

Fortum Oyj

Rating Type	Rating	Outlook	Last Rating Action
Long-Term Issuer Default Rating	BBB+	Rating Watch Negative	Maintained 20 March 2018
Senior unsecured rating	BBB+	Rating Watch Negative	Maintained 20 March 2018
Click here for full list of ratings			

Financial Summary

(EURm)	Dec 2016	Dec 2017	Dec 2018F	Dec 2019F
Gross Revenue	3,632	4,520	5,159	5,262
Operating EBITDAR Margin (%)	28.4	28.9	27.9	28.6
FFO Margin (%)	19.9	23.3	22.8	23.5
FFO Fixed Charge Coverage (x)	4.0	5.6	6.1	5.9
FFO Adjusted Net Leverage (x)	0.3	1.1	4.0	4.0
Source: Fitch				

Fitch Ratings maintained Finland-based Fortum Oyj's Long-Term Issuer Default Rating (IDR) of 'BBB+', senior unsecured rating of 'BBB+' and Short-Term IDR of 'F2' on Rating Watch Negative (RWN) on 20 March 2018.

The RWN reflects the expected one-notch downgrade of Fortum's long-term ratings to 'BBB' after the acquisition of a 47% stake in Uniper SE for about EUR3.8 billion closes, which would change Fortum's business profile and increase leverage. If the transaction is completed, subject to all regulatory approvals, we estimate that about 12% of Fortum's cash flows will come from Uniper's dividends. Further to this, about a quarter of Fortum's cash flows will come from its Russian operations, and about 45% will be linked to Nordic generation.

Key Rating Drivers

Uniper Transaction Impact: Fitch would treat Uniper as a financial investment and therefore would adjust Fortum's funds from operations (FFO) calculation to reflect Uniper's estimated dividends, which we would consider as recurring. Both Fortum and Uniper are exposed to power prices, Swedish nuclear developments and the Russian regulatory environment. Consequently we believe that risks associated with these factors will have a higher effect on Fortum, indirectly also taking into account Uniper's exposure.

Our rating case assumes that the Uniper transaction will be finalised without any regulatory hurdles, and that Fortum will not immediately attempt to materially increase its stake in Uniper in the short term.

No Rating Headroom: Assuming that the Uniper transaction is completed as planned, we expect to revise our negative rating guideline to 3.8x FFO net adjusted leverage for a 'BBB' rating. We estimate that all rating headroom at the 'BBB' level would be eliminated, reflecting our forecast for leverage slightly above the guideline over the next two years. However, this is also due to our assumption that Fortum will maintain constant dividends despite the shift in business profile. We believe that Fortum has some flexibility over its dividends should the company wish to protect its balance sheet and thus anticipate a Stable Outlook after the downgrade.

Evolving Strategy: Fortum's strategy has been evolving since the disposal of its Nordic network assets, and the strategic target of carrying out at least one sizable acquisition would be executed through the contemplated Uniper investment. The other strategic cornerstones outline Fortum's focus on growth in wind and solar, growth in City and Consumer Solutions (heating, cooling, recycling and waste management solutions as well as digital energy-related solutions) as well as new start-ups/innovation. In our estimates we expect 6% CAGR from City Solutions and 20% CAGR in Consumer Solutions, both organically and through announced acquisitions.

Russia Increases Business Risk: Fortum's assets in Russia compare well with peers thanks to the high percentage of newly commissioned assets to the fleet and strategic location of its plants in strong industrial zones. However, Fitch views the rating upside for Russian utilities as restricted by the regulatory and operating environment. With about a quarter of EBITDA generated by its Russian unit we evaluate Fortum's profile as riskier than other Nordic peers. The Russian operations are also exposed to exchange rate risk. We estimate that a 25% depreciation in the EUR/RUB rate would have a 7% negative impact on earnings.

Power Prices: We assume that Nordpool power prices will increase to about EUR28/MWh by 2021 in order to reflect higher carbon dioxide prices, improved interconnector capacity and a potentially better power price environment in Germany as the nuclear plants are coming offline by 2022. We also assume that Fortum will continue to achieve a slight premium to system prices thanks to the strategic location of its power plants relative to area prices but also through efficient hedging. Nonetheless, Nordpool power prices remain more volatile than many EU areas due to the high proportion of hydro in the generation mix, which can oscillate by up to 40TWh depending on the reservoir levels.

Strong Nuclear Fleet: In 2017 Fortum generated 23 TWh from its nuclear plants with an aggregate load factor of over 80%. It owns the Loviisa power plant in Finland and is a shareholder in three other nuclear plants in Finland (Olkiluoto) and Sweden (Oskarshamn and Forsmark). The infrastructure for nuclear decommissioning is well established in the Nordic region, based on very detailed cost estimates. There are already solutions for the final storage sites for which funds are transparently accumulated and segregated externally. Liabilities are updated every third year having just been updated in Sweden in 2017, while the last update in Finland was in 2016.

Rating Derivation Relative to Peers

Rating Derivation versus Peers	
Peer Comparison	The percentage of earnings from power generation is higher for Fortum than most utilities peers (for example, Sweden's Vattenfall; BBB+/Stable). However, this aspect is mitigated by Fortum's good quality fleet of mostly hydro and nuclear with high historical load factors, particularly in Finland. Following the disposal of the regulated networks we see Fortum as less integrated than peers. Compared with Statkraft (BBB+/Stable) Fortum has a more diversified portfolio. However, about a quarter to a third of Fortum's cash flows are generated in Russia, which limits its overall debt capacity compared with Statkraft.
Parent/Subsidiary Linkage	We assess Fortum as having moderate to weak links with Finland (a 50.8% shareholder, rated AA+/Stable) under our Government-Related Entities criteria resulting in no uplift to the company's rating.
Country Ceiling	No Country Ceiling constraint was in effect for these ratings.
Operating Environment	No Operating Environment influence was in effect for these ratings.
Other Factors	Not applicable.
Source: Fitch	

Rating Sensitivities

Future Developments That May, Individually or Collectively, Lead to Positive Rating Action

- The RWN means Fitch does not currently consider an upgrade scenario likely. However, a cancellation of the contemplated Uniper transaction could potentially lead to an affirmation.

Future Developments That May, Individually or Collectively, Lead to Negative Rating Action

- If the Uniper transaction closes as scheduled we would expect to downgrade Fortum's long-term ratings by one notch to 'BBB' and view FFO net adjusted leverage between 3.0 and 3.8x as commensurate with a 'BBB' rating.

Liquidity and Debt Structure

Satisfactory liquidity: As at 31 December 2017 cash and short-term investments stood at EUR3.9 billion and committed unused credit facilities at EUR1.8 billion (excluding facilities for Uniper transaction). Fortum will use both available cash and committed credit facilities for the contemplated Uniper transaction of EUR3.8 billion, and thus liquidity and debt profiles will change. We estimate Fortum to remain FCF negative during next few years due to ongoing projects. However, we believe short-term liquidity will remain manageable backed by committed credit facilities.

Debt Maturities and Liquidity at FYE17

Liquidity Summary	Original	Original
(EURm)	31 Dec 16	31 Dec 17
Total Cash & Cash Equivalents	5,155	3,897
Short-Term Investments	0	0
Less: Not Readily Available Cash and Cash Equivalents	-183	-107
Fitch-defined Readily Available Cash and Cash Equivalents	4,972	3,790
Availability under Committed Lines of Credit	1,963	1,800
Total Liquidity	6,935	5,590
Plus: Fitch Forecasted 2018 FCF (post dividend)		-506
Liquidity Score		4.4
LTM EBITDA	1,015	1,275
LTM Free Cash Flow	-955	-642
Source: Fitch Ratings, Inc., Company filings.		

Scheduled Debt Maturities	Original
(EURm)	31 Dec 17
31 December 2018	766
31 December 2019	812
31 December 2020	71
31 December 2021	538
31 December 2022	1,068
Thereafter	1,630
Total Debt Maturities	4,885
Source: Fitch Ratings, Inc., Company filings.	

Key Assumptions

Fitch's key assumptions within our rating case for the issuer include:

- The acquisition of the 47% stake in Uniper will go ahead as planned
- Fortum will continue to achieve a small premium over the Nordpool power price
- Slightly improving trend in Nordpool power prices to about EUR 28/MWh in 2021
- EUR/RUB exchange rate of 69

Financial Data

(EURm)	Historical			Forecast		
	Dec 2015	Dec 2016	Dec 2017	Dec 2018F	Dec 2019F	Dec 2020F
SUMMARY INCOME STATEMENT						
Gross Revenue	3,459	3,632	4,520	5,159	5,262	5,472
Revenue Growth (%)	-15.4	5.0	24.4	14.1	2.0	4.0
Operating EBITDA (Before Income From Associates)	1,154	1,015	1,275	1,401	1,468	1,572
Operating EBITDA Margin (%)	33.4	27.9	28.2	27.2	27.9	28.7
Operating EBITDAR	1,168	1,030	1,308	1,439	1,506	1,612
Operating EBITDAR Margin (%)	33.8	28.4	28.9	27.9	28.6	29.5
Operating EBIT	808	644	811	911	976	1,084
Operating EBIT Margin (%)	23.4	17.7	17.9	17.7	18.6	19.8
Gross Interest Expense	-247	-185	-180	-194	-215	-224
Pretax Income (Including Associate Income/Loss)	-304	594	1,111	1,141	1,212	1,312
SUMMARY BALANCE SHEET						
Readily Available Cash and Equivalents	8,202	4,972	3,790	325	300	335
Total Debt With Equity Credit	6,007	5,107	4,885	5,619	5,980	6,159
Total Adjusted Debt with Equity Credit	6,119	5,227	5,149	5,920	6,287	6,478
Net Debt	-2,195	135	1,095	5,295	5,680	5,824
SUMMARY CASH FLOW STATEMENT						
Operating EBITDA	1,154	1,015	1,275	1,401	1,468	1,572
Cash Interest Paid	-263	-214	-187	-194	-215	-224
Cash Tax	-65	-216	-83	-171	-182	-197
Dividends Received Less Dividends Paid to Minorities (Inflow/(Out)flow)	52	54	58	143	167	218
Other Items Before FFO	269	45	-46	0	0	0
Funds Flow From Operations	1,199	723	1,052	1,179	1,238	1,369
Change in Working Capital	29	-102	-60	-50	-50	-50
Cash Flow From Operations (Fitch Defined)	1,228	621	992	1,129	1,188	1,319
Total Non-Operating/Non-Recurring Cash Flow	154	0	0			
Capital Expenditure	-527	-599	-657			
Capital Intensity (Capex/Revenue)	15.2	16.5	14.5			
Common Dividends	-1,155	-977	-977			

Net Acquisitions and Divestitures	6,260	-646	-223			
Other Investing and Financing Cash Flow Items	479	-447	46	0	0	0
Net Debt Proceeds	-1,003	-999	-440	734	361	179
Net Equity Proceeds	0	0	0	0	0	0
Total Change in Cash	5,436	-3,047	-1,259	-3,572	-25	35
DETAIL CASH FLOW STATEMENT						
FFO Margin (%)	34.7	19.9	23.3	22.8	23.5	25.0
Calculations for Forecast Publication						
Capex, Dividends, Acquisitions and Other Items Before FCF	4,732	-2,222	-1,857	-5,435	-1,573	-1,463
Free Cash Flow After Acquisitions and Divestitures	5,960	-1,601	-865	-4,306	-385	-144
Free Cash Flow Margin (After Net Acquisitions) (%)	172.3	-44.1	-19.1	-83.5	-7.3	-2.6
COVERAGE RATIOS						
FFO Interest Coverage (x)	5.4	4.2	6.4	7.1	6.8	7.1
FFO Fixed Charge Coverage (x)	5.1	4.0	5.6	6.1	5.9	6.2
Operating EBITDAR/Interest Paid + Rents (x)	4.4	4.7	6.2	6.8	6.6	6.9
Operating EBITDA/Interest Paid (x)	4.6	5.0	7.1	8.0	7.6	8.0
LEVERAGES RATIOS						
Total Adjusted Debt/Operating EBITDAR (x)	5.0	4.8	3.8	3.7	3.8	3.5
Total Adjusted Net Debt/Operating EBITDAR (x)	-1.7	0.2	1.0	3.5	3.6	3.4
Total Debt with Equity Credit/Operating EBITDA (x)	5.0	4.8	3.7	3.6	3.7	3.4
FFO Adjusted Leverage (x)	4.3	5.7	4.2	4.2	4.2	4.0
FFO Adjusted Net Leverage (x)	-1.5	0.3	1.1	4.0	4.0	3.8
Source: Fitch Ratings, Inc., Company filings						

How to Interpret the Forecast Presented

The forecast presented is based on the agency's internally produced, conservative rating case forecast. It does not represent the forecast of the rated issuer. The forecast set out above is only one component used by Fitch to assign a rating or determine a rating outlook, and the information in the forecast reflects material but not exhaustive elements of Fitch's rating assumptions for the issuer's financial performance. As such, it cannot be used to establish a rating, and it should not be relied on for that purpose. Fitch's forecasts are constructed using a proprietary internal forecasting tool, which employs Fitch's own assumptions on operating and financial performance that may not reflect the assumptions that you would make. Fitch's own definitions of financial terms such as EBITDA, debt or free cash flow may differ from your own such definitions. Fitch may be granted access, from time to time, to confidential information on certain elements of the issuer's forward planning. Certain elements of such information may be omitted from this forecast, even where they are included in Fitch's own internal deliberations, where Fitch, at its sole discretion, considers the data may be potentially sensitive in a commercial, legal or regulatory context. The forecast (as with the entirety of this report) is produced strictly subject to the disclaimers set out at the end of this report. Fitch may update the forecast in future reports but assumes no responsibility to do so.

Rating Navigator

Fortum Oyj

Corporates Ratings Navigator
EMEA Utilities

Factor Levels	Sector Risk Profile	Operating Environment	Management and Corporate Governance	Position and Cash Flow Profile	Regulation	Market Trends and Risks	Asset Base and Operations	Profitability and Cash Flow	Financial Structure	Financial Flexibility	Issuer Default Rating
aaa											AAA
aa+											AA+
aa											AA
aa-											AA-
a+											A+
a											A
a-											A-
bbb+											BBB+ RWN
bbb											BBB
bbb-											BBB-
bb+											BB+
bb											BB
bb-											BB-
b+											B+
b											B
b-											B-
ccc											CCC
cc											CC
c											C
d or rd											D or RD

Operating Environment

aa-	Economic Environment	a	Strong combination of countries where economic value is created and where assets are located.
a+	Financial Access	aa	Very strong combination of issuer-specific funding characteristics and the strength of the relevant local financial market.
	Systemic Governance	aa	Systemic governance (eg rule of law, corruption, government effectiveness) of the issuer's country of incorporation consistent with 'aa'.
b-			
ccc			

Position and Cash Flow Profile

bbb+	Market Presence and Integration	bbb	Top-tier position in at least one market. Partially integrated (typically including generation, distribution and supply).
bbb	Earnings from Regulated Network Assets	b	Minimal EBITDA comes from high-quality regulated networks or quasi-regulated assets.
bbb-	Quasi-Regulated Earnings	bbb	10%-20% of EBITDA comes from quasi-regulated assets or from long-term contracted sales with creditworthy counterparties.
bb+			
bb			

Market Trends and Risks

a-	Fundamental Market Trends	bbb	Markets with emerging structural challenges.
bbb+	Generation and Supply Positioning	bbb	Average position in the merit order; short term hedging. Generation largely balanced with medium position in supply and services.
bbb	Customer Base and Counterparty Risk	a	Economy of area served provides structurally stable background; low counterparty risk; high collection rates for supply operations.
bbb-			
bb+			

Profitability and Cash Flow

a-	Free Cashflow	bbb	Structurally neutral to negative FCF across the investment cycle.
bbb+	Volatility of Profitability	bbb	Stability and predictability of profits in line with utility peers.
bbb			
bbb-			
bb+			

Financial Flexibility

a-	Financial Discipline	bbb	Financial policies less conservative than peers but generally applied consistently.
bbb+	Liquidity	bbb	One-year liquidity ratio above 1.25x. Well-spread debt maturity schedule but funding may be less diversified.
bbb	FFO Fixed Charge Cover	a	5.0x
bbb-	FX Exposure	bbb	Some FX exposure on profitability and/or debt/cash flow match. Effective hedging.
bb+			

Management and Corporate Governance

aa-	Management Strategy	bbb	Strategy may include opportunistic elements but soundly implemented.
a+	Governance Structure	a	Experienced board exercising effective checks and balances. Ownership can be concentrated among several shareholders.
a	Group Structure	a	Group structure has some complexity but mitigated by transparent reporting.
a-	Financial Transparency	a	High-quality and timely financial reporting.
bbb+			

Regulation

aa-	Regulatory Framework and Policy Risk	a	Transparent frameworks with strong track record and multi-year predictable tariffs set by independent regulators; little political risk.
a+	Cost Recovery and Risk Exposure	n.a.	
a			
a-			
bbb+			

Asset Base and Operations

a	Asset Quality	a	High asset quality likely to benefit opex and capex requirements compared with peers.
a-	Asset Diversity	bbb	Partial diversification by geography, generation source, supplied product.
bbb+	Carbon Exposure	bbb	Energy production balanced between clean and thermal sources; medium carbon exposure (< 450gCO2/kWh).
bbb			
bbb-			

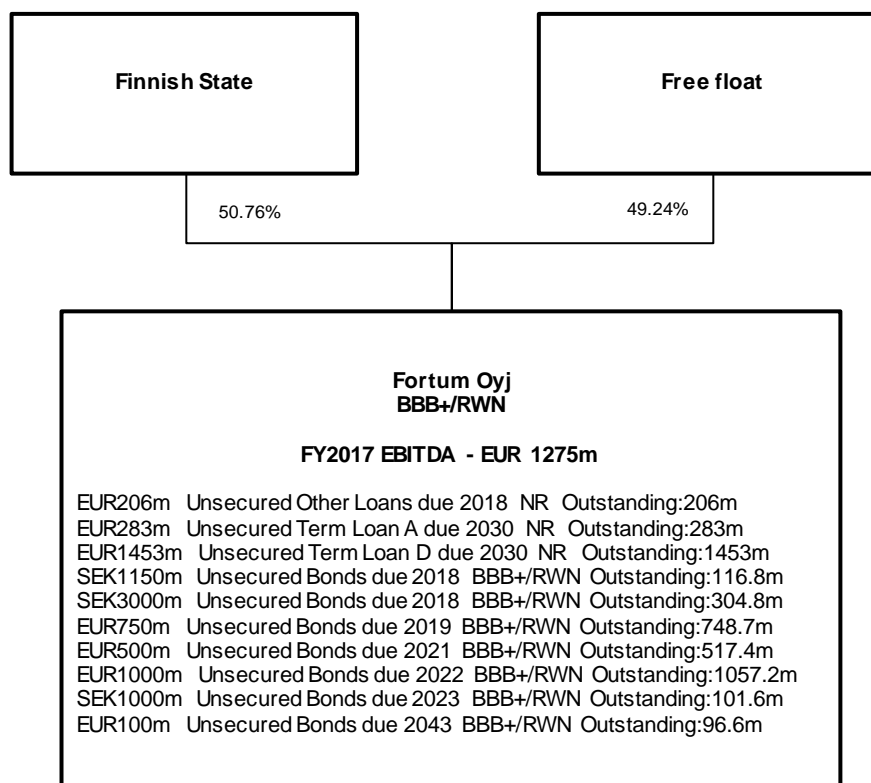
Financial Structure

a-	Lease Adjusted FFO Gross Leverage	bbb	5.0x
bbb+	Lease Adjusted FFO Net Leverage	bbb	4.5x
bbb			
bbb-			
bb+			

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

Navigator Version: RN 1.42.9.0

Simplified Group Structure Diagram



Source: Fitch, Company, As at December 2017

Peer Financial Summary

Company	Date	Rating	Gross Revenue (EURm)	FFO Fixed Charge Coverage (x)	FFO Adjusted Net Leverage (x)	Funds Flow From Operations (EURm)	FFO Adjusted Leverage (x)
Fortum Oyj	2020F		5,472	6.2	3.8	1,369	4.0
	2019F		5,262	5.9	4.0	1,238	4.2
	2018F		5,159	6.1	4.0	1,179	4.2
	2017	BBB+	4,520	5.6	1.1	1,052	4.2
	2016	BBB+	3,632	4.0	0.3	723	5.7
Statkraft AS	2020F		5,165	5.5	3.9	787	4.8
	2019F		5,155	5.4	3.6	776	4.5
	2018F		5,167	5.3	2.8	774	4.5
	2017F		5,233	5.7	2.5	863	4.0
	2016	BBB+	5,559	6.9	2.9	1,115	3.6
Vattenfall AB	2020F		14,985	5.6	4.0	2,333	4.2
	2019F		14,691	5.6	3.9	2,284	4.0
	2018F		14,403	5.7	3.6	2,308	3.8
	2017F		14,100	5.3	3.6	2,134	3.9
	2016	BBB+	15,982	8.0	2.7	3,040	3.8
Orsted A/S	2020F		7,532	5.4	2.1	1,567	2.6
	2019F		8,393	4.9	2.0	1,440	2.9
	2018F		7,315	4.4	1.9	1,155	3.3
	2017F		6,829	4.7	1.6	1,329	3.0
	2016	BBB+	7,720	4.8	1.5	1,505	2.8
Source: Fitch							

Reconciliation of Key Financial Metrics

(EUR Millions, As reported)	31 Dec 2017
Income Statement Summary	
Operating EBITDA	1,275
+ Recurring Dividends Paid to Non-controlling Interest	0
+ Recurring Dividends Received from Associates	58
+ Additional Analyst Adjustment for Recurring I/S Minorities and Associates	0
= Operating EBITDA After Associates and Minorities (k)	1,333
+ Operating Lease Expense Treated as Capitalised (h)	33
= Operating EBITDAR after Associates and Minorities (j)	1,366
Debt & Cash Summary	
Total Debt with Equity Credit (l)	4,885
+ Lease-Equivalent Debt	264
+ Other Off-Balance-Sheet Debt	0
= Total Adjusted Debt with Equity Credit (a)	5,149
Readily Available Cash [Fitch-Defined]	3,790
+ Readily Available Marketable Securities [Fitch-Defined]	0
= Readily Available Cash & Equivalents (o)	3,790
Total Adjusted Net Debt (b)	1,359
Cash-Flow Summary	
Preferred Dividends (Paid) (f)	0
Interest Received	35
+ Interest (Paid) (d)	-187
= Net Finance Charge (e)	-152
Funds From Operations [FFO] (c)	1,052
+ Change in Working Capital [Fitch-Defined]	-60
= Cash Flow from Operations [CFO] (n)	992
Capital Expenditures (m)	-657
Multiple applied to Capitalised Leases	8.0
Gross Leverage	
Total Adjusted Debt / Op. EBITDAR* [x] (a/j)	3.8
FFO Adjusted Gross Leverage [x] (a/(c-e+h-f))	4.2
<i>Total Adjusted Debt/(FFO - Net Finance Charge + Capitalised Leases - Pref. Div. Paid)</i>	
Total Debt With Equity Credit / Op. EBITDA* [x] (l/k)	3.7
Net Leverage	
Total Adjusted Net Debt / Op. EBITDAR* [x] (b/j)	1.0
FFO Adjusted Net Leverage [x] (b/(c-e+h-f))	1.1
<i>Total Adjusted Net Debt/(FFO - Net Finance Charge + Capitalised Leases - Pref. Div. Paid)</i>	
Total Net Debt / (CFO - Capex) [x] ((l-o)/(n+m))	3.3
Coverage	
Op. EBITDAR / (Interest Paid + Lease Expense)* [x] (j/-d+h)	6.2
Op. EBITDA / Interest Paid* [x] (k/(-d))	7.1
FFO Fixed Charge Cover [x] ((c-e+h-f)/(-d+h-f))	5.6
<i>(FFO - Net Finance Charge + Capit. Leases - Pref. Div Paid) / (Gross Int. Paid + Capit. Leases - Pref. Div. Paid)</i>	
FFO Gross Interest Coverage [x] ((c-e-f)/(-d-f))	6.4
<i>(FFO - Net Finance Charge - Pref. Div Paid) / (Gross Int. Paid - Pref. Div. Paid)</i>	
* EBITDA/R after Dividends to Associates and Minorities	
Source: Fitch, based on information from company reports.	

Fitch Adjustment Reconciliation

	Reported Values 31 Dec 17	Sum of Fitch Adjustments	Preferred Dividends, Associates and Minorities Cash Adjustments	- CORP - other	Adjusted Values
Income Statement Summary					
Revenue	4,520	0			4,520
Operating EBITDAR	1,275	33		33	1,308
Operating EBITDAR after Associates and Minorities	1,275	91	58	33	1,366
Operating Lease Expense	0	33		33	33
Operating EBITDA	1,275	0			1,275
Operating EBITDA after Associates and Minorities	1,275	58	58		1,333
Operating EBIT	811	0			811
Debt & Cash Summary					
Total Debt With Equity Credit	4,885	0			4,885
Total Adjusted Debt With Equity Credit	4,885	264		264	5,149
Lease-Equivalent Debt	0	264		264	264
Other Off-Balance Sheet Debt	0	0			0
Readily Available Cash & Equivalents	3,897	-107		-107	3,790
Not Readily Available Cash & Equivalents	0	107		107	107
Cash-Flow Summary					
Preferred Dividends (Paid)	0	0			0
Interest Received	35	0			35
Interest (Paid)	-187	0			-187
Funds From Operations [FFO]	994	58	58		1,052
Change in Working Capital [Fitch-Defined]	-60	0			-60
Cash Flow from Operations [CFO]	934	58	58		992
Non-Operating/Non-Recurring Cash Flow	0	0			0
Capital (Expenditures)	-657	0			-657
Common Dividends (Paid)	-977	0			-977
Free Cash Flow [FCF]	-700	58	58		-642
Gross Leverage					
Total Adjusted Debt / Op. EBITDAR* [x]	3.8				3.8
FFO Adjusted Leverage [x]	4.3				4.2
Total Debt With Equity Credit / Op. EBITDA* [x]	3.8				3.7
Net Leverage					
Total Adjusted Net Debt / Op. EBITDAR* [x]	0.8				1.0
FFO Adjusted Net Leverage [x]	0.9				1.1
Total Net Debt / (CFO - Capex) [x]	3.6				3.3
Coverage					
Op. EBITDAR / (Interest Paid + Lease Expense)* [x]	6.8				6.2
Op. EBITDA / Interest Paid* [x]	6.8				7.1
FFO Fixed Charge Coverage [x]	6.1				5.6
FFO Interest Coverage [x]	6.1				6.4

*EBITDA/R after Dividends to Associates and Minorities

Full List of Ratings

	Rating	Outlook	Last Rating Action
Fortum Oyj			
Long-Term IDR	BBB+	RWN	Maintained on 20 March 2018
Senior unsecured rating	BBB+	RWN	Maintained on 20 March 2018
Short-Term IDR	F2	RWN	Maintained on 20 March 2018

Related Research & Criteria

Fitch Maintains Fortum's 'BBB+' on Rating Watch Negative (March 2018)
Fitch 2018 Outlook: EMEA Utilities (December 2017)
Corporate Rating Criteria (March 2018)
Corporates Notching and Recovery Ratings Criteria (March 2018)
Government-Related Entities Rating Criteria (February 2018)
Sector Navigators (March 2018)

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