



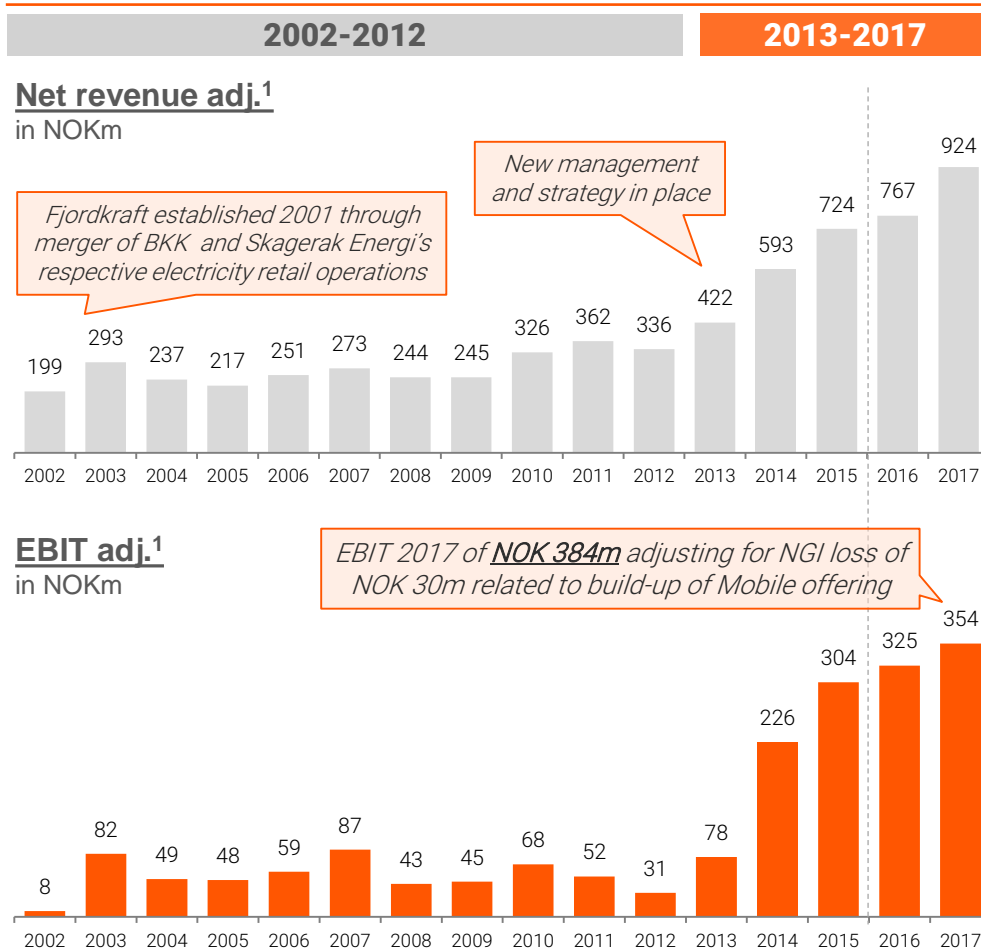
Fjordkraft Holding ASA

Company introduction

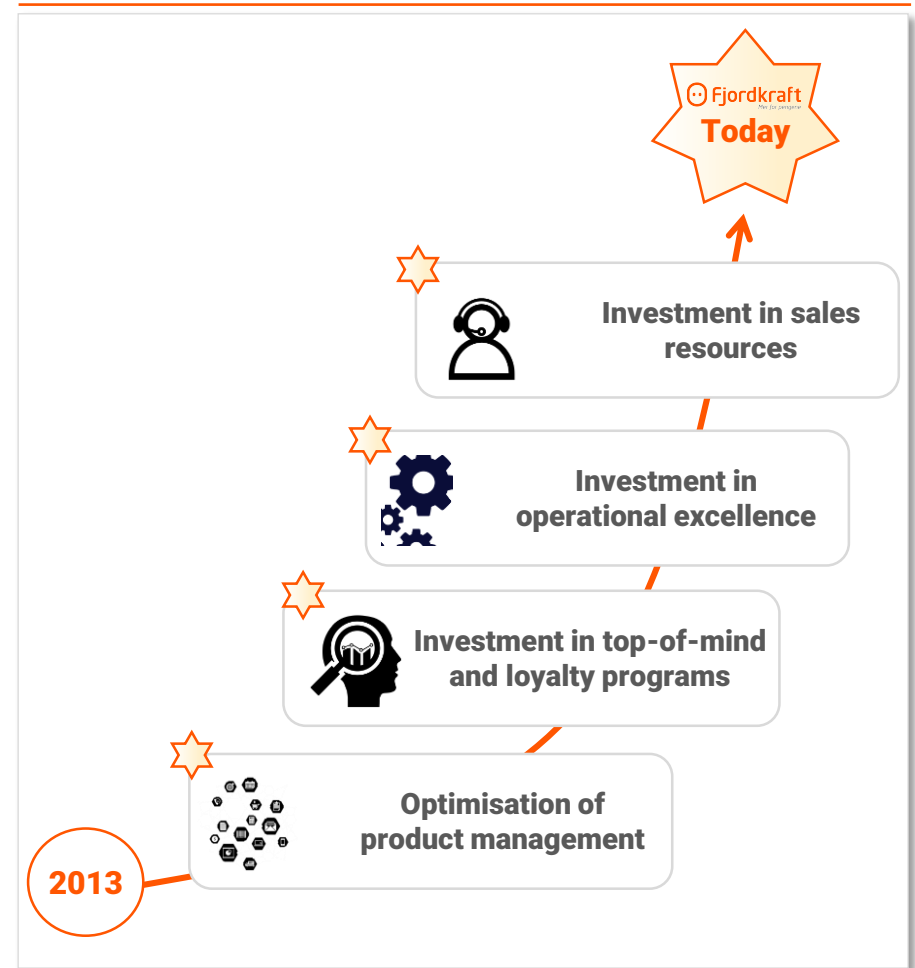
March 2018

A highly successful strategy execution has resulted in an impressive profitability shift and net revenue growth

Impressive net revenue and EBIT development...



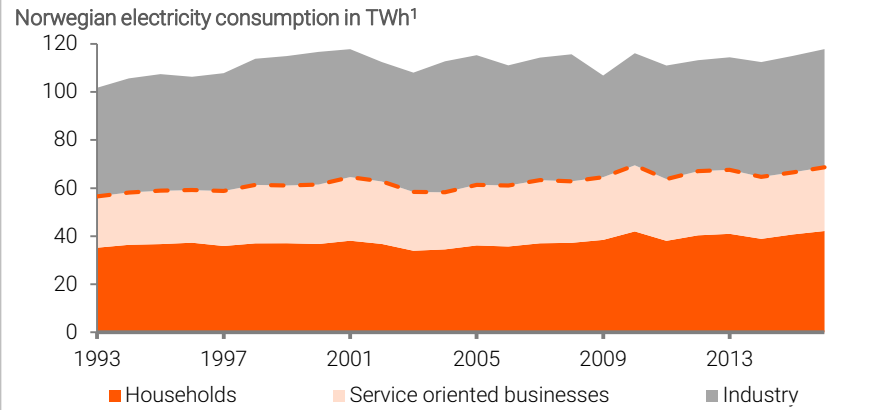
...enabled through optimisation & focused investment



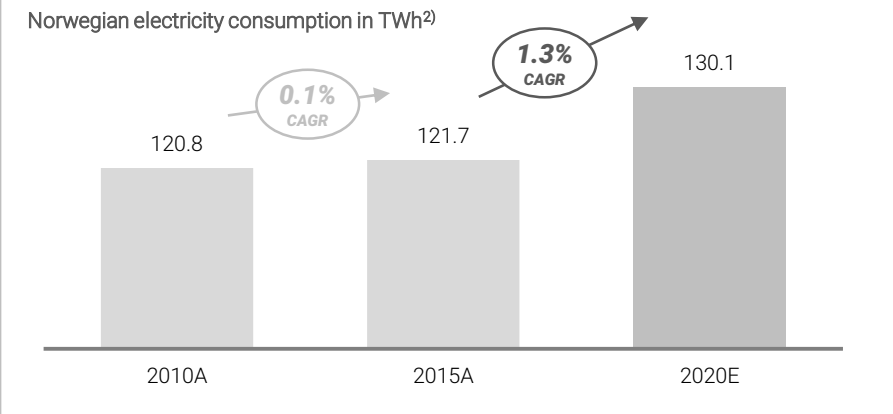
Source: Company information
1) NGAAP until 2015, IFRS for 2016 and 2017. 2016 and 2017 excluding estimate deviations and unallocated costs as further specified herein

Operating in a non-cyclical market with stable underlying growth and strong competition between electricity retailers

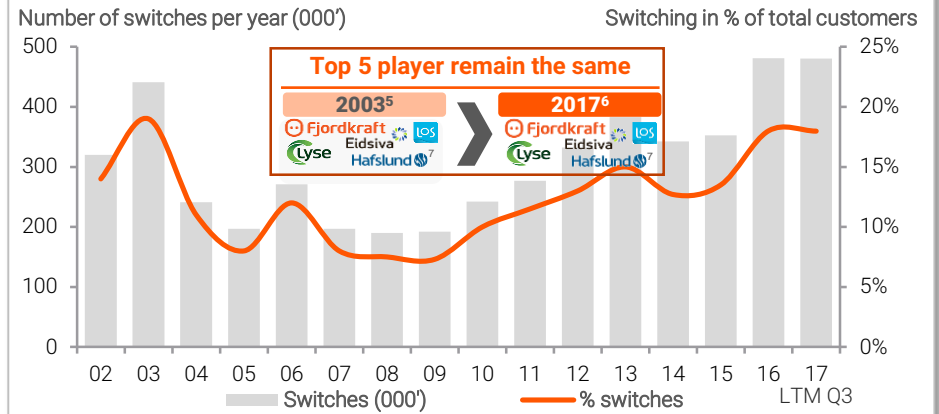
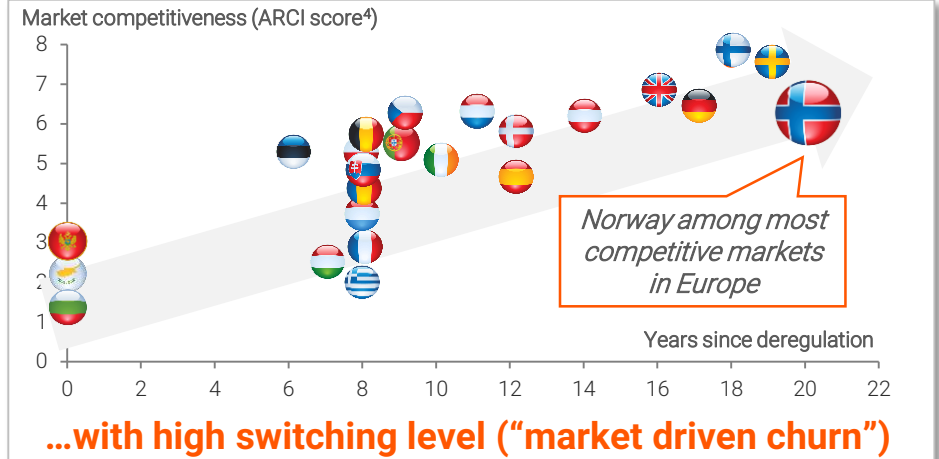
Non-cyclical demand for electricity



Volume growth outlook ~1.5%



Highly competitive electricity retail market...












A level playing field with intense competition and high churn favouring strong national brands such as Fjordkraft


Source: ACER Monitoring report 2015, NVE, Energi Norge

1) Figures from SSB 2) Based on estimates from Norges Vassdrags- og Energidirektorat (NVE) 2017 3) 2015 shows temperature adjusted electricity consumption
 4) ACER definition of competitiveness in end-markets comprises nine sub-indicators (market structure, switching activity, net entries, consumer satisfaction, average mark-ups and similar 5) Hafslund CMD presentation 2003
 6) TNS Kantar Q4 2017 consumer report. Based on market survey regarding "perceived market share" of consumers' own assessment of their electricity supplier - may vary from internal Fjordkraft market share figures 7) Hafslund incl. NorgesEnergi

A proven business model combining electricity offering with value-added services and a mobile offering since April '17

Attractive electricity offering to consumer and business customers

Consumer	 Menu of electricity supply price plans matching varying consumer preferences	
	 Attractive add-ons to price plans such as price matching/competitor guarantees and loyalty bonuses	
	 Menu of value added services including triple guarantee insurance and flexible payment solutions	
	 Attractive benefit programmes ('Fordelsprogram') in co-operation with external partners	
Business	 Wide product range addressing varying risk profiles	
	 Energy management and advisory services	
	 Web-based reporting ('Min Bedrift') supporting energy usage monitoring and management	

 **Attractive price plans, value added- and advisory services supporting competitive differentiation and robustness of business**

Source: Company information

Fjordkraft Mobile - launched '17

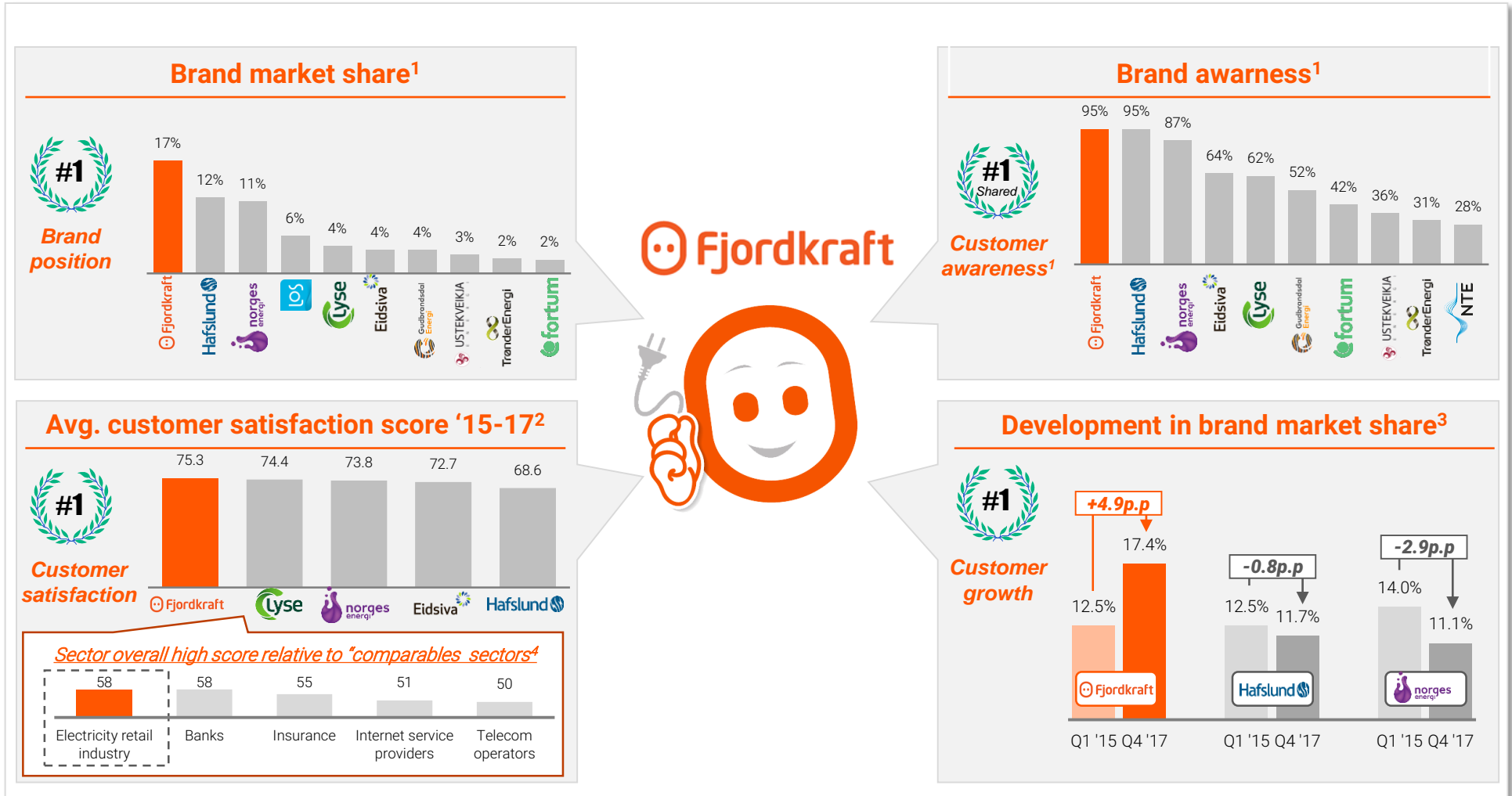
-  **Capitalise on the Fjordkraft brand**
-  **Service targeting all members of consumer households**
-  **Strengthen customer relations**
-  **Reduce consumer segment churn**
-  **Market opportunity – challenge duopoly**
-  **38,000 customers per year-end 2017**

Overview of offering

1 GB <small>STRØMKUNDE</small> 119,- <small>ikke strømkunde 199,- pr. mnd.</small>	3 GB <small>STRØMKUNDE</small> 199,- <small>ikke strømkunde 279,- pr. mnd.</small>	5 GB <small>STRØMKUNDE</small> 279,- <small>ikke strømkunde 339,- pr. mnd.</small>
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In addition, Fjordkraft offers 10 + 20 GB mobile packages

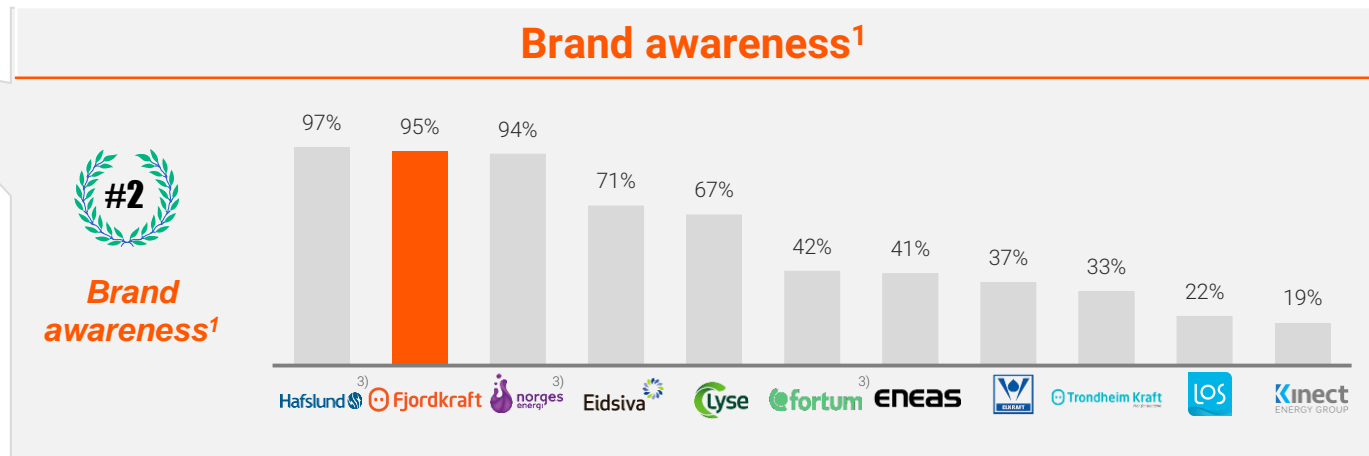
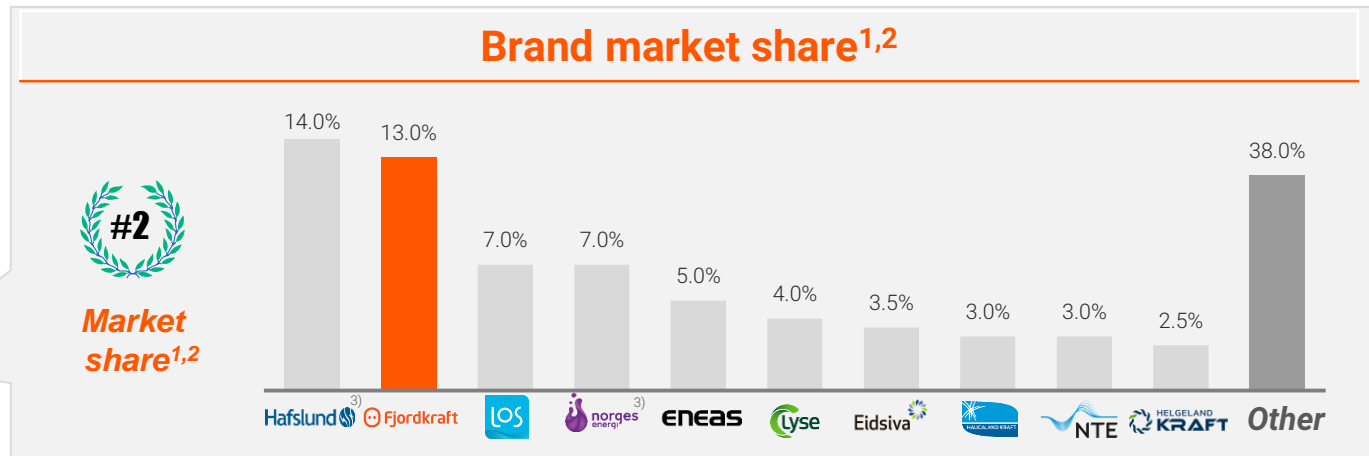
The leading and most recognised electricity retail brand in the consumer segment in Norway...



Source: Company information

1) TNS Kantar Q4 2017 - for consumer segment. Based on market survey regarding "perceived market share" of consumers' own assessment of their electricity supplier - may vary from internal Fjordkraft market share figures. Note that Hafslund, NorgesEnergi and Fortum Markets are part of Fortum
 2) Scores from Norsk Kundebarometer, using average customer satisfaction from 2015-2017 for the top 5 Nationwide electricity retailers
 3) TNS Kantar Q4 consumer report
 4) TNS Kantar Q3 consumer report (latest available report benchmarking sector reputation)

...and a clear No. 2 brand within the business segment with significant growth potential



Source: Company information

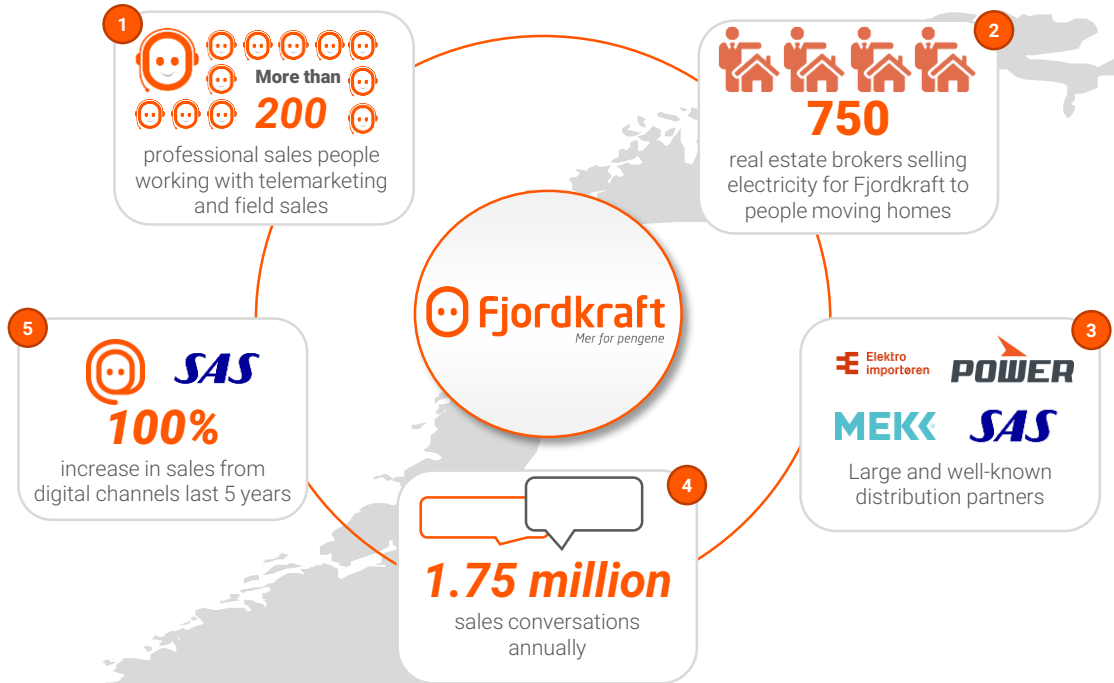
1) Based on surveys from TNS Kantar business market report December 2017

2) Based on market survey regarding "perceived market share" of business customers' own assessment of their electricity supplier - may vary from internal Fjordkraft market share figures

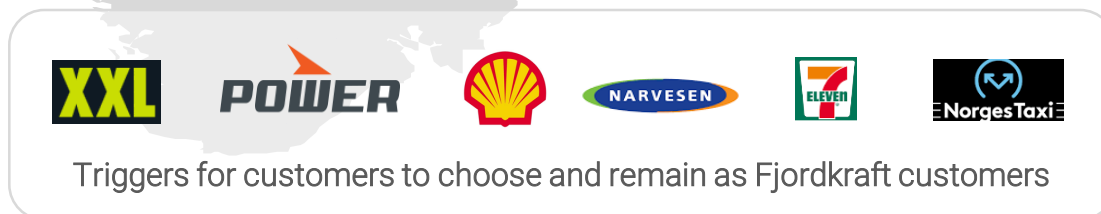
3) Hafslund, Norges Energi and Fortum are all part of the same group

Unmatched platform for distribution of best in class service offering to consumer and business customers

Unmatched distribution platform



Attractive partner-based benefit programmes



Source: Company information

Consumer - balanced distribution mix

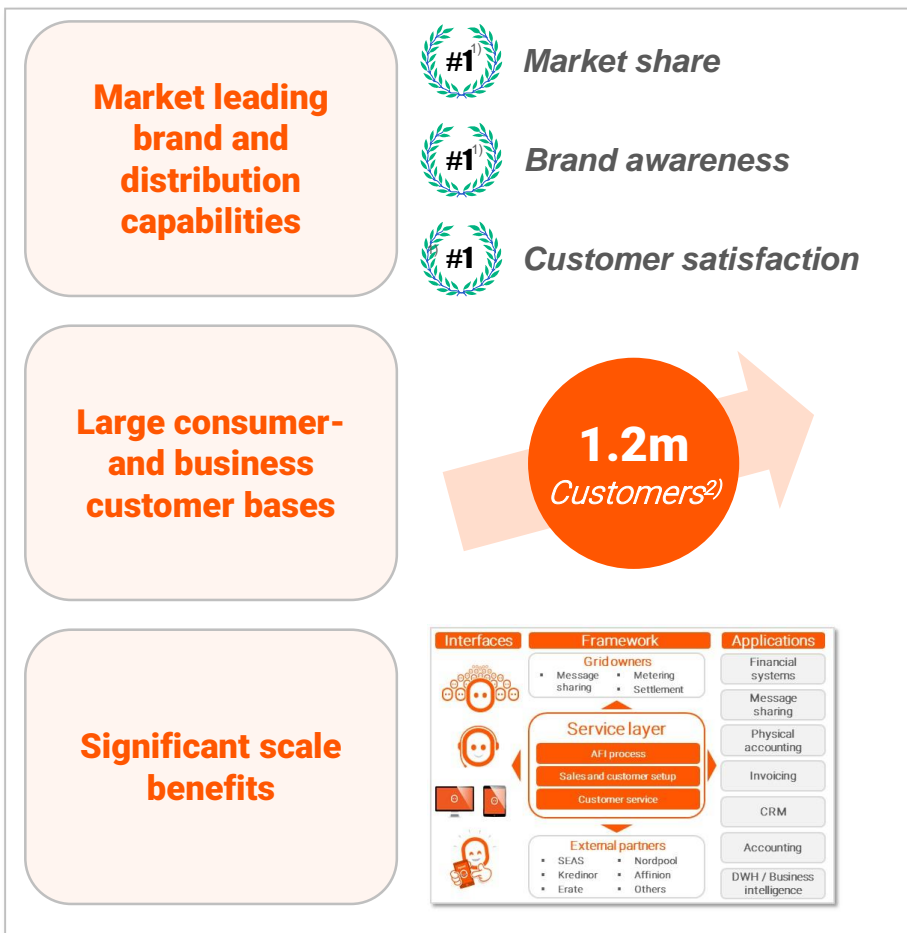


Business – focus on direct sales

- ✓ Large in-house sales force with nationwide coverage dedicated to business customers
- ✓ The only electricity retailer focusing on all business customer segments
- ✓ High-quality advisory services offered to business customers

Strong competitive advantages and a well proven platform for further organic and bolt-on acquisition driven growth

Clear competitive advantages



Roadmap to growth 2018-2020



Source: Company information

1) Consumer segment, TNS Kantar Q4 2017. Shared No. 1 position with regards to brand awareness

2) Includes the estimated number of people in households and place of business supplied with electricity from Fjordkraft, differs from the number of electricity deliveries

Summary consolidated profit and loss development

Summary consolidated profit and loss¹

NOKm	NGAAP		IFRS	
	2015	2016	2016	2017
Gross revenue (reported)	3,794	4,753	3,925	4,453
Net revenue (reported)	724	786	780	912
<i>Net revenue margin (reported)</i>	<i>19.1%</i>	<i>16.5%</i>	<i>19.9%</i>	<i>20.5%</i>
Net revenue (adj.)	724	773	767	924
<i>Consumer</i>	<i>233</i>	<i>196</i>	<i>229</i>	<i>265</i>
<i>Business</i>	<i>64</i>	<i>93</i>	<i>93</i>	<i>119</i>
EBIT – Consumer and Business (adj.)	297	289	322	384
<i>New Growth Initiatives</i>	<i>7</i>	<i>1</i>	<i>3</i>	<i>-30</i>
EBIT (adj.)	304	290	325	354
Estimate deviations	-1	13	13	-12
Unallocated items	0	0	-1	-19
EBIT (reported)	303	303	337	323

Source: Company information

1) Please see appendix for reconciliation of reported and adjusted IFRS figures

Fjordkraft – strong track-record and well-positioned for continued organic and bolt-on driven growth

Leading electricity retailer in Norway



Brand position¹



Customer satisfaction²



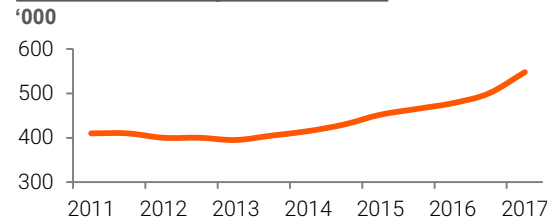
Brand awareness¹



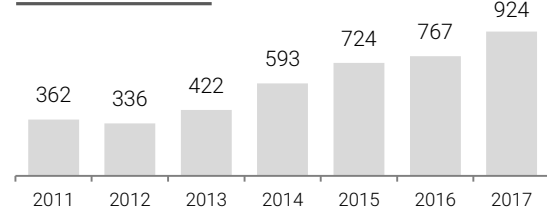
Customer growth³

Impressive growth and profitability

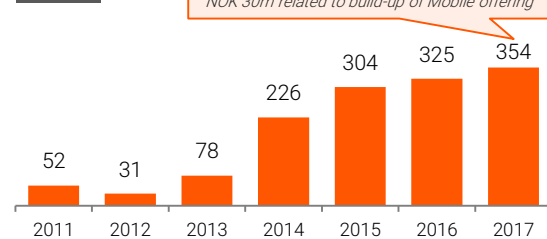
of electricity deliveries



Net revenue⁴



EBIT⁴



Solid position for continued growth



Market leading brand and distribution capabilities



Room for revenue growth on its large existing customer base



Track-record of above market growth in customer base



Significant scale benefits



Best-positioned to take lead in electricity-retail consolidation



Vision to supply two million people with electricity

Source: Company information, TNS Kantar

1) TNS Kantar Q4 2017 – Customer segment. Market shares based on market survey regarding “perceived market share” of consumers’ own assessment of their electricity supplier - may vary from internal Fjordkraft market share figures

2) Scores from Norsk Kundebarometer, using average customer satisfaction from 2015-2017 for the top 5 Nationwide electricity retailers

3) TNS Kantar Q4 consumer report – last 5 years

4) NGAAP until 2015, IFRS for 2016 and 2017. 2015-2017 adjusted for estimate deviations and unallocated costs as further specified herein

