

PRESS RELEASE

February 4, 2005

Vattenfall to become strategic owner in Elsam

Following an offer to purchase shares from an owner consortium in the Danish utility Elsam, Vattenfall AB has received acceptance letters for 35 per cent of the shares. The purchase sum will amount to approx. DKK 8.5 billion. Through this acquisition, Vattenfall will become the single largest shareholder in Elsam.

"Today, we have successfully taken the first step in a solid position in Elsam and are ready to take our responsibility as the company's single largest shareholder. With our experience on competitive European markets, Vattenfall will, as a strategic owner, strengthen Elsam's leading position in Denmark. The industrial logic of this combination is compelling and it will create new opportunities for Elsam's employees and the customers in Denmark", says Vattenfall President and CEO Lars G. Josefsson.

The deadline for acceptance expires today at 15:00h. The acceptance letters are subject to approval by supervisory boards.

By the time of the release (12:00h CET) acceptance letter of shareholders owning around 3 per cent of the shares were still subject to supervisory board approvals.

Elsam A/S is Denmark's leading producer of electricity and heat with activities both within Denmark and abroad. Operating mainly on Jutland, Elsam operates coal- and waste-fired cogeneration plants with a total capacity of more than 3,600 MW. Its 417 MW wind-power generation makes Elsam one of Scandinavia's largest wind-power operator.

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Vattenfall's vision is to be a leading European energy company. Vattenfall's main products are electricity and heat. Today, Vattenfall generates electricity, produces heat and supplies energy to several million customers in the Nordic countries and northern Europe. The major customers are industrial plants, energy companies, municipalities, property companies and housing associations. For further information, please see www.vattenfall.com. The media service section, including a picture archive and Vattenfall's press releases, can be found under News & Comments.