Strong results improvement and agreement on majority stake in Uniper

- Nordic spot power price down, -31% Y/Y
  - Achieved power price at EUR 35.7, up 1.1 EUR/MWh
- Reservoir levels around long-term average
- Comparable EBITDA at EUR 295 million, +28%
- Comparable operating profit at EUR 153 million, +59%
- Share of profits of associates and JVs at EUR 106 (12) million
- EPS at EUR 0.20 (0.05)
  - Items affecting comparability EUR -0.02 (-0.01)
  - Uniper contribution EUR 0.10 (-)
- Strong cash flow from operating activities at EUR 262 (133) million
- Comparable Net debt/EBITDA at 3.2x (LTM)
Fortum to take majority position in Uniper

Agreement

- Fortum has entered into agreements with Elliott and Knight Vinke to acquire in excess of 20.5% in Uniper for approximately EUR 2.3 billion, corresponding to EUR 29.93 per share, increasing Fortum’s share in Uniper to more than 70.5% and the total investment in Uniper to approximately EUR 6.2 billion (average price paid EUR 23.97 per share)
- Fortum rules out a domination and/or profit and loss transfer agreement or squeeze-out for a period of at least two years
- Fortum intends to be represented on Uniper’s Supervisory Board commensurate with its ownership without delay
- Fortum offers commitments to Uniper’s employees and seeks continued dialogue with employee representatives

Regulatory approvals

- Closing of the transaction, subject to customary regulatory clearances in Russia and the United States, is expected by the end of the first quarter of 2020. Fortum is in discussions with the Russian state authorities and has made a preparatory filing to the Russian Federal Antimonopoly Service
- No further European Commission clearance is required; in 2018, Fortum already received unconditional merger clearance from the Commission

Financials

- Fortum will fully consolidate Uniper as a subsidiary in its financial statements from closing of the transaction
- The transaction will be financed with existing cash resources and committed credit facilities underwritten by Barclays Bank PLC
- Fortum is committed to maintaining an investment-grade rating post transaction and to strengthening its financial profile longer term, which will provide appropriate financial stability and support to the enlarged group
Creating a leader in the European energy transition

- The transaction delivers on Fortum’s vision and strategy, investing in a diversified European power generation with attractive hydro, nuclear, and gas assets and a platform for growth.
- Fortum and Uniper have the strategic mix of businesses and expertise required to successfully drive Europe’s transition from conventional to cleaner and more secure energy.
- As a responsible and committed parent company, Fortum looks forward to working with Uniper’s management team and employees on the creation and implementation of a joint vision.
- Fortum is committed to protecting the core interests of Uniper’s employees and to providing attractive prospects.
Nordic water reservoirs at the historical average level

- Dry weather conditions during July and in the beginning of August resulted in a bit lower than normal inflows.
- As a consequence, water reservoirs normalised during Q3.
- Reservoirs currently somewhat below average level following dry and cold weather in early October.

Source: Nord Pool, 2019 by country
Weaker front gas price on oversupply, expiry of Ukraine-Russia transit agreement keeps winter prices at a high level

The **coal market traded sideways** during Q3: A slowdown in Chinese power demand growth burdens Chinese coal prices. The trend of falling coal prices in H1 halted due to some support from coal supply cutbacks.

- Chinese industrial production growth Y/Y was 1.5% in July and 4.5% in August.
- Chinese domestic coal production also continued to rebound.
- Weak gas price contributed to a decrease in coal-for-power demand in the EU, raising coal inventory to high levels in Europe.

**In the European gas market** storages continued to build, reaching unprecedented highs, 98% filled end of Q3 suppressing the gas front.

- Weak East Asian demand for LNG dampened global LNG prices.
- Concerns for gas disruptions on the back of the expiry of Ukraine/Russia gas transit agreement in the end of the year kept the winter prices high.

Source: ICE, Thomson Reuters
Market prices 21 October 2019; 2019-2020 future quotations
The CO₂ market declined after peaking in July as the market grew increasingly worried over a Hard Brexit. Weaker industrial demand and soft crude oil also added weakness.

- The CO₂ price was relatively strong despite continuous weak front gas prices. This has increased the competitiveness of gas in power generation to record-high level during the summer.
- The MSR (Market Stability Reserve) has fundamentally tightened the EUA market.

Crude oil weakened in Q3 as investor concerns over a global economic slowdown increases.

- Despite an unprecedented attack on Saudi oilfields, oil prices declined from the level in Q2. The attack temporarily reduced production by ~5.7 Mbd creating big price volatility.
- Concerns for lower oil demand and a looser supply-demand balance in 2020 had a negative impact on oil prices.

Source: ICE, Thomson Reuters
Market prices 21 October 2019; 2019-2020 future quotations
Nordic Q3 spot power price clearly lower than a year ago, -31%

- During Q3, the average Nord Pool system spot price was 34.7 EUR/MWh (50.5)
- The average area price was:
  - 47.8 EUR/MWh (53.5) in Finland
  - 35.6 EUR/MWh (52.2) in Sweden (SE3, Stockholm)
- The decline in Nordic spot prices during Q3 2019 was caused by the clearly stronger hydrological situation and very low Continental prices, mainly driven by lower gas prices.
- The Finnish spot price was supported by the scarce water situation in Finland hence it coupled a lot with the Baltic price areas.
German and Nordic forward prices fairly stable

Spot price
• During Q3 2019, the average spread was 2.7 EUR/MWh with the Nordic system average price at 34.7 EUR/MWh and German price at 37.4 EUR/MWh
• Continuously weak gas price and high generation from renewable energy sources contributed to the low German spot price. During September, Nordic prices weakened following the improving hydrological situation.
• During 2012-2018, the average realised German-Nordic spot spread was 4.6 EUR/MWh, fluctuating on an annual level in the range of -1…15 EUR/MWh

Forward price
• During Q3 2019, the spread for 2020 delivery traded in the range 11.8-15.4 EUR/MWh, average at 13.6 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.
Fortum’s achieved power price +3% in Q3 despite lower Nordic power price – Russian achieved price +11%

Changes refer to year-on-year difference (Q3 2019 versus Q3 2018)
NOTE: Achieved power price (includes capacity payments) in roubles increased by 5%
Generation

Q3 2019
- Higher achieved power price, +1.1 EUR/MWh, +3%
- Good operational performance and load factor
  – Higher hydro and nuclear volumes

Q1-Q3 2019
- Higher achieved power price, +2.7 EUR/MWh, +8%
- Good operational performance and load factor
  – Higher nuclear volumes

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>2018</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>458</td>
<td>360</td>
<td>1,558</td>
<td>1,285</td>
<td>1,842</td>
<td>2,115</td>
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<tr>
<td>Comparable EBITDA</td>
<td>176</td>
<td>103</td>
<td>660</td>
<td>538</td>
<td>763</td>
<td>885</td>
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<td>Comparable operating profit</td>
<td>140</td>
<td>69</td>
<td>555</td>
<td>440</td>
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<td>743</td>
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<tr>
<td>Comparable net assets</td>
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<td></td>
<td>5,953</td>
<td>6,072</td>
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<tr>
<td>Comparable RONA %</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10.8</td>
<td>13.0</td>
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<tr>
<td>Gross investments</td>
<td>81</td>
<td>72</td>
<td>184</td>
<td>170</td>
<td>262</td>
<td>276</td>
</tr>
</tbody>
</table>
City Solutions

Q3 2019
- Longer maintenance breaks at some CHPs
- Weaker performance in recycling and waste business
- Higher fuel and CO₂ costs

Q1-Q3 2019
- EUR 26 million of profit from sale of solar stake (2018)
- H1 profit was partly offset by Q3 loss
  → Corrective measures being reviewed in order to improve the performance

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>2018</th>
<th>LTM</th>
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<tbody>
<tr>
<td>Sales</td>
<td>200</td>
<td>178</td>
<td>834</td>
<td>751</td>
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<td>Comparable RONA %</td>
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<td>5.5</td>
<td>4.5</td>
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<tr>
<td>Gross investments</td>
<td>53</td>
<td>73</td>
<td>262</td>
<td>157</td>
<td>242</td>
<td>347</td>
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</tbody>
</table>
Consumer Solutions

Q3 2019
• Higher sales margin
  – Active development of product and service offering
• Improved performance in Poland
• Continued competition with high customer churn in the Nordics

Q1-Q3 2019
• Higher sales margin
  – Favourable market conditions continued in H1, part of impact temporary
  – Active development of product and service offering

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>2018</th>
<th>LTM</th>
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<tbody>
<tr>
<td>Sales</td>
<td>311</td>
<td>332</td>
<td>1,326</td>
<td>1,204</td>
<td>1,759</td>
<td>1,881</td>
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<td>22</td>
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<td></td>
<td></td>
<td>564</td>
<td>631</td>
<td>648</td>
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<tr>
<td>Customer base, million</td>
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<td></td>
<td>2.40</td>
<td>2.47</td>
<td>2.47</td>
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<tr>
<td>Gross investments</td>
<td>13</td>
<td>12</td>
<td>39</td>
<td>33</td>
<td>47</td>
<td>53</td>
</tr>
</tbody>
</table>
Russia

Q3 2019
- Improved result in heat business
- Higher electricity margins
- FX impact EUR 5 million

Q1-Q3 2019
- Higher electricity margins and CSA payments
- Lower bad-debt provisions
- Heat distribution business transferred to Yustek JV
- FX impact EUR -2 million

In 2019, no new units will receive higher CSA payments

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>2018</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>229</td>
<td>200</td>
<td>765</td>
<td>764</td>
<td>1,069</td>
<td>1,070</td>
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<tr>
<td>Comparable EBITDA</td>
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<td>76</td>
<td>333</td>
<td>291</td>
<td>417</td>
<td>459</td>
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<tr>
<td>Comparable operating profit</td>
<td>53</td>
<td>40</td>
<td>222</td>
<td>182</td>
<td>271</td>
<td>311</td>
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<tr>
<td>Comparable net assets</td>
<td></td>
<td></td>
<td>3,098</td>
<td>2,853</td>
<td>2,789</td>
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<tr>
<td>Comparable RONA %</td>
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<td></td>
<td></td>
<td></td>
<td>10.3</td>
<td>12.4</td>
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<tr>
<td>Gross investments</td>
<td>16</td>
<td>11</td>
<td>35</td>
<td>51</td>
<td>117</td>
<td>101</td>
</tr>
</tbody>
</table>

CSA=Capacity Supply Agreement
Q3 2019 – strong performance in Generation, disappointing performance in City Solutions

Comparable operating profit
EUR million

<table>
<thead>
<tr>
<th></th>
<th>Q3/2018</th>
<th>Q3/2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>71</td>
<td>96</td>
<td></td>
</tr>
<tr>
<td>-40</td>
<td>153</td>
<td></td>
</tr>
</tbody>
</table>

- 1.4 TWh higher hydro volumes
- 0.3 TWh higher nuclear volumes
- 1.1 EUR/MWh higher achieved price
- EUR 26 million profit from sold solar stake
- Longer maintenance breaks in CHPs
- Weaker performance in recycling and waste business
- Higher fuel and CO2 prices
- Higher sales margins
- Improved performance in Poland
- Improved result in heat business
- Higher power margins
- FX effect EUR 5 million
Q1-Q3 2019 – solid performance in Generation and Russia

Comparable operating profit EUR million
- 115
- 30
  • 2.7 EUR/MWh higher achieved price
  • 1.6 TWh lower hydro volumes
  • 0.8 TWh higher nuclear volume

- 24
  • EUR 26 million profit from sold solar stake
  • Result improvement in H1 more than offset by weak performance in Q3

40
  • Higher sales margin, part of improvement temporary
  • Active development of product and service offering

- 11
  • Higher electricity margin
  • Lower bad-debt provisions
  • Higher CSA payments
  • Heat distribution business transferred to Yustek JV
  • FX effect EUR -2 million

793
  • Increased spend on Business Technology including internal and external ventures

I-III/2018
Generation
City Solutions
Consumer Solutions
Russia
Other
I-III/2019
## Key financials

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>2018</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,060</td>
<td>971</td>
<td>3,894</td>
<td>3,643</td>
<td>5,242</td>
<td>5,493</td>
</tr>
<tr>
<td>Comparable EBITDA</td>
<td>295</td>
<td>230</td>
<td>1,213</td>
<td>1,051</td>
<td>1,523</td>
<td>1,685</td>
</tr>
<tr>
<td>Comparable operating profit</td>
<td>153</td>
<td>96</td>
<td>793</td>
<td>654</td>
<td>987</td>
<td>1,126</td>
</tr>
<tr>
<td>Operating profit</td>
<td>124</td>
<td>91</td>
<td>666</td>
<td>829</td>
<td>1,138</td>
<td>975</td>
</tr>
<tr>
<td>Share of profits of associates and joint ventures</td>
<td>106</td>
<td>12</td>
<td>678</td>
<td>82</td>
<td>38</td>
<td>634</td>
</tr>
<tr>
<td>Profit before income taxes</td>
<td>198</td>
<td>45</td>
<td>1,274</td>
<td>779</td>
<td>1,040</td>
<td>1,535</td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.20</td>
<td>0.05</td>
<td>1.27</td>
<td>0.73</td>
<td>0.95</td>
<td>1.48</td>
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<tr>
<td>Net cash from operating activities</td>
<td>262</td>
<td>133</td>
<td>1,753</td>
<td>767</td>
<td>804</td>
<td>1,790</td>
</tr>
</tbody>
</table>

### Q1-Q3 2019

- Comparable operating profit mainly supported by Generation and Russia
- Share of profits from associates of EUR 678 million
  - Uniper EUR 534 million:
    - EUR 218 million underlying result
    - EUR 293 million non-operating result
    - EUR 23 million reversal of fair value adjustment
- EPS EUR 1.27
  - Items affecting comparability -0.11 (0.17)
  - Uniper impact 0.60 (-)
### Income statement

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
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<th>Q1-Q3 2018</th>
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<tr>
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<td>971</td>
<td>3,894</td>
<td>3,643</td>
<td>5,242</td>
<td>5,493</td>
</tr>
<tr>
<td>Other income</td>
<td>20</td>
<td>47</td>
<td>65</td>
<td>89</td>
<td>130</td>
<td>106</td>
</tr>
<tr>
<td>Materials and services</td>
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<td>-545</td>
<td>-1,976</td>
<td>-1,925</td>
<td>-2,795</td>
<td>-2,846</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>-110</td>
<td>-105</td>
<td>-355</td>
<td>-340</td>
<td>-459</td>
<td>-474</td>
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<tr>
<td>Depreciations and amortisation</td>
<td>-143</td>
<td>-134</td>
<td>-421</td>
<td>-397</td>
<td>-536</td>
<td>-560</td>
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<tr>
<td>Other expenses</td>
<td>-142</td>
<td>-138</td>
<td>-415</td>
<td>-417</td>
<td>-594</td>
<td>-592</td>
</tr>
<tr>
<td><strong>Comparable operating profit</strong></td>
<td>153</td>
<td>96</td>
<td>793</td>
<td>654</td>
<td>987</td>
<td>1,126</td>
</tr>
<tr>
<td>Items affecting comparability</td>
<td>-29</td>
<td>-5</td>
<td>-127</td>
<td>175</td>
<td>151</td>
<td>-151</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>124</td>
<td>91</td>
<td>666</td>
<td>829</td>
<td>1,138</td>
<td>975</td>
</tr>
<tr>
<td>Share of profits/loss of associates and joint ventures</td>
<td>106</td>
<td>12</td>
<td>678</td>
<td>82</td>
<td>38</td>
<td>634</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>198</td>
<td>45</td>
<td>1,274</td>
<td>779</td>
<td>1,040</td>
<td>1,535</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-25</td>
<td>1</td>
<td>-134</td>
<td>-118</td>
<td>-181</td>
<td>-197</td>
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<tr>
<td><strong>Profit for the period</strong></td>
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<td>46</td>
<td>1,140</td>
<td>661</td>
<td>858</td>
<td>1,337</td>
</tr>
</tbody>
</table>

**Q1-Q3 2019**

- Share of profits from associates include Uniper share of EUR 534 million
- Finance costs – net
  - Net financial expenses include EUR +40 million from nuclear technical update in Q2
  - EUR 13 million cost related to repayment of bridge financing for Uniper investment in Q1
## Cash flow statement

### Comparable EBITDA
- **Q3 2019**: 295 MEUR
- **Q3 2018**: 230 MEUR
- **Q1-Q3 2019**: 1,213 MEUR
- **Q1-Q3 2018**: 1,051 MEUR
- **2018 LTM**: 1,685 MEUR

### Realised FX gains/losses
- **Q3 2019**: 1 MEUR
- **Q3 2018**: 72 MEUR
- **Q1-Q3 2019**: 11 MEUR
- **Q1-Q3 2018**: 205 MEUR
- **2018 LTM**: 37 MEUR

### Paid net financial costs, income taxes and other
- **Q3 2019**: -85 MEUR
- **Q3 2018**: -81 MEUR
- **Q1-Q3 2019**: -255 MEUR
- **Q1-Q3 2018**: -280 MEUR
- **2018 LTM**: -316 MEUR

### Dividends received
- **Q3 2019**: 10 MEUR
- **Q3 2018**: 0 MEUR
- **Q1-Q3 2019**: 239 MEUR
- **Q1-Q3 2018**: 53 MEUR
- **2018 LTM**: 247 MEUR

### Change in working capital
- **Q3 2019**: 15 MEUR
- **Q3 2018**: -81 MEUR
- **Q1-Q3 2019**: 201 MEUR
- **Q1-Q3 2018**: 35 MEUR
- **2018 LTM**: 20 MEUR

### Change in settlements for futures
- **Q3 2019**: 26 MEUR
- **Q3 2018**: -8 MEUR
- **Q1-Q3 2019**: 342 MEUR
- **Q1-Q3 2018**: -298 MEUR
- **2018 LTM**: 116 MEUR

### Net cash from operating activities
- **Q3 2019**: 262 MEUR
- **Q3 2018**: 133 MEUR
- **Q1-Q3 2019**: 1,753 MEUR
- **Q1-Q3 2018**: 767 MEUR
- **2018 LTM**: 804 MEUR

### Capital expenditures
- **Q3 2019**: -160 MEUR
- **Q3 2018**: -142 MEUR
- **Q1-Q3 2019**: -529 MEUR
- **Q1-Q3 2018**: -394 MEUR
- **2018 LTM**: -714 MEUR

### Acquisitions of shares
- **Q3 2019**: -21 MEUR
- **Q3 2018**: -163 MEUR
- **Q1-Q3 2019**: -37 MEUR
- **Q1-Q3 2018**: -3,913 MEUR
- **2018 LTM**: -212 MEUR

### Divestments of shares and capital returns
- **Q3 2019**: 20 MEUR
- **Q3 2018**: 88 MEUR
- **Q1-Q3 2019**: 51 MEUR
- **Q1-Q3 2018**: 258 MEUR
- **2018 LTM**: 259 MEUR

### Change in cash collaterals and restricted cash
- **Q3 2019**: -2 MEUR
- **Q3 2018**: 89 MEUR
- **Q1-Q3 2019**: 320 MEUR
- **Q1-Q3 2018**: -87 MEUR
- **2018 LTM**: -36 MEUR

### Other investing activities
- **Q3 2019**: 47 MEUR
- **Q3 2018**: -19 MEUR
- **Q1-Q3 2019**: 33 MEUR
- **Q1-Q3 2018**: 31 MEUR
- **2018 LTM**: 46 MEUR

### Cash flow from investing activities
- **Q3 2019**: -116 MEUR
- **Q3 2018**: -147 MEUR
- **Q1-Q3 2019**: -162 MEUR
- **Q1-Q3 2018**: -4,107 MEUR
- **2018 LTM**: -4,398 MEUR

### Cash flow before financing activities
- **Q3 2019**: 146 MEUR
- **Q3 2018**: -14 MEUR
- **Q1-Q3 2019**: 1,591 MEUR
- **Q1-Q3 2018**: -3,340 MEUR
- **2018 LTM**: -3,594 MEUR

### Paid dividends to the owners of the parent
- **Q3 2019**: 0 MEUR
- **Q3 2018**: 0 MEUR
- **Q1-Q3 2019**: -977 MEUR
- **Q1-Q3 2018**: -977 MEUR
- **2018 LTM**: -977 MEUR

### Paid dividends to non-controlling interests
- **Q3 2019**: 0 MEUR
- **Q3 2018**: -2 MEUR
- **Q1-Q3 2019**: -23 MEUR
- **Q1-Q3 2018**: -5 MEUR
- **2018 LTM**: -5 MEUR

### Q1-Q3 2019
- **Cash flow strengthened due to**
  - improvement of EUR 162 million in comparable EBITDA
  - change in settlements for futures EUR 342 million
  - working capital EUR 201 million and dividends received from associates EUR 239 million
- **Acquisition of shares in 2018 mainly related to investment in Uniper shares**

---

19
Ongoing actions to deleverage aim to optimise cash flow and maintain financial flexibility

<table>
<thead>
<tr>
<th></th>
<th>LTM</th>
<th>2018</th>
<th>TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparable EBITDA, MEUR</td>
<td>1,685</td>
<td>1,523</td>
<td></td>
</tr>
<tr>
<td>Interest-bearing net debt, MEUR</td>
<td>5,367</td>
<td>5,509</td>
<td></td>
</tr>
<tr>
<td>Comparable net debt/EBITDA ratio*)</td>
<td>3.2x</td>
<td>3.6x</td>
<td>Around 2.5x</td>
</tr>
<tr>
<td>Return on capital employed (ROCE), %</td>
<td>9.0</td>
<td>6.7</td>
<td>At least 10%</td>
</tr>
</tbody>
</table>

- Liquid funds of EUR 1.4 billion
- Undrawn committed credit lines of EUR 1.8 billion, of which EUR 1.75 billion is maturing in June 2023
- Total loans and borrowings of EUR 6,700 million
  - Average interest rate of 2.2% (2018: 2.4%)
  - Portfolio mainly in EUR and SEK with average interest cost 1.4% (2018: 1.7%)
  - EUR 779 million (2018: 686) swapped to RUB, average interest cost including cost for hedging 8.4% (2018: 8.3%)
  - Other short-term debt includes new non-cash collaterals and settlement

*) Uniper’s EBITDA or debt are not consolidated as Uniper is accounted for as an associated company.
**) In addition, Fortum received EUR 67 million based on Credit Support Annex agreements with several counterparties. This amount has been booked as short-term liability.
### Demand growth

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

### Hedging

<table>
<thead>
<tr>
<th>Year</th>
<th>Hedging Percentage</th>
<th>Price per MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rest 2019</td>
<td>~80%</td>
<td>EUR 33</td>
</tr>
<tr>
<td>2020</td>
<td>~70%</td>
<td>EUR 33 (Q2: 60% at EUR 31)</td>
</tr>
<tr>
<td>2021</td>
<td>~35%</td>
<td>EUR 33</td>
</tr>
</tbody>
</table>

### 2019 Estimated annual capital expenditure, including maintenance and excluding acquisitions

- EUR 600-650 million

### Targeted cost synergies of Hafslund transaction

- EUR 15-20 million gradually materialising 2019-2020
  - City Solutions: EUR 5-10 million
  - Consumer Solutions: ~EUR 10 million

### Taxation

- Effective tax rate for 2019 for the Group 19-21%
- In Sweden hydro assets’ real estate tax rate to decrease over a four-year period (2017-2020)
Q&A
For more information, please visit [www.fortum.com/investors](http://www.fortum.com/investors)

**Fortum Investor Relations and Financial Communications**

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