

Press release

Statkraft SF confirms its interest for E.ON AG's stakes in German energy companies EWE AG and Verbundnetz Gas AG (VNG)

(Oslo, 10 October 2003) Following E.ON's acquisition of Ruhrgas AG, E.ON is obliged to sell its stakes of 27.4 percent in EWE and 42.1 percent in VNG. VNG is a large gas company in Germany with activities within gas supply, storage and transportation. EWE is an integrated gas and power distributor in the North Western part of Germany.

A purchase of stakes in EWE and VNG would be in line with Statkraft's strategy to be an European leader in environmentally friendly energy. Statkraft expects an increasing convergence between electricity and natural gas in Europe and an expansion into power and gas assets in continental Europe is an important step for the company.

- I can confirm that we have submitted a bid. An investment in EWE and VNG represents an attractive opportunity to gain a key position as an energy company in continental Europe, says Statkraft's CEO, Bård Mikkelsen.

A decision is expected around the turn of the year. To the extent that Statkraft's bid should be accepted, Statkraft has secured financing of the transaction.

Statkraft is Norway's largest producer of electric power. The company's own average production capacity is a good 42 TWh p.a., or about 1/3 of the country's total hydropower production. Statkraft has a staff of about 2,100, including the subsidiaries Skagerak Energi and Trondheim Energiverk. The company is Norway's largest land-based taxpayer. Statkraft has ownership interests in the following Norwegian energy companies: BKK, Agder Energi and Fjordkraft. In terms of size the Statkraft Alliance is the third largest in the Nordic production market and the second largest in the Norwegian consumer market.

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