interest in Viken Energinett from 25% to 33%, and will indirectly own 24% of Østnett. Akershus Energi will have majority of votes in Østnett.

The agreement is based on the assumption of accept by the board of Viken Energinett.

**Additional information:**

For Hafslund ASA the transaction entails the sale to Østnett of the regional grid in Østfold, contractor activities of Hafslund Alfa, and Hafslund's ownership interests in Rygge E-verk and Rakkestad E-verk. At the same time, Hafslund increases its ownership interest in Viken from 25% to 33% by the subscription of shares for NOK 611 million. Hafslund's indirect ownership interest in Østnett of approximately 24% will be reflected in the accounts by Hafslund applying the equity method of accounting to its ownership interest in Viken Energinett.

There are 123 employees in the regional grid activities in Østfold, Hafslund Alfa and the joint services which are transferred to Østnett.

The aim of the merger with Akershus Nett and the other operations which will be included in Østnett is to realise annual cost synergies of around NOK 30-40 million, thus increasing the competitiveness of the operations.

The purchasing sum for the equity in the regional grid activities in Østfold is set at NOK 691 million. This has been settled in cash apart from a loan of NOK 80 million. In connection with the merger, Østnett is also taking over Hafslund's net internal debt of approximately NOK 260 million. Accounting gains on the transfer for Hafslund before tax will be approximately NOK 434 million after correction for the part of the gains that are

associated with Hafslund's indirect ownership interest in Østnett. The gains will be included in the first quarter of 2001.

Profit or loss items for Hafslund Regionalnett and Hafslund Alfa:

	<b>1998</b>	<b>1999</b>	<b>As of 30.09.2000</b>
Operating revenues	218	315	239
Operating costs	169	251	195
<b>Operating profit</b>	<b>49</b>	<b>64</b>	<b>45</b>

Balance sheet items for Hafslund Regionalnett and Hafslund Alfa:

	<b>31.12.1999</b>	<b>30.09.2000</b>
Tangible fixed assets	339	334
Financial fixed assets	78	137
Current assets		12
<b>Total assets</b>	<b>417</b>	<b>483</b>
Equity	122	137
Liabilities	295	346
<b>Total equity &amp; liabilities</b>	<b>417</b>	<b>483</b>

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