Disclaimer

This presentation does not constitute an invitation to underwrite, subscribe for, or otherwise acquire or dispose of any Fortum shares.

Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

Any references to the future represent the management’s current best understanding. However the final outcome may differ from them.
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Fortum at a glance

Description of Fortum

- A leading clean-energy company across the Nordic region, the Baltic countries, Poland, and Russia
- A circular economy champion, providing solutions for sustainable cities, including waste, recycling, and biomass
- Rated BBB/CreditWatch Negative and BBB/Rating Watch Negative by S&P and Fitch respectively
- In 2018, Fortum closed its tender offer to shareholders in Uniper (holding of 49.99% of the outstanding shares and voting rights as of 31.12.2018), in 2020 additional >20% stake to be closed

Key shareholders

- Listed on the Helsinki Stock Exchange since 1998
- Market capitalisation of ~EUR 14bn
- Finnish State is a majority owner

Operations by business segment

- Consumer Solutions 8%
- City Solutions 17%
- Russia 25%
- Generation 50%
- EBITDA(1) EUR 1.8 bn

Production by source

- Natural gas 37%
- Nuclear power 31%
- Hydropower 26%
- Power 76.3 TWh

- Natural gas 59%
- Coal 18%
- Waste 10%
- Biomass 9%
- Heat pumps, electricity 2%
- Heat 26.4 TWh

Operations by business segment

- Generation 50%
- EBITDA(1) EUR 1.8 bn

Note: All data as of FYE 2019 unless otherwise stated, Uniper will be consolidated from Q2/2020 onwards

(1) Comparable EBITDA defined as operating profit plus depreciation and amortisation less items affecting comparability
Fortum’s geographical footprint

Nordic countries
- Power generation: 45.5 TWh (#3)
- Heat sales: 5.9 TWh (#5)
- Electricity customers: 2.3 million (#1)

Russia
- Power generation: 29.3 TWh (#10)
- Heat sales: 16.9 TWh (#7)

Key figures 2019
- Sales: EUR 5.4 bn
- Comparable EBITDA: EUR 1.8 bn
- Total assets: EUR 23 bn
- Personnel: 8,200

Poland
- Power generation: 0.6 TWh
- Heat sales: 3.3 TWh

Baltic countries
- Power generation: 0.7 TWh
- Heat sales: 1.5 TWh

Sales by market area 2019
- Poland: 7%
- Russia: 20%
- Other: 4%
- Nordics: 69%

Note: Ranking based on year 2018 pro forma figures
Source: Fortum, company data, shares of the largest actors
Europe needs to eliminate CO₂ emissions to reach climate goals — this requires actions from all sectors

Sources: EEA, IEA, Fortum

1 including international aviation and marine
2 Iron & steel and chemicals are among the biggest contributors
3 Residential and commercial heating & cooling
4 Non-energy related emissions: industrial processes and product use, waste management, agriculture, fugitive emissions
Volatility and uncertainty in the European power market increases the value of flexible assets

- Intermittent renewables
- Nuclear and coal closures
- Increasing role of gas
- Supply-demand balance
- Increased interconnection between Nordics and Continent
- Commodity and CO₂ prices
- Weather conditions

Volatility and uncertainty
The MSR introduces tightness to carbon market

Linear reduction factor (LRF) tightens the market

- Linear reduction factor (LRF) is the percentage of baseline supply\(^1\) by which the annual supply of allowances (cap) is reduced every year. LRF is set at:
  - 1.74% for 2013-2020 (equals to a reduction of 38 MtCO\(_2\)/year)
  - 2.2% for 2021-2030 (equals to a reduction of 48 MtCO\(_2\)/year)
- In total, emissions are set to decrease by 43% by 2030 vs. 2005
- Next LRF review is scheduled for 2024
  - 3.03% LRF from 2030 onwards would deliver net zero emissions by 2050

Market stability reserve restores scarcity by reducing future auction volumes

- When TNAC\(^2\) > 833 Mt, MSR deducts 24% of the TNAC from the auction volume each year placing them into the reserve during 2019-2023
  - MSR rate is 12% during 2024-2030
- When TNAC < 400 Mt, MSR releases 100 million EUAs annually from the reserve adding them to future auctions
- 900 million back loaded allowances from 2014 -2016 will be transferred into the MSR in 2019-2020
- As from 2023, allowances in MSR above the total number of allowances auctioned during the previous year will be cancelled
- Next MSR review is scheduled in 2021

CO\(_2\) price has almost quadrupled since November 2017, when the final decision was reached on the future EU ETS rules, including the intake rate of the Market Stability Reserve, which became operational in January 2019

- Market tightness forces the EUA market to find ways to reducing demand, including by coal-to-gas switching, making the relative gas/coal price an important price anchor for CO\(_2\)
- Political risks also continue to play a role in EUA prices, with developments around Brexit and national coal phase-out policies in particular being closely watched

\(^1\) Average annual total quantity of allowances released in 2008-2012.
\(^2\) TNAC = total number of allowances in circulation = supply – (demand + allowances in the MSR). According to the latest publication May 15, 2018 the TNAC corresponds to 1655 million allowances.

Efficiency assumptions in switching range; at low-end: gas 52% and coal 34%; at high-end: gas 48% and coal 38%. O&M cost assumptions apply.
France to phase out coal from power sector at latest in 2022

United Kingdom to exclude coal condense from capacity market by capping allowed emissions from 2025

Netherlands’ new government aims at exit by 2030, regulation not yet in place

Poland: investments in new coal generation, after 2025 will be based on CHP or other technologies, which will allow the emission standards on the level of 450kg CO₂ per MWh of generated energy

Germany’s coal phaseout law was agreed by the cabinet in January and currently awaits for parliamentary approval
  - By end-2022, only 15 GW of hard coal and 15 GW of lignite is allowed in the market, compared to 21 GW and 18 GW at end-2019
    - By end-2030, 8 GW of hard coal and 9 GW of lignite allowed in the market
    - Full coal exit by end-2038, with an option for an early exit already in 2035
  - Compensation for hard coal operators is to based on reverse auctions set to start already in 2020, provided the draft enters into law
  - Compensation for lignite closures will be agreed on one-by-one basis and will follow a formula based on, inter alia, expected earnings
  - The government intends to cancel European Emission Allowances in order to neutralize the phaseout’s impact on the EU ETS
Positioning Fortum for the decade of electricity
– For a cleaner world

1. Pursue operational excellence and increased flexibility
2. Ensure value creation from investments and portfolio optimisation
3. Drive focused growth in the power value chain
4. Build options for significant new businesses

Fortum’s strategic route
Delivering on financial targets through operational excellence and portfolio optimisation in the short to mid term

Strategic priorities...

Operational excellence
• Continue productivity improvement
• Prioritise capital expenditure

Increased flexibility
• Maximise flexibility in current businesses and assets
• Develop new sources of flexibility

Value creation and portfolio optimisation
• Ensure competitive asset fit for changing business environment
• Focus on core businesses
• Selective investments

... creating value

• Benchmark performance
• Optimise cash flow
• Strengthen balance sheet
• Create financial flexibility
• Solid investment grade rating
Consolidated Fortum is the third largest CO₂ free generator in Europe

Source: Company information, Fortum analyses, 2018 figures pro forma.
EPH incl. LEAG
Scale, competences and resources to prosper, grow and lead European energy transition

2019 combined Comparable EBITDA\(^{(1)}\)

- \text{Fortum: EUR 3.3 bln}
- \text{Uniper: EUR 1.8 bln}

Combined power generation assets\(^{(2)}\)

- \text{Fortum: 48.6 GW}
- \text{Uniper: 2019 combined Comparable EBITDA: EUR 3.3 bln, EUR 1.8 bln, EUR 1.6 bln}

Combined geographical presence

- \text{Fortum:} Fortum
- \text{Uniper:} Uniper
- \text{Combined:} Combined geographical presence

Combined market positions \(^{(1)}\)

- Russia: #3
- UK: #2
- Poland: #2
- Germany: #2
- Baltics
- Nordics

Coal phased out over time

- \text{Hydro: 45%}
- \text{Nuclear: 17%}
- \text{Gas: 9%}
- \text{Other thermal: 22%}
- \text{Other: 7%}

(1) Comparable EBITDA is based on the Fortum’s Comparable EBITDA and Uniper’s Adjusted EBITDA as defined in Fortum’s and Uniper’s financial statements. No impacts from the assumed transaction has been included.

(2) Market positions for Central-Europe/Europe and Nordics are based on total installed capacity; the market position in Russia is based on thermal capacity.

(3) Based on 31 Dec. 2019 capacity.
Fortum’s CO₂-free power generation to increase by ~60% as Uniper will be consolidated in 2020

Fortum and Uniper consolidated*:
• CO₂-free generation +60%
• Gas-fired power generation triples
• Share of coal-fired generation ~12%
• Share of coal of sales revenue ~1%

* based on 2019 reported figures

Note: Fortum actuals 1990-2019 excluding associated company Stockholm Exergi. 2020 indicative figures adjusted for Nordic wind and Joensuu CHP assets sold in 2020. Uniper’s disclosed 2018 numbers used for indicative consolidation 2020 with the following corrections/assumptions: normal hydrological year, accounting view adjusted to pro forma, French coal assets sold, Datteln 4 approximately 2.2 TWh in 2020, no net increase in generation from Beresovskaya 3, coal-to-gas switch 2 TWh, Ringhals 2 closed on 31 Dec 2019.

INDICATIVE GENERATION FOR 2020, NOT OFFICIAL GUIDANCE.
Fortum is a forerunner in sustainability

We engage our customers and society to drive the change towards a cleaner world. Our role is to accelerate this change by reshaping the energy system, improving resource efficiency, and providing smart solutions. This way we deliver excellent shareholder value.

Increasing CO₂-free power generation
Annual CO₂-free power generation will increase appr. 60% from ~45 TWh to ~70 TWh when consolidating Uniper

Among the lowest specific emissions
96% of power generation in the EU and 59% of total power generation was CO₂-free in 2019. Fortum’s specific emissions from power generation in Europe were 27 gCO₂/kWh in 2019, total 183 gCO₂/kWh.

Growing in solar and wind
Targeting a multi-gigawatt wind and solar portfolio, which is subject to the capital recycling business model

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Fortum’s evolution and historical strategic route

- **1996**: Gullspång, 50% Fortum 50% Stockholm Gullspång merged with Stockholm Energi
- **1997**: Skandinaviska Elverk
- **1998**: Länsivoima → 100%
- **1999**: Birka Energi, 50% Fortum, 50% Stockholm Länsivoima
- **2000**: Lenenergo shares →
- **2002**: Länsivoima, Elnova (50% → 100%)
- **2003**: Østfold (District heating in Poland →)
- **2004**: Birka Energi, Shares in Hafslund (50% → 100%)
- **2005**: TGC-1 (Established, Oil business spin-off)
- **2006**: E.ON Finland
- **2007**: Divestment of Lenenergo shares
- **2008**: TGC-10
- **2009**: Divestment of heat operations outside of Stockholm
- **2010**: Divestment of district heating business in Joensuu
- **2011**: Majority 73.4% owner in Uniper
- **2012**: Divestment of district heating business in Joensuu
- **2013**: Nordic wind capital recycling (80%)
- **2014**: Divestment of electricity distribution business
- **2015**: Divestment of electricity distribution and heat businesses
- **2016**: Divestment of small-scale hydro
- **2017**: Divestment of Grangemouth power plant
- **2018**: Divestment of Gasum shares
- **2019**: Divestment of electricity distribution business
- **2020**: DUON
- **2021**: Ekokem
- **2022**: Turebergs Recycling
- **2023**: Nordkraft wind power
- **2024**: Restructuring of ownership in Hafslund
- **2025**: Russian wind power JV
- **2026**: Investment in Uniper
- **2027**: Divestment of ownership in Hafslund Produksjon
- **2028**: Investment in Uniper
- **2029**: Divestment of district heating business in Joensuu
- **2030**: Nordic wind capital recycling (80%)
Q1 2020 – Solid result in a volatile market environment

- Power and heat consumption down due to mild winter
  - Nordic spot price down 67%
  - Water reservoirs clearly above long-term average levels in Q1
  - Volatile commodity and CO₂ prices
- Covid-19 has had limited immediate impact on Fortum’s business
- Comparable EBITDA at EUR 543 (545) million
- Comparable operating profit at EUR 393 (408) million
- Fortum’s share of profits from associates of EUR 479 (111) million
  - Strong result contribution from Uniper of EUR 469 million
- EPS at EUR 1.05 (0.38)
  - Items affecting comparability EUR 0.22 (-0.04) and Uniper 0.53 (0.06)
- Balance sheet supported by strong operational cash flow and divestments
- Long-term financial targets will be revised following Uniper consolidation
Q1 2020 highlights

- Majority owner in Uniper 73.4% - consolidating as a subsidiary
- Uniper Supervisory Board appointments
- Joensuu district heating divested
- Nordic wind capital recycling closed
- Fortum partners with Infracapital on EV infrastructure business
Power demand development in different areas
Decrease in the Nordics and Russia due to warm weather, other regions mainly affected by Covid-19

Source: ENTSO-E hourly reported power demand, 7 day moving avg
CWE = Central Western Europe (Germany, France, Netherlands, Belgium)
Percentage change in Q1 2020 compared to Q1 2019
Risk assessment of Covid-19 impact on Fortum

So far very limited effect from Covid-19, lot will depend on industrial activity on our core areas

- Power price – hedging supports result
- Power demand – impacted by weather conditions and seasonality
- Power demand – affected by industrial power demand in the Nordics
- Planning of annual overhauls of nuclear plants and regular maintenance of power plants

- Heat and power prices – resilience as heating is contracted, power prices hedged
- Heat demand – impacted by weather conditions and seasonality
- Power and heat demand – affected by industrial demand
- Recycling and waste business – affected by industrial demand and smoothness in supply chain logistics

- Power and heat price – CSA and CCS capacity payments provides stability and visibility
- Power and heat demand – impacted by weather conditions and seasonality
- Power and heat demand – affected by industrial demand
- Negative EUR translation effect - weaker RUB
- Potential bad debts – affected by customers’ financial situation and solvency

- Sales price and gross margin – impacted by power price
- Potential credit losses - affected by customers’ financial situation and solvency

Not directly Covid-19 related
Directly (also) Covid-19 related
Nordic hydro reservoir surplus increased during Q1

- Rainy and mild weather led to a clear increase in the surplus of the Nordic water reservoirs during January and February 2020.
- Weather conditions were closer to long term average level in March and April.
- After the rainy period in the first quarter, the water reservoirs are currently at normal level.
- Snow balance currently shows a surplus.

Source: Nord Pool, 2019 by country
Fuel prices in Q1 on a downward trend

- Generally coal prices have been less affected by Covid-19 compared to many other energy commodities.

- During Q1, 2021 coal forward dropped ~13% from 62 USD/t to 55 USD/t. Mild winter combined with weakening gas and power prices contributed to the decline in European coal prices.

- Global coal prices have declined driven by ample LNG supply and decreasing coal demand. Rising power generation based on nuclear and renewables in Asia have contributed to decreasing coal demand.

- European gas prices declined strongly during Q1 2020 with the summer 2020 contracts down almost 40% and year 2021 contract down 25%.

- During March, the outbreak of the corona pandemic worked as a catalyst in a market situation that was already impacted by ample LNG supply and record high storage levels in Europe.

- Recent years weak gas price trend has been driven by the fast increase of global LNG supply coupled with slower growth in North East Asia. Similarly to coal, weak gas demand in Asia is related to growth in power production based on nuclear and renewables and slowing industrial production.
Volatile CO₂ and oil prices

- EUA price saw a drastic decline during mid-March when in just five days the prices dropped from 24 €/t level to 14 €/t. Increased auction supply in 2020 coupled with falling demand due to Covid-19 being the main drivers. In addition the year ahead gas price weakening strongly against coal, decreasing the coal to gas switching price.

- After a sharp fall, the EUA prices recovered rapidly to above 21 €/t.

- 2019 emissions dropped 9% (~150 mton) compared to 2018.

- On a few year’s perspective, the strong intake of MSR continues to make the EUA market tighter. Also, the EU is in the process of tightening its 2030 climate target.

- Oil price declined strongly during the quarter as the front-month of Brent declined from above 60 USD/t level to below 20 USD/t.

- Oil price have been impacted by Covid-19 since Feb 2020 as the market started to discount lower demand.

- Oil price collapse followed the unsuccessful OPEC+ meeting that practically led to an oil price war between Saudi Arabia and Russia.
Rainy and mild weather combined with weak commodities
Nordic forward prices especially for 2020 declined

- During Q1, the average Nord Pool system spot price was 15.4 EUR/MWh (46.8)
- The average area prices were:
  - 24.0 EUR/MWh (47.5) in Finland
  - 18.7 EUR/MWh (46.4) in Sweden (SE3, Stockholm)
- The Nordic spot prices declined during Q1 2020 caused by exceptionally rainy and mild weather. This development was also supported by low spot prices in Continental Europe, driven especially by declining gas prices.
- The forward market is expecting the Nordic system price to remain on current low level until next winter.
- The decline in power demand in the Nordics during Q1 from 116 TWh to 112 TWh y-on-y is mainly explained by the rainy and mild winter, not depending on Covid-19 impact.

Source: Nord Pool, Nasdaq Commodities
Nordic year forwards driven by Continental European power prices and hydrology

- Along with the declining spot price, also the forward prices have come down significantly since year end.
- While hydrology is clearly the main driver for soft Nordic spot prices, the forward curve is more driven by Continental power prices, fuels and CO₂ prices.
- In the beginning of 2020, Nordic YR 2021 forward contract dropped from 33 EUR/MWh to 22 EUR/MWh (end of April).
- The decline in Nordic yearly power contracts during the last months can especially be attributed to weaker gas prices and declining CO₂ prices.
- Weak market sentiment for global energy commodities is partly caused by the Covid-19 and the measures to restrict its spreading.

Source: Bloomberg, forwards until 12 May 2020
Fortum hedging supported achieved power price in the Nordics as power prices declined, Russia power prices stable

Changes refer to year-on-year difference (Q1 2020 versus Q1 2019)

NOTE: Achieved power price (includes capacity payments) in roubles decreased by 10%
Generation

• Higher comparable operating profit in Q1, +5%
  – Higher hydro power generation, +33%
  – Achieved power price supported by hedges, 4.4 EUR/MWh lower at 34.0 EUR/MWh, -11% while spot price -67%

• The segment’s overall operational performance and the load factor for nuclear generation were at a good level

• The CO₂ free generation accounted for 100% (99%) of the total power generation.

<table>
<thead>
<tr>
<th>MEUR</th>
<th>I/2020</th>
<th>I/2019</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>574</td>
<td>601</td>
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<td>2,114</td>
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<tr>
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<td>273</td>
<td>259</td>
<td>939</td>
<td>953</td>
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<tr>
<td>Comparable operating profit</td>
<td>235</td>
<td>223</td>
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<td>Comparable net assets</td>
<td>5,306</td>
<td>6,228</td>
<td>6,147</td>
<td></td>
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<tr>
<td>Comparable RONA %</td>
<td></td>
<td></td>
<td>12.8</td>
<td>12.6</td>
</tr>
<tr>
<td>Gross investments</td>
<td>34</td>
<td>38</td>
<td>260</td>
<td>256</td>
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</tbody>
</table>
• Comparable operating profit flat in Q1
  – Lower electricity margin and CSA payments
  – Higher heat tariffs
  – FX impact EUR -2 million
• In 2020, no new units will receive higher CSA payments

<table>
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<tr>
<th>MEUR</th>
<th>I/2020</th>
<th>I/2019</th>
<th>2019</th>
<th>LTM</th>
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<tbody>
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<td>Sales</td>
<td>317</td>
<td>298</td>
<td>1,071</td>
<td>1,090</td>
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<tr>
<td>Comparable EBITDA</td>
<td>138</td>
<td>135</td>
<td>469</td>
<td>472</td>
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<tr>
<td>Comparable operating profit</td>
<td>99</td>
<td>99</td>
<td>316</td>
<td>316</td>
</tr>
<tr>
<td>Comparable net assets</td>
<td>2,606</td>
<td>3,030</td>
<td>3,205</td>
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<tr>
<td>Comparable RONA %</td>
<td></td>
<td></td>
<td>12.3</td>
<td>12.6</td>
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<tr>
<td>Gross investments</td>
<td>4</td>
<td>5</td>
<td>133</td>
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</table>

CSA=Capacity Supply Agreements
City Solutions

- Lower comparable operating profit in Q1
  - Heating and cooling business EUR 22 million negatively affected by
    • Lower heat sales volumes
    • Lower power prices especially lowering heat prices in Norway
  - The divestment of Joensuu district heating impact EUR -10 million
  - Recycling and waste business negatively affected by changing market conditions and one-time effects
- Strategic review of district heating in Järvenpää (Finland), Poland and Baltics initiated

<table>
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<tr>
<th>MEUR</th>
<th>I/2020</th>
<th>I/2019</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>342</td>
<td>405</td>
<td>1,200</td>
<td>1,137</td>
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<tr>
<td>Comparable EBITDA</td>
<td>106</td>
<td>137</td>
<td>309</td>
<td>278</td>
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<tr>
<td>Comparable operating profit</td>
<td>58</td>
<td>92</td>
<td>121</td>
<td>87</td>
</tr>
<tr>
<td>Comparable net assets</td>
<td>3,577</td>
<td>3,845</td>
<td>3,892</td>
<td></td>
</tr>
<tr>
<td>Comparable RONA %</td>
<td></td>
<td>4.7</td>
<td>3.8</td>
<td></td>
</tr>
<tr>
<td>Gross investments</td>
<td>38</td>
<td>72</td>
<td>322</td>
<td>288</td>
</tr>
</tbody>
</table>
Consumer Solutions

• Sales -37% following significantly lower power prices in Q1
  – Competition continued to be intense with high customer churn
  – Accelerated Covid-19 pandemic increased uncertainty in the small and medium size enterprise segment

• Comparable operating profit +23% in Q1
  – Higher sales margins as a result of active development of the service offering following the Hafslund integration and subsequent development of the business

<table>
<thead>
<tr>
<th></th>
<th>MEUR</th>
<th>I/2020</th>
<th>I/2019</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
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<td>424</td>
<td>669</td>
<td>1,835</td>
<td>1,590</td>
</tr>
<tr>
<td>Comparable EBITDA</td>
<td></td>
<td>48</td>
<td>41</td>
<td>141</td>
<td>148</td>
</tr>
<tr>
<td>Comparable operating profit</td>
<td></td>
<td>32</td>
<td>26</td>
<td>79</td>
<td>85</td>
</tr>
<tr>
<td>Comparable net assets</td>
<td></td>
<td>567</td>
<td>647</td>
<td>640</td>
<td></td>
</tr>
<tr>
<td>Customer base, million</td>
<td></td>
<td>2.38</td>
<td>2.46</td>
<td>2.38</td>
<td></td>
</tr>
<tr>
<td>Gross investments</td>
<td></td>
<td>15</td>
<td>13</td>
<td>55</td>
<td>57</td>
</tr>
</tbody>
</table>
Ownership and collaboration

• Fortum’s ownership increased to 73.4%
  – Uniper has become a subsidiary and a valuable part of the Fortum group
• New Supervisory Board members appointed
  – Fortum nominated 4/6 shareholder representatives
• First collaboration areas established, strategic alignment during 2020
  – Results and target setting expected by the end of this year

Financial impact and consolidation

• Uniper’s balance sheet consolidated at the end of Q1 2020
• Fortum’s share of profit from Uniper, EUR 469 million (49), and EPS effect of EUR 0.53 (0.06)
  – Recorded in “Other Operations”
• Uniper’s result consolidated to Fortum’s income statement from Q2 2020 onwards
Q1 2020 – Lower achieved power price and higher hydro volumes

Comparable operating profit
EUR million

- 1.6 TWh higher hydro volumes
- 4.4 EUR/MWh lower achieved price
- Lower power margin
- Higher heat tariffs
- FX- effect EUR 2 million
- Low power prices
- Warm weather lowered heat volumes
- Joensuu district heating divested
- Lower profitability in recycling and waste solutions
- Higher sales margin
- FX- effect EUR 2 million

I/2019  Generation  Russia  City Solutions  Consumer Solutions  Other  I/2020
## Income statement

<table>
<thead>
<tr>
<th>MEUR</th>
<th>I/2020</th>
<th>I/2019</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,357</td>
<td>1,690</td>
<td>5,447</td>
<td>5,114</td>
</tr>
<tr>
<td>Other income</td>
<td>23</td>
<td>21</td>
<td>110</td>
<td>112</td>
</tr>
<tr>
<td>Materials and services</td>
<td>-576</td>
<td>-917</td>
<td>-2,721</td>
<td>-2,380</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>-123</td>
<td>-122</td>
<td>-480</td>
<td>-481</td>
</tr>
<tr>
<td>Depreciations and amortisation</td>
<td>-150</td>
<td>-137</td>
<td>-575</td>
<td>-588</td>
</tr>
<tr>
<td>Other expenses</td>
<td>-138</td>
<td>-127</td>
<td>-591</td>
<td>-602</td>
</tr>
<tr>
<td><strong>Comparable operating profit</strong></td>
<td><strong>393</strong></td>
<td><strong>408</strong></td>
<td><strong>1,191</strong></td>
<td><strong>1,176</strong></td>
</tr>
<tr>
<td>Items affecting comparability</td>
<td>199</td>
<td>-50</td>
<td>-81</td>
<td>168</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td><strong>592</strong></td>
<td><strong>358</strong></td>
<td><strong>1,110</strong></td>
<td><strong>1,344</strong></td>
</tr>
<tr>
<td>Share of profits/loss of associates and joint ventures</td>
<td>479</td>
<td>111</td>
<td>744</td>
<td>1,112</td>
</tr>
<tr>
<td>Finance costs - net</td>
<td>-57</td>
<td>-46</td>
<td>-125</td>
<td>-136</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td><strong>1,014</strong></td>
<td><strong>424</strong></td>
<td><strong>1,728</strong></td>
<td><strong>2,318</strong></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-76</td>
<td>-65</td>
<td>-221</td>
<td>-232</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td><strong>938</strong></td>
<td><strong>359</strong></td>
<td><strong>1,507</strong></td>
<td><strong>2,086</strong></td>
</tr>
</tbody>
</table>

- **Lower power prices:**
  - Sales declined due to lower power prices and divestment of district heating business in Joensuu, Finland
  - Materials and services down due to lower power purchase costs

- **Items affecting comparability includes**
  - EUR 431 million sales gain related to divestment of Joensuu
  - EUR -222 million from the change of Uniper to a subsidiary from being an associated company (translation differences)

- **Share of profits from associated companies related to significant share of profits from Uniper, EUR 469 million**
<table>
<thead>
<tr>
<th>MEUR</th>
<th>I/2020</th>
<th>I/2019</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Comparable EBITDA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>543</td>
<td>545</td>
<td>1,766</td>
<td>1,764</td>
</tr>
<tr>
<td>Paid net financial</td>
<td>-115</td>
<td>-64</td>
<td>-74</td>
<td>-125</td>
</tr>
<tr>
<td>costs, income taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net margin</td>
<td>553</td>
<td>292</td>
<td>356</td>
<td>617</td>
</tr>
<tr>
<td>liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in working</td>
<td>133</td>
<td>-22</td>
<td>-33</td>
<td>122</td>
</tr>
<tr>
<td>capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>**Net cash from</td>
<td>1,114</td>
<td>751</td>
<td>2,015</td>
<td>2,378</td>
</tr>
<tr>
<td>operating activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>-110</td>
<td>-150</td>
<td>-695</td>
<td>-655</td>
</tr>
<tr>
<td>Acquisitions of shares</td>
<td>-844</td>
<td>-12</td>
<td>-107</td>
<td>-939</td>
</tr>
<tr>
<td>(net of cash)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Divestments of shares</td>
<td>524</td>
<td>8</td>
<td>53</td>
<td>569</td>
</tr>
<tr>
<td>Change in cash</td>
<td>7</td>
<td>310</td>
<td>311</td>
<td>8</td>
</tr>
<tr>
<td>collaterals and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>restricted cash</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other investing</td>
<td>17</td>
<td>12</td>
<td>69</td>
<td>74</td>
</tr>
<tr>
<td>activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>**Cash flow from</td>
<td>-406</td>
<td>167</td>
<td>-369</td>
<td>-942</td>
</tr>
<tr>
<td>investing activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow before</td>
<td>708</td>
<td>918</td>
<td>1,646</td>
<td>1,436</td>
</tr>
<tr>
<td>financing activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paid dividends</td>
<td>0</td>
<td>0</td>
<td>-977</td>
<td>-977</td>
</tr>
</tbody>
</table>

- Strong net cash from operating activities
- Net cash from investing activities impacted by
  - acquisition of shares in Uniper, EUR 844 million net of cash
  - divestment of shares, mainly Joensuu district heating business, EUR 524 million
- Dividend of EUR 977 million paid on 5 May, no impact Q1 2020
Balance sheet

<table>
<thead>
<tr>
<th>MEUR</th>
<th>I/2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets</td>
<td>2,185</td>
<td>1,143</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>18,716</td>
<td>10,123</td>
</tr>
<tr>
<td>Participations in associates and JVs</td>
<td>2,869</td>
<td>6,435</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>23,205</td>
<td>311</td>
</tr>
<tr>
<td>Interest-bearing receivables</td>
<td>2,661</td>
<td>1,035</td>
</tr>
<tr>
<td>Shares in Nuclear Waste Funds</td>
<td>2,962</td>
<td>813</td>
</tr>
<tr>
<td>Other assets including trade receivables</td>
<td>11,870</td>
<td>2,074</td>
</tr>
<tr>
<td>Liquid funds</td>
<td>4,081</td>
<td>1,433</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>68,550</strong></td>
<td><strong>23,364</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MEUR</th>
<th>I/2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity of the parent company</td>
<td>13,776</td>
<td>12,982</td>
</tr>
<tr>
<td>Non controlling interest</td>
<td>3,192</td>
<td>252</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td><strong>16,968</strong></td>
<td><strong>13,235</strong></td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>21,415</td>
<td>389</td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td>10,458</td>
<td>6,688</td>
</tr>
<tr>
<td>Nuclear provisions</td>
<td>3,276</td>
<td>813</td>
</tr>
<tr>
<td>Other provisions</td>
<td>4,489</td>
<td>225</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>11,944</td>
<td>2,014</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>51,582</strong></td>
<td><strong>10,129</strong></td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td><strong>68,550</strong></td>
<td><strong>23,364</strong></td>
</tr>
</tbody>
</table>

- PPE increased (EUR 9.1 billion) due to Uniper’s assets
- Uniper reclassified from associate to subsidiary
- Derivative assets (EUR 23.2 billion) and Derivative liabilities (EUR 21.4 billion) mainly due to Uniper’s financial contracts
- Share in Nuclear Waste Funds and Nuclear provisions increased due to Uniper nuclear assets in Sweden
- Other (than nuclear) provisions increased by EUR 4.2 billion
- New lines on balance sheet; Margin receivables (EUR 0.6 billion) and Margin liabilities (EUR 1.5 billion)
- Goodwill (EUR 1.8 billion) in Uniper’s balance sheet not included as it is not an identifiable asset of Fortum according to IFRS
## New net debt definitions

### Financial net debt and adjusted net debt

<table>
<thead>
<tr>
<th>EUR million</th>
<th>31 Mar 2020</th>
<th>“Net debt” of EUR 6,383 million according to Fortum’s previous definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ Interest-bearing liabilities</td>
<td>10 464</td>
<td></td>
</tr>
<tr>
<td>- Liquid funds</td>
<td>4 081</td>
<td></td>
</tr>
<tr>
<td>- Non-current securities</td>
<td>76</td>
<td></td>
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<tr>
<td>- Collateral arrangement securities</td>
<td>243</td>
<td></td>
</tr>
<tr>
<td>- Securities in interest bearing receivables</td>
<td>319</td>
<td></td>
</tr>
<tr>
<td>- Margin receivables</td>
<td>559</td>
<td></td>
</tr>
<tr>
<td>+ Margin liabilities</td>
<td>1 478</td>
<td></td>
</tr>
<tr>
<td>+ Net margin liabilities</td>
<td>919</td>
<td></td>
</tr>
<tr>
<td><strong>Financial net debt</strong></td>
<td><strong>6 983</strong></td>
<td>New “Financial net debt”</td>
</tr>
<tr>
<td>+ Pension obligations</td>
<td>1 032</td>
<td></td>
</tr>
<tr>
<td>+ Other asset retirement obligations</td>
<td>775</td>
<td></td>
</tr>
<tr>
<td>- Share of Finnish and Swedish Nuclear Waste Funds</td>
<td>2 962</td>
<td></td>
</tr>
<tr>
<td>+ Nuclear provisions</td>
<td>3 276</td>
<td></td>
</tr>
<tr>
<td>+ Nuclear provisions net of assets in Nuclear Waste Funds</td>
<td>314</td>
<td></td>
</tr>
<tr>
<td>+ Total provisions net of assets in Nuclear Waste Funds</td>
<td>2 121</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted net debt</strong></td>
<td><strong>9 104</strong></td>
<td>New “Adjusted net debt”</td>
</tr>
</tbody>
</table>
Ongoing actions to optimise cash flow and financial flexibility

Fortum targets to have a solid investment grade rating of at least BBB to maintain its financial strength, preserve financial flexibility and good access to capital markets for the enlarged group. Focus on cash flow - profitability, optimizing of cash flow and tight prioritising of capital expenditure in the current market and business environment.

- Loans total EUR 9,502 million

- Average interest rate for total portfolio 1.7% (2019: 2.3%), including hedging cost of all loans of which EUR 641 million (2019: 787) is swapped to RUB with average interest including cost for hedging 7.5% (2019: 7.8%)

- Average interest rate for euro denominated loans 0.8% (2019: 0.9%)

- Including loans in Uniper group EUR 559 million

\[\text{Maturity profile}\]

1) In addition, Fortum has received EUR 351 million based on collateral agreements with several counterparties. This amount has been booked as a short term liability.
Fortum’s financial targets under review after Uniper consolidation
Aim to set new targets by end of 2020 at the latest

By the end of the year at the latest, Fortum aims to set new long-term financial targets for the enlarged group and ambitious decarbonisation targets covering the combined operations of both companies.

• Following the consolidation of Uniper, the Group’s business profile has changed.
• Fortum’s long term financial targets for ROCE and net debt-to-EBITDA do not appropriately reflect the group’s business profile and are now under review.
• Fortum will closely monitor that its net debt-to-EBITDA ratio remains at a level that ensures a credit rating of at least BBB.

Fortum’s dividend policy remains intact:

“Fortum’s dividend policy is to pay a stable, sustainable, and over time increasing dividend of 50-80% of earnings per share excluding one-time items.”
Outlook

Demand growth
Electricity demand in the Nordics is expected to grow by ~0.5% on average

Hedging

**Generation Nordic hedges:**
- For the remainder of 2020: ~85% hedged at EUR 33 per MWh
- For 2021: ~50% hedged at EUR 34 per MWh
  (Q4: 40% at EUR 33)

**Uniper Nordic hedges:**
- For the remainder of 2020: ~95% hedged at EUR 28 per MWh
- For 2021: ~70% hedged at EUR 28 per MWh
- For 2022: ~15% hedged at EUR 23 per MWh

2020 Estimated annual capital expenditure, including maintenance and excluding acquisitions
EUR 700 million
Note: capital expenditure guidance does not include Uniper estimates

Taxation
In 2020, the comparable effective corporate income tax rate for Fortum is estimated to increase from the 2019 level (22.4%) following the consolidation of Uniper

Fortum and Uniper share the view of the importance of credit rating and take it into account when making new capex decisions
Appendices
Still a highly fragmented Nordic power market
Fortum has the largest electricity customer base in the Nordics

Source: Fortum, company data, shares of the largest actors, pro forma 2018 figures
Norlys was formed through the merger of the companies SE and Enig in Denmark
Oomi was formed through the merger of the retail businesses of Oulun Seudun Sähkö, Lahti Energia, Vantaan Energia, Pori Energia and Oulun Sähkönmyynti Oy and its stakeholders Oulun Energia, Tornion Energia, Haakiputaaan Sähköosuuskunta, Raahen Energia, Rantakairan Sähköl and Tenergia in Finland
Fortum mid-sized European power generation player – major producer in global heat

**Power generation**

Largest producers in Europe and Russia, 2018 TWh

- EDF
- Rosenergoatom
- RWE
- Enel
- Gazprom
- RusHydro
- Inter RAO UES
- Uniper
- Vattenfall
- ENGIE
- EPH
- NNEGC Energoat.
- Fortum
- En+
- PGE
- Iberdrola
- CEZ
- Statkraft
- T Plus
- EnBW
- Sibgenco
- EDP
- EPS
- DTEK
- Verbund
- Axpo
- SSE
- E.ON
- Naturgy
- DEI

**Heat production**

Largest global producers, 2018 TWh

- Gazprom
- T Plus
- Sibgenco
- Inter RAO UES
- Veolia
- RusHydro
- En+
- EDF
- Fortum
- Quadra
- TGC-2
- KDHC
- Minskenergo
- Vattenfall
- PGE
- Lukoil
- Tatenergo
- PGNiG
- Kyivteploenergo
- Ørsted
- EPH
- Stockholm Exergi
- E.ON
- CEZ
- Helen
- TGC-14

**Customers**

Electricity customers in Europe, 2018 Millions

- Enel
- EDF
- E.ON
- Iberdrola
- ENGIE
- DEI
- CEZ
- Vattenfall
- EDP
- Centrica
- EnBW
- Tauron
- PGE
- SSE
- Naturgy
- Fortum
- Ørsted

Source: Company information, Fortum analyses, 2018 figures pro forma.
EPH incl. LEAG, E.ON incl. Innogy customers. No data from China.
Wholesale power prices

Source: Nord Pool, Bloomberg Finance LP, ATS, NP "Market Council", Fortum
Nordic year forwards

Source: Nasdaq Commodities, Bloomberg

European and Nordic power markets
German and Nordic forward prices softened

Spot price
• During Q1 2020, the average spread was 11.1 EUR/MWh with the Nordic system average price at 15.4 EUR/MWh and the German spot price at 26.5 EUR/MWh.
• Nordic prices were strongly impacted by the exceptionally rainy and mild weather. Also German spot prices softened mainly due to weakening gas and CO₂ prices and lower demand - all impacted by mild winter - and Covid-19 measures.
• During 2012-2019, the average realised German-Nordic spot spread was 4 EUR/MWh, fluctuating on an annual level in the range of -1...15 EUR/MWh.

Forward price
• During Q1 2020, the spread for 2021 delivery traded in the range 11.3-16.8 EUR/MWh, average at 13.7 EUR/MWh. At the end of March, it was at 16.2 EUR/MWh.
• The German-Nordic spread is essentially determined by the supply-demand balance in the Nordics and on Continental Europe, in combination with available interconnector capacity. Thus investments in interconnectors, demand growth, expansion of renewable capacity, as well as phasing out of nuclear and coal capacity all play a key role.
Nordic, Baltic, Continental and UK markets are integrating – Interconnection capacity growing to over 13 GW by end-2023

- Several interconnectors are currently under construction or decided to be built
- New interconnections will increase the Nordic export capacity from the current 6.9 GW to over 13 GW by end of 2023

![Interconnection capacity diagram](image)

**Years in the chart above refer to a snapshot of 1st of January each year. Source: Fortum Market Intelligence**

- 700 MW COBRAcable from DK to NL has been taken into operation in September 2019
- New 400 MW Zealand – DE connection via Kriegers Flak offshore wind area due in August 2020
- EU’s Connecting Europe Facility co-financing 3rd EE-LV transmission line, due to be ready by end-2020
- DK1-DE capacity will grow by 860 MW by end-2020, with further 1,000 MW increase by end-2023
- 1,400 MW NordLink as first direct NO-DE link is due to start commercial operation in March 2021
- Norway - UK 1,400 MW North Sea Link (NSL) is due to be ready by end-2021
- 1,400 MW DK-UK Viking Link has been contracted to be built by end-2023
- 700 MW LT-PL Harmony Link to be built by 2025 as a part of the Baltic synchronisation project
- 700 MW Hansa PowerBridge DC link between Sweden and Germany by 2026/2027
- 800 MW with first measures on SE2-SE3 by 2023
- 800 MW 3rd 400 kV line SE1-FI ready in 2025

<table>
<thead>
<tr>
<th>Source: ENTSO-E Statistical Factsheet</th>
<th>Graph sizes are illustrative.</th>
</tr>
</thead>
</table>

### NORDICS

<table>
<thead>
<tr>
<th>Energy Type</th>
<th>TWh</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hydro</td>
<td>212</td>
<td>53</td>
</tr>
<tr>
<td>Nuclear</td>
<td>88</td>
<td>22</td>
</tr>
<tr>
<td>Fossil fuel</td>
<td>28</td>
<td>7</td>
</tr>
<tr>
<td>Biomass</td>
<td>26</td>
<td>6</td>
</tr>
<tr>
<td>Waste</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Wind</td>
<td>40</td>
<td>10</td>
</tr>
<tr>
<td>Solar</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total generation</strong></td>
<td><strong>400</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

### BALTICS

<table>
<thead>
<tr>
<th>Energy Type</th>
<th>TWh</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hydro</td>
<td>3</td>
<td>17</td>
</tr>
<tr>
<td>Nuclear</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fossil fuel</td>
<td>13</td>
<td>62</td>
</tr>
<tr>
<td>Biomass</td>
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<td>9</td>
</tr>
<tr>
<td>Waste</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Wind</td>
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<td>9</td>
</tr>
<tr>
<td>Solar</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total generation</strong></td>
<td><strong>20</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

### Net Export

- **2 TWh**

### Net Import

- **9 TWh**

*) Normal annual Nordic hydro generation 200 TWh, variation +/- 40 TWh.
Fortum's power and heat production by source

Fortum’s power generation in 2019

Total power generation
76.3 TWh

- Natural gas 37%
- Hydropower 26%
- Nuclear power 31%
- Waste 1%
- Wind, solar 1%
- Biomass 1%
- Coal 3%

Fortum’s heat production in 2019

Total heat production
26.4 TWh

- Natural gas 59%
- Coal 18%
- Waste 10%
- Others 1%
- Peat 1%
- Heat pumps, electricity 2%
- Biomass 9%

Note: Fortum’s power generation capacity 14,230 MW (hydro 4,677, nuclear 2,821, CHP 5,689, condensing 565, wind 194 and solar 285) and heat production capacity 13,249 MW at the end of 2019
Fortum’s Nordic, Baltic and Polish generation capacity

**NORWAY**
- Price areas
  - NO4, Wind: 82 MW
  - NO1, CHP: 20 MW
- Generation capacity: 102 MW

**FINLAND**
- Hydro: 1,553 MW
- Nuclear: 1,487 MW
- CHP: 452 MW
- Other thermal: 565 MW
- Generation capacity: 4,057 MW

**SWEDEN**
- SE2, Hydro: 1,550 MW
- SE2, Wind: 75 MW
- SE3, Hydro: 1,574 MW
- SE3, Nuclear: 1,334 MW
- SE3, CHP: 9 MW
- Generation capacity: 4,542 MW

**BALTICS AND POLAND**
- Generation capacity, CHP
  - in Estonia: 49 MW
  - in Latvia: 34 MW
  - in Lithuania: 18 MW
  - in Poland: 233 MW
  - in Latvia, Wind: 2 MW

**DENMARK, DK1**
- Generation capacity, CHP: 16 MW

---

**GENERATION CAPACITY** **MW**
- Hydro: 4,677
- Nuclear: 2,821
- CHP: 831
- Other thermal: 565
- Wind: 159

The capacity includes the 52 MW Joensuu CHP plant in Finland, which has been sold in January 2020.

The capacity includes the 157 MW wind portfolio in Norway and Sweden, of which a majority 80% ownership has been sold in May 2020.

Associated companies’ plants (not included in the MWs) Stockholm Exergi (Former Fortum Värme), Stockholm; TSE, Naantali

Figures 31 December 2019
Fortum is growing towards gigawatt scale target in solar and wind power generation

### FIRST FOCUS MARKETS

- **Kalax** Wind: 18 MW (Fortum share)
- **Solberg** Solar: 2 MW (Fortum share)
- **Astrakhan** Solar: 88 MW (Fortum share)

### OPERATING WIND POWER PLANTS

- **Sørfjord** Wind: 97 MW
- **Nygårdsfjellet** Wind: 6 MW (Fortum share)
- **Kalax** Wind: 18 MW (Fortum share)
- **Amrit** Solar: 2 MW (Fortum share)
- **Rajasthan** Solar: Under construction
- **Bhadla** Solar: 31 MW (Fortum share)

### OPERATING SOLAR POWER PLANTS

- **Bugulchansk** Solar: Operational
- **Bhagwati Solar** Solar: Operational
- **Kalmykia** Wind: Under construction

### PROJECTS UNDER CONSTRUCTION

- **Ulyanovsk** Wind: 90 MW
- **Sørfjord** Wind: 179 MW
- **Grachevsk** Solar: Under development
- **Kalmykia** Wind: Under construction
- **Kalax** Wind: Under construction

### PORTFOLIO

<table>
<thead>
<tr>
<th>PORTFOLIO</th>
<th>TECHNOLOGY</th>
<th>STATUS</th>
<th>CAPACITY MW</th>
<th>FORTUM SHARE MW</th>
<th>SUPPLY STARTS/STARTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>FINLAND</td>
<td>Wind</td>
<td>Under construction</td>
<td>90</td>
<td>18</td>
<td>Q1 2021</td>
</tr>
<tr>
<td>NORWAY</td>
<td>Wind</td>
<td>Operational</td>
<td>179</td>
<td>113</td>
<td>2006 and 2011</td>
</tr>
<tr>
<td>Ånstadblåheia</td>
<td>Wind</td>
<td>Operational</td>
<td>32</td>
<td>6 (20%)</td>
<td>2018</td>
</tr>
<tr>
<td>Serford</td>
<td>Wind</td>
<td>Under construction</td>
<td>97</td>
<td>97</td>
<td>Q4 2019-Q3 2020</td>
</tr>
<tr>
<td>SWEDEN</td>
<td>Wind</td>
<td>Operational</td>
<td>76</td>
<td>15</td>
<td>2018</td>
</tr>
<tr>
<td>INDIA</td>
<td>Wind</td>
<td>Operational</td>
<td>685</td>
<td>581</td>
<td>2012</td>
</tr>
<tr>
<td>Rostov</td>
<td>Wind</td>
<td>Operational/Under constr.</td>
<td>200+200</td>
<td>100+100 (50%)</td>
<td>Q1 2020-Q4 2021</td>
</tr>
<tr>
<td>Kalmykia</td>
<td>Wind</td>
<td>Under construction</td>
<td>176</td>
<td>88 (50%)</td>
<td>Q4 2020</td>
</tr>
<tr>
<td>Astrakhan</td>
<td>Wind</td>
<td>Under construction</td>
<td>997</td>
<td>499 (50%)</td>
<td>2021-2023</td>
</tr>
</tbody>
</table>

*) NOTE: Table numbers not accounting; tells the size of renewables projects. All not consolidated to Fortum capacities. All figures in MW and rounded to nearest megawatt. Additionally, target to invest 200 – 400 million euros in India solar and create partnership for operating assets. Under construction includes investment decisions made.
Day ahead wholesale market prices in Russia

### Key electricity, capacity and gas prices in the PAO Fortum area

<table>
<thead>
<tr>
<th></th>
<th>I/20</th>
<th>I19</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity spot price</td>
<td>1,068</td>
<td>1,128</td>
<td>1,117</td>
<td>1,102</td>
</tr>
<tr>
<td>(market price), Urals hub,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RUB/MWh</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average regulated gas price,</td>
<td>3,937</td>
<td>3,883</td>
<td>3,910</td>
<td>3,924</td>
</tr>
<tr>
<td>Urals region, RUB 1000 m³</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average capacity price for</td>
<td>165</td>
<td>162</td>
<td>154</td>
<td>154</td>
</tr>
<tr>
<td>CCS, tRUB/MW/month</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Average capacity price for CSA</td>
<td>1,163</td>
<td>1,196</td>
<td>1,096</td>
<td>1,088</td>
</tr>
<tr>
<td>, tRUB/MW/month</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average capacity price</td>
<td>672</td>
<td>678</td>
<td>624</td>
<td>622</td>
</tr>
<tr>
<td>, tRUB/MW/month</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achieved power price for</td>
<td>1,810</td>
<td>2,002</td>
<td>1,990</td>
<td>1,932</td>
</tr>
<tr>
<td>Fortum in Russia, RUB/MWh</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achieved power price for</td>
<td>24.5</td>
<td>26.4</td>
<td>27.3</td>
<td>26.7</td>
</tr>
<tr>
<td>Fortum in Russia, EUR/MWh</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Day ahead power market prices for Urals

Source: ATS

In addition to the power price generators receive a capacity payment.
Hedging improves stability and predictability – principles based on risk mitigation

Historical achieved prices

EUR/MWh

Realised prices quarterly since 2000

2009 onwards thermal and import from Russia excluded
Fortum's target is to pay a stable, sustainable, and over time increasing dividend of 50-80% of earnings per share excluding one-off items

Fortum’s dividend policy is based on the following preconditions:

- The dividend policy ensures that shareholders receive a fair remuneration for their entrusted capital, supported by the company’s long-term strategy that aims at increasing earnings per share and thereby the dividend.
- When proposing the dividend, the Board of Directors looks at a range of factors, including the macro environment, balance sheet strength as well as future investment plans.

Since 1998 Fortum has paid dividends totaling EUR 16.5 billion

Capital returns: 2019 EUR 1.10 per share ~ EUR 1 billion
For more information, please visit [www.fortum.com/investors](http://www.fortum.com/investors)

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**Next events:**  
January-June Half-year Financial Report on 19 August  
January-September Interim Report on 17 November  
The CMD planned for 3 December 2020

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