

Half-year

2025

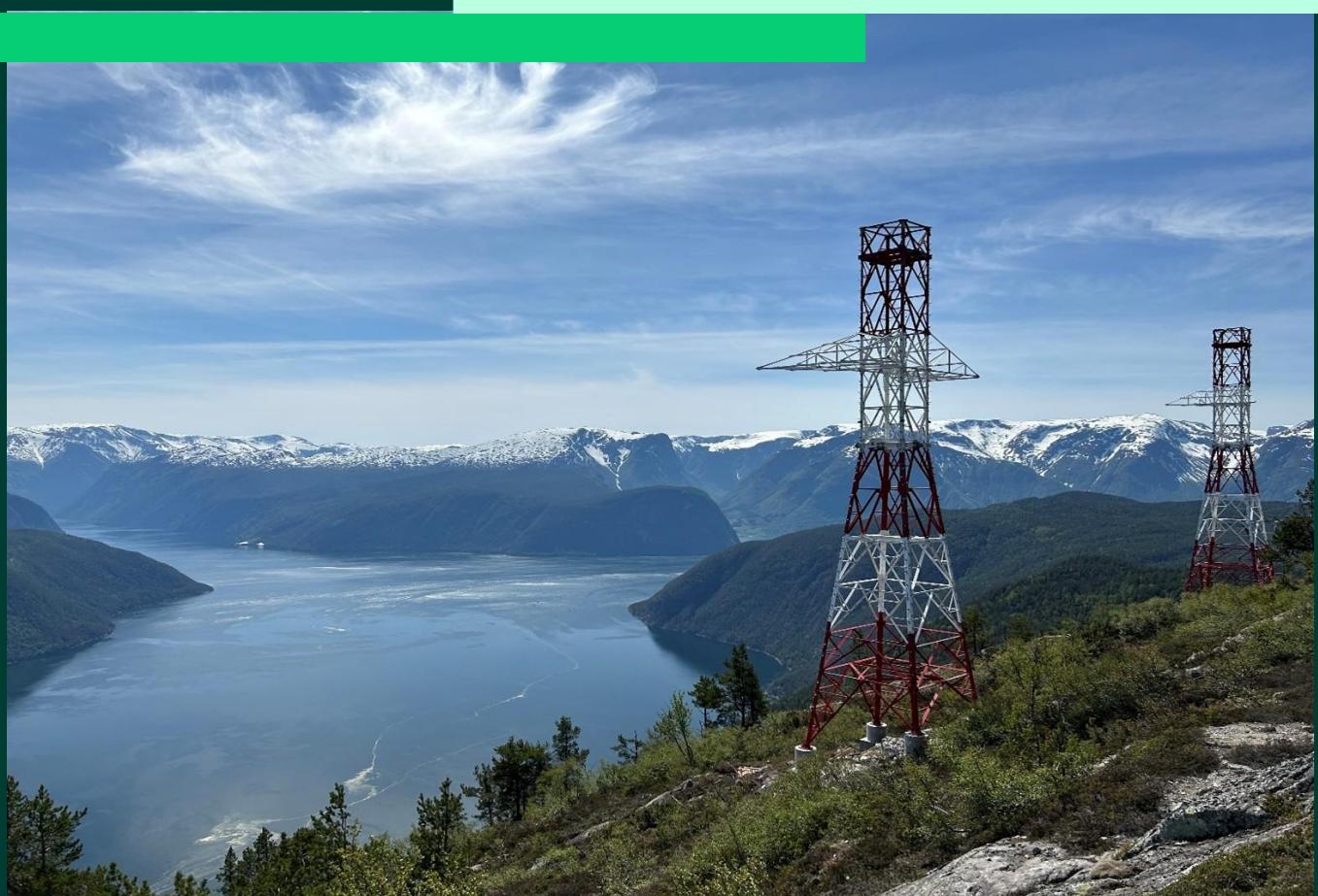


Foto: Arild Kvamme Berstad

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Letter from the CEO

Statnett's most important responsibility is to ensure secure power supply. In a world that is becoming more electrified, our power system is essential infrastructure. I am proud to report that we have delivered on our strategy in the first half of 2025.

A key priority in our recently launched “Electrification for a New Era” strategy is to strengthen resilience and preparedness. At a time of increased geopolitical uncertainty and climate change challenges, this principle guides our efforts every day. Everyone at Statnett plays a vital role in safety and preparedness when maintaining today's grid – and when planning future investments.

One of the most serious outages in Statnett's history

On 18 March, as a powerful storm struck the coast of Nordland, causing one of the most serious technical failures in Statnett's history. High wind and avalanches disabled three of our power lines in Northern Norway, leaving more than 20,000 households without electricity. Thanks to the expertise of our employees and close cooperation with our counterparts in Sweden and Finland, as well as regional grid operators, power was restored to households after just two hours.

The power supply operation was not restored to normal until May, due to the challenging task to replace the collapsed power pylons in the high mountains above Narvik. The extraordinary situation resulted in high volatility and elevated prices in the electricity balancing market in NO4. However, thanks to robust backup solutions and close cooperation with grid operators and power producers, consumers had a stable power supply throughout the period.

We are increasing the grid's capacity in the short and long term

The other two strategic priorities are increasing the capacity of the existing grid and power system, and



accelerating the development of new infrastructure and power supply. We are implementing a number of measures, in both the short and long term, to strengthen and upgrade the existing grid and to build new facilities.

Significant investments are already in progress to strengthen the grid from Sauda and northwards, as well as the links between Southern Norway and Eastern Norway.

In the long term, these measures will help reduce price differences between the north and south – as well as within the south of Norway – and will be followed up in line with the government's public policy goals. In the short term, we are upgrading the temperature rating of existing power lines and applying the Dynamic Line Rating (DLR) method, enabling greater electricity transfer and optimise available transformer capacity.

The first half of 2025 saw major price differences between north and south, driven by variations in the hydrological balance, and limited grid transmission capacity in both Norway and Sweden. At the same time, the introduction of flow-based market coupling in autumn 2024 has improved power flow between north and south – a welcome development.

Automation is contributing to secure operations and better flow

On 4 March, we launched automated electricity balancing in the Nordic energy market. This milestone is crucial for the safe and efficient operation of the future power grid. This has been a necessary transition. To ensure that price signals and balancing are as accurate and efficient as possible going forward, we are continuing to refine and improve the solution.

Our power system is becoming more expensive to operate

One of the key challenges facing Statnett going forward will be managing significant cost increases. Costs are rising for both system operations and for operating and constructing the grid. Statnett reported an underlying loss of NOK 1.2 billion in the first half of 2025. One of the main drivers for the negative result was the increase in Ancillary cost, which are offset in regulated revenue with a two-year delay.

The increase is linked to major changes in the Nordic power system, including flow-based market coupling and automated electricity balancing. While flow-based market coupling and automated electricity balancing have improved grid utilisation, they have also contributed to higher reserve costs. Although reserve costs have declined slightly in recent months, future

costs remain uncertain. Statnett continues to optimise operations wherever possible, but we must expect costs to be at a high level moving forward.

As a result, cost control has been a key focus area during the first half of 2025. By pursuing more strategic procurement and embracing new technology, we are reducing cost growth in operations and project development. We have already exceeded our cost-saving targets so far this year, but we anticipate that containing cost growth will become even more challenging in future.

We will facilitate necessary and responsible investments

Statnett will facilitate value creation through necessary and responsible investments, with sustainability and safety at the core of everything we do. Achieving this requires close collaboration with stakeholders—including public authorities, industry, grid operators in Norway and other TSOs in the Nordic region. Collaboration is the key to optimal utilisation of the grid—and equipping the power system for the future.



CEO

Elisabeth Vike Vardheim

Financial key figures

For definitions, see the section on alternative performance measures (APM) towards the end of this report.

Key figures (Amounts in NOK million)	1. half year		Year
	2025	2024	2024
Accounting profit			
Operating revenue	11 530	7 823	18 961
EBIT	1 962	748	4 621
Profit/loss for the period	737	-313	1 720
Adjustments			
Change in accumulated higher/lower revenue (-/+) before tax	-2 562	1 910	-644
Change in accumulated higher/lower revenue (-/+) after tax	-1 998	1 490	-502
Accumulated higher/lower revenue (-/+) after tax	-5 536	-1 545	-3 537
Net profit for the year (adjusted for change in higher/lower revenue)			
Underlying operating revenue	8 967	9 733	18 317
Underlying EBIT	-601	2 658	3 977
Underlying Net profit for the period	-1 261	1 176	1 218
Key figures balance sheet			
Investments (additions, assets under construction and construction interest)	4 744	3 376	7 619
Total assets	104 413	98 097	105 533
Financial key figures			
Adjusted EBITDA	3 733	2 449	8 124
Adjusted underlying EBITDA	1 171	4 360	7 480
Regulatory asset base (RAB) and assets under construction	86 044	80 922	82 958
EBIT to RAB and asset under construction	4,6 %	1,9 %	5,7 %
Underlying EBIT to RAB and assets under construction	-1,4 %	6,7 %	4,9 %
Equity ratio	24,1 %	23,6 %	24,1 %
Underlying equity ratio	18,8 %	22,0 %	20,8 %
Funds from operations to net debt	4,6 %	10,2 %	12,2 %
Underlying funds from operations to net debt	-4,6 %	17,9 %	10,2 %
Standard & Poor's and Moody's Investors Service long term ratings	A+ / A2	A+ / A2	A+ / A2

Sustainability and HSE

Sustainability

Statnett is playing a pivotal role in the transition to a low-emission society. At the same time, this transition creates dilemmas because it requires increased development of infrastructure for the production and transmission of power. Statnett is not only responsible for managing public funds, but also for managing public natural areas, climate obligations and local communities in a responsible manner for future generations. Statnett works systematically to meet this responsibility and is a member of the UN's sustainable business initiative, the UN Global Compact. Statnett's Annual and Sustainability Report for 2024 was prepared in line with the EU Corporate Sustainability Reporting Directive (CSRD). This directive will form the basis for our future strategic sustainability work.

Work on a transition plan began in the first quarter of 2025 and will be completed later in the year. Accordingly, and in line with requirements and expectations, we will prepare a strategic plan to cut emissions in line with the Paris Agreement's 1.5-degree target, while taking social, economic, climate and environmental considerations into account.

In the first half of 2025, we also set environmental targets for our grid projects to reduce environmental impact and introduced new procedures and contractual requirements for environmental due diligence. Statnett is also strengthening competence and has held environmental courses for project managers, owners and other relevant employees.

HSE

On 16 March 2025, Statnett experienced a serious environmental incident. A major oil spill was detected in Sandvikselven originating from the old Hamang transformer substation, a decommissioned and de-energised facility in Bærum. Unauthorised personnel had entered the area and opened an inspection hatch at the bottom of the transformer, causing approximately 69,000 litres of oil to leak out. To date, Statnett has recovered at least 57,000 litres through mobilisation and operational measures. Although part of the discharge entered Sandvikselven, the volume was contained through the rapid deployment of an effective recovery solution. Statnett has subsequently strengthened measures around monitoring and physical security.

Statnett performs a large number of operations with a high potential for personal injury, making work on health and safety one of our key focus areas. In the first half of 2025, the number of actual and potential serious incidents (SIF indicator) rose against the same period last year, and we have now implemented several measures to reinforce safety. We have strengthened internal HSE control through the introduction of a new HSE manual, training matrix, compliance matrix and risk management template. We have also introduced new procedures and tools for operational risk management and management follow-up of HSE. In addition, we have developed new measures to strengthen our safety culture, and incorporated implementation requirements in supplier contracts.

The rolling sickness absence rate for the first half of 2025 closed at 3.5 per cent. Statnett is working to increase diversity and raise the proportion of women in our workforce. As of June 2025, women made up 28.9 per cent of Statnett's employees, up from the same period last year.

	1st half		Year
	2025	2024	2024
Serious Incident Frequency (SIF) rate ¹⁾	4,5	3,2	4,5
Sickness absence	3,5 %	3,3 %	4,0 %
Women in the workforce	28,9 %	28,3 %	28,2 %

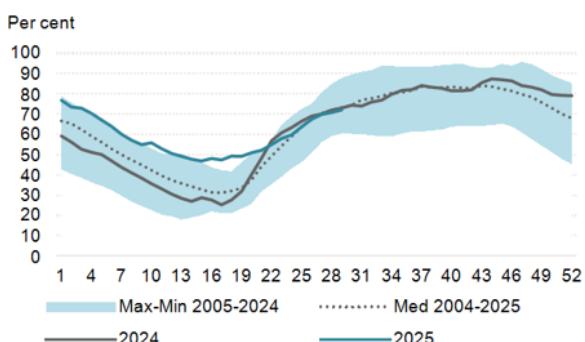
¹⁾ Number of serious (red) incidents involving injuries, near misses, environmental harm and hazardous conditions relating to electrical safety and working at height per million working hours.

Operating and market information

Normal power situation with regional differences

Statnett assesses the overall power situation in Norway to be normal, despite low reservoir levels in south-western Norway for this the time of year. At 1 TWh, Norway's hydrological surplus at the end of the first half of the year was down approx. 8 TWh from the start of the year. Central and Northern Norway (NO3 and NO4) had a hydrological surplus of 9 TWh, while across the south of Norway (NO1, NO2 and NO5) there was a hydrological deficit of 8 TWh. The Southern Norway (NO2) bidding zone had the largest deficit, at 5 TWh.

Reservoir water levels Norway



Major price difference between north and south

Prices increased in all bidding zones from the second half of 2024 to the first half of 2025, except for NO4 (Northern Norway), where prices fell from an already relatively low level.

The price difference between Central/Northern Norway and the south of Norway is attributable both to variations in the hydrological balance and to limited transmission capacity between the respective regions.

At the end of the first half of the year, reservoir levels in both Central and Northern Norway were well above the median for the period 2005–2024, while reservoir levels in all three bidding zones in the south of Norway were below the median.

Major changes in system operations

Significant changes have taken place in the operation of the power system in recent years. A new method for capacity allocation and automated electricity balancing has been introduced, along with new markets for procurement of reserves. Statnett is continuously working to optimise the operation of the power system to adapt to these major changes.

On 4 March, automated electricity balancing in the Nordic region went live. With automated electricity balancing, the Nordic system operators moved from optimising frequency at 50 Hz across the Nordic region to minimising imbalances within each bidding zone. The new balancing concept has had an impact on many systems and market participants, with the latter expected to require time to adjust.

We have observed significant price volatility in the balancing markets following the implementation of automated electricity balancing and Statnett has incurred higher costs for procurement of reserves. Statnett seeks to optimise wherever possible and works to mobilise additional participants in the market. Despite this, underlying factors beyond Statnett's control mean that we must expect costs to be permanently higher.

Statnett and the other Nordic transmission system operators are continuously developing and refining the automated electricity balancing system to ensure that

price signals and balancing are as accurate and efficient as possible.

Incidents in the power grid

Collapsed pylons and power outage in Troms and Finnmark

On 18 March, extreme weather put three of Statnett's power lines in Northern Norway out of operation. The outages left around 20,000 consumers in parts of Troms and Finnmark without power for approximately two hours. Severe weather and uncertain snow conditions in the mountains made repairing and replacing the damaged pylons to restore normal operations particularly challenging. The Ofoten–Kvandal section was reconnected on 20 April, but the power supply in the region remained vulnerable until the Ofoten–Kobbvatn section returned to operation on 13 May.

Limited transmission capacity due to high summer temperatures

During the summer, temperatures exceeding 30 °C resulted in significantly reduced transmission capacity on some of the power lines in the south of Norway (bidding zones NO1, NO2, and NO5). The

high temperatures led to increased resistance in the power lines, reducing transmission capacity.

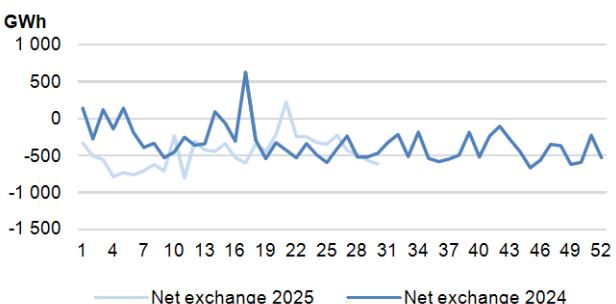
This in turn resulted in periods of greater and more frequent congestion than normal, contributing to increased price differences in the south of Norway.

Restrictions on the international interconnectors

To mitigate the operational risk associated with the introduction of automated electricity balancing, exchange capacity was reduced on all interconnectors between 4 March and 8 April.

NorNed has been operating with reduced capacity since June 2023 (approx. 100 MW reduction) due to a weakness in the cable on the Dutch side. This fault is scheduled to be fixed by 1 July 2026. NorNed was also subject to an audit from 1 April to 7 June. The NSL cable to the UK experienced periods of reduced capacity in the first half of the year due to minor faults.

Net exchange Norway



Financial performance

Statnett's operating revenue is regulated by the Norwegian Energy Regulation Authority (NVE-RME), which sets a cap on permitted revenue. Reported revenue may deviate from permitted revenue in individual years but must align with permitted revenue over time. The underlying result is based on permitted revenue, and the difference between reported and underlying results is referred to as higher/lower revenue.

The Group posted an underlying loss of NOK 1,261 million in the first half of 2025. This is NOK 2,437 million lower than in the same period last year. The underlying operating loss was NOK 601 million, compared with an underlying operating profit of NOK 2,657 million the previous year. The reduction in the underlying result is primarily attributable to higher Ancillary cost. These costs will be compensated with a two-year delay.

Statnett reported an accounting profit of NOK 737 million in the first half of 2025, compared with a loss of NOK 313 million in the first half of 2024. The improvement in the reported accounting result is mainly due to significantly higher congestion revenue, partly offset by increased Ancillary cost. Tariff revenue has also risen. In addition, higher revenue of NOK 488 million has been reimbursed directly to the owners of the underlying grids. In line with temporary regulations from 2022, Statnett has reimbursed a total of NOK 9.6 billion in higher revenue directly to owners of underlying grids in recent years.

The reported operating profit for the first half of 2025 closed at NOK 1,962 million, compared with NOK 748 million in the same period last year.

Operating revenue

The Group reported operating revenue of NOK 11,530 million in the first half of 2025, compared with NOK 7,823 million in the first half of 2024, where the difference is mainly attributable to significantly higher congestion revenue. Congestion revenue rose from

NOK 3,295 million in the first half of 2024 to NOK 7,338 million in the first half of 2025, as a result of higher price differences between Norway and Europe and internally in Norway. Tariff revenue increased by NOK 394 million in the first half of 2025 compared with the same period in 2024, while extraordinary repayments to grid owners and lower fee revenue reduced overall operating revenue.

Overall, this meant that Statnett received higher revenue of NOK 2,536 million in the first half of 2025, compared with lower revenue of NOK 1,910 million in the first half of 2024. At the end of the first half of 2025, Statnett had accumulated higher revenue of NOK 7,097 million. Accumulated higher or lower revenue may not be recognised in the balance sheet under the IFRS accounting standard. See Note 2 to the financial statements, Operating revenue. The higher revenue will be reimbursed to the owners of the underlying grids.

Operating expenses

The Group's operating expenses totalled NOK 9,568 million in the first half of 2025, compared with NOK 7,075 million in the same period last year. The increase is primarily attributable to higher costs for ancillary services. Ancillary cost are costs relating to Statnett's responsibility to maintain instantaneous balance in the power grid, and to ensure good delivery quality. Costs have risen following the transition to automated electricity balancing and dynamic dimensioning in the first quarter of 2025. The increase is attributable to a combination of higher volumes and increased prices in the reserve market, particularly in May. Costs remain highly volatile and uncertain, although ancillary costs have declined over the summer. Ancillary costs are recognised in permitted revenue with a two-year delay. Other operating expenses have increased, partly as a result of higher staffing levels in line with planned growth in activity levels, as well as an increase in the cost of digital services.

Finance

The Group recorded a net financial expense of NOK 1,027 million in the first half of 2025, compared with a net expense of NOK 1,165 million in the first half of 2024. While the change reflects slightly lower interest rates, higher bank balances and external debt have contributed to both increased interest income and expenses.

Cash flow and balance sheet

The Group reported a net cash inflow of NOK 76 million in the first half of 2025, compared with NOK 3,295 million in the corresponding period last year. The Group's cash flow from operating activities in the first half of 2025 was lower than in the same period in 2024, mainly as a result of changes in other short-term debt and increased collateral to NASDAQ, where the higher collateral requirement reflects an expanded EPAD portfolio in line with expectations. This is partly offset by increased cash flow from operating activities. Compared to last year, the net negative cash flow from investing activities has decreased, primarily due to the impact of market-based securities, though partly offset by investments in property, plant and equipment.

The change in liquidity from financing includes the net effect of the repayment of NOK 8,746 million in interest-bearing debt and the raising of NOK 11,780 million of new interest-bearing debt.

In March 2025, a NOK 4,813 million (EUR 500 million) bond issue was repaid. In addition, in the same month two commercial papers with a value of NOK 1,000 million and NOK 2,000 million respectively were issued with a tenor of three months. These commercial papers were redeemed at the end of June. Also in June, a EUR 500 million bond was issued maturing in 2037, in addition to a NOK 3,000 million commercial paper maturing in November 2025.

Statnett SF has a high credit rating. Standard & Poor's and Moody's Investor Service have given Statnett SF credit ratings for long-term borrowings of A+ and A2

respectively. The high credit rating affords Statnett SF good borrowing opportunities.

Total assets rose to NOK 104,413 million in the first half of 2025, up from NOK 98,097 million in the same period last year. Interest-bearing debt increased to NOK 66,874 million, compared with NOK 63,414 million in the first half of 2024. Equity increased by NOK 2,094 million to NOK 25,214 million compared with the end of the first half of 2024.

The Group's equity ratio increased from 23.6 per cent at the end of the first six months of 2024 to 24.1 per cent at 30 June 2025. Adjusted for higher revenue, however, it dropped from 22.0 per cent to 18.8 per cent.

Investments

Statnett's total investments in the first half of 2025 amounted to NOK 4,744 million, up from NOK 3,376 million in the first half of 2024. The investments included completed and ongoing grid infrastructure projects, the purchase of grid facilities and digital development.

Meeting society's growing demand for renewable energy and greater grid capacity will require extensive investments in the years ahead. Statnett's strategy includes more than a doubling of investments in the grid and power system over the next ten years compared with the previous ten-year period.

The grid development area plans play an important role in managing the portfolio effectively and serve as a basis for licensing processes. The area plans introduced two years ago have now been revised and published.

In 2025, Statnett has increased activity in its project portfolio, and several strategically important projects are under construction, including Jamnene and Nedre Røssåga. In addition, a historically high number of early-phase decisions have been made so far this year, signalling increased investment and construction activity in line with our long-term strategy.

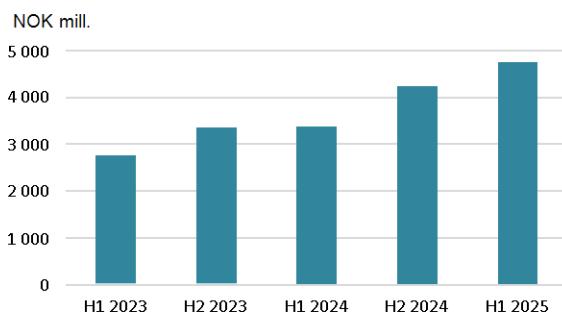
During the first half of 2025, the existing grid facility portfolio has expanded from around NOK 159 billion to

NOK 188 billion, while the number of ongoing projects has risen from 214 to 235.

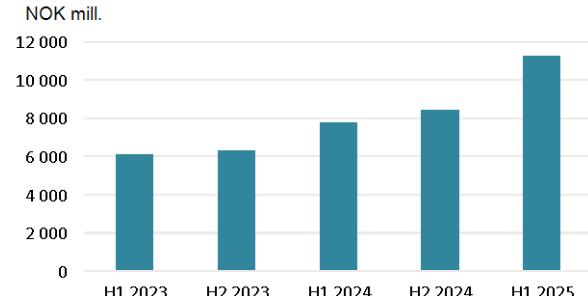
Both cost levels and demand in the supplier markets are rising significantly. This could result in longer lead

times and higher costs. To address these challenges, Statnett is actively applying portfolio management and internal measures to reduce both processing time and costs in our processes.

Investments Statnett, Group



Assets under construction, Group



Comprehensive income statement

(Amounts in NOK million)	Note	First half		Year 2024
		2025	2024	
Operating revenue				
Regulated operating revenue	2	11 272	7 450	18 305
Other operating revenue		258	373	656
Total operating revenue		11 530	7 823	18 961
Operating expenses				
Ancillary cost		4 232	2 249	4 482
Transmission losses		818	857	1 474
Salaries and payroll costs		1 023	814	1 806
Depreciation, amortisation and impairment		1 771	1 701	3 503
Other operating expenses		1 724	1 454	3 076
Total operating expenses		9 568	7 075	14 341
Operating profit		1 962	747	4 621
Financial income		303	77	482
Financial expenses		1 330	1 242	2 915
Net financial items		-1 027	-1 165	-2 432
Profit before tax		934	-417	2 189
Income tax expense		197	-104	469
Profit for the period		737	-314	1 720
Other comprehensive income				
Changes in fair value for cash flow hedges		-509	141	396
Tax effect		112	-31	-87
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-397	110	309
Changes in estimate deviations of pension liabilities		-	-	165
Tax effect		-	-	-36
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-	129
Total other comprehensive income		-397	110	438
Total comprehensive income		341	-204	2 158

Balance sheet

(Amounts in NOK million)	Note	30.06.2025	30.06.2024	31.12.2024
Assets				
Non-current assets				
Intangible assets ¹		2 659	2 171	2 618
Tangible assets ¹		72 401	71 289	72 279
Assets under construction	4	11 293	7 770	8 422
Investments in joint ventures and associates		203	196	196
Pension assets		402	193	433
Derivatives	3	4 511	3 987	5 667
Other non-current financial assets	3	360	200	188
Total non-current assets		91 828	85 805	89 804
Current assets				
Inventories		74	41	49
Trade and other current receivables	3	2 725	988	1 866
Market-based securities	3	2 010	3 996	5 522
Derivatives	3	375	1 278	1 083
Cash and cash equivalents	3	7 401	5 989	7 210
Total current assets		12 585	12 293	15 729
Total assets		104 413	98 097	105 533
Equity and liabilities				
Equity				
Contributed capital		5 950	5 950	5 950
Hedge reserve		484	682	881
Other equity accrued		18 779	16 489	18 651
Total equity		25 214	23 120	25 482
Non-current liabilities				
Deferred tax liability		5 731	4 983	5 602
Pension liabilities		290	276	282
Other liabilities		974	909	966
Derivatives	3	557	1 234	784
Long-term interest-bearing debt	3	57 332	50 351	53 471
Total non-current liabilities		64 883	57 755	61 105
Current liabilities				
Short-term interest-bearing debt	3	8 985	11 829	13 290
Trade and other current payables	3	5 157	5 335	5 549
Derivatives	3	130	7	18
Tax payable		43	51	88
Total current liabilities		14 315	17 222	18 945
Total equity and liabilities		104 413	98 097	105 533

¹ Since the half-year report for 2024, there has been a reclassification between the line items 'Tangible assets' and 'Intangible assets'. The reclassification amounts to NOK 731 million, and the comparative figures as of 30 June 2024 have been updated accordingly.

Changes in equity

<i>(Amounts in NOK million)</i>	Contributed capital	Other equity accrued	Hedge reserve	Total equity capital
01.01.2024	24 117	17 595	572	5 950
Profit/loss for the period	1 720	1 720	-	-
Other comprehensive income	438	129	309	-
Dividends declared	-793	-793	-	-
31.12.2024	25 482	18 651	881	5 950
01.01.2024	24 117	17 595	572	5 950
Profit/loss for the period	-314	-314	-	-
Other comprehensive income	110	-	110	-
Dividends declared	-793	-793	-	-
30.06.2024	23 120	16 489	682	5 950
01.01.2025	25 482	18 651	881	5 950
Profit/loss for the period	737	737	-	-
Other comprehensive income	-397	-	-397	-
Dividends declared	-609	-609	-	-
30.06.2025	25 214	18 779	484	5 950

Cash flow

(Amounts in NOK million)	Note	First half		Year
		2025	2024	2024
Cash flow from operating activities				
Profit before tax		934	-417	2 189
Loss/gain(-) on sale of fixed assets		-19	-19	-25
Depreciation, amortisation and impairment		1 771	1 701	3 503
Net taxes paid		-11	-9	-12
Interest recognised in the income statement		1 135	1 121	2 317
Interest received		150	84	252
Interest paid, excl. construction interest		-1 418	-1 248	-2 466
Changes in trade accounts receivable		131	230	-9
Changes in trade accounts payable		-275	-319	-132
Changes in collateral requirements on Nasdaq related to EPAD ¹		-1 025	-	-163
Changes in other accruals ¹		-807	808	925
Net cash flow from operating activities		566	1 932	6 379
Cash flow from investing activities				
Proceeds from sale of tangible fixed assets		48	35	455
Purchase of tangible and intangible assets and assets under construction	4	-4 689	-3 596	-7 506
Construction interest paid	4	-211	-163	-353
Proceeds from sale of market-based securities ²		3 660	692	1 202
Purchase of market-based securities ²		-50	-2 775	-4 822
Received dividends		27	22	22
Net cash flow from investing activities		-1 214	-5 785	-11 003
Cash flow from financing activities				
Proceeds from new interest-bearing debt	3	11 780	11 867	13 367
Repayment of interest-bearing debt	3	-8 746	-4 641	-5 554
Changes in collateral under CSA (Credit Support Annex) agreements		-2 310	-79	2 099
Dividends paid		-	-	-793
Net cash flow from financing activities		724	7 147	9 119
Net cash flow for the period		76	3 295	4 495
Cash and cash equivalents at period start		7 210	2 644	2 644
Currency exchange rate effects on cash and cash equivalents		116	50	71
Cash and cash equivalents at period close		7 401	5 989	7 210

¹ Comparative figures have been adjusted compared to previous reporting. This is due to currency exchange rate effects on cash and cash equivalents being separated out and presented on a separate line, apart from the cash flows. Furthermore, changes in collateral requirements on Nasdaq related to EPAD have also been separated and presented on a separate line under operating activities.

² A reclassification from operating activities to investing activities has been made. Comparative figures have been

Selected notes

Note 1 – Accounting policies and estimates

Accounting policies

These interim financial statements have been prepared in accordance with International Standards for Financial Reporting (IFRS®) and interpretations issued by the International Accounting Standards Board (IASB), including IAS 34. The interim financial statements do not contain all the supplementary disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements for 2024. The interim financial statements have not been audited.

The accounting policies applied for the interim financial statements are consistent with the accounting policies applied in the annual financial statements for 2024.

Segment reporting

The Group has one operating segment. The revenues of the group are mainly based on a tariff model determined in guidelines provided by the Norwegian Water Resources and Energy Directorate (RME). Internal reporting is based on the Group's underlying profit before tax, by adjusting the ordinary profit for the change in higher/lower revenue as explained in Note 2.

Estimates

In the annual report we provide information on areas characterized by a high degree of uncertainty and where significant discretionary judgements are required to determine carrying amounts. There are no material changes in estimates in 2025.

Note 2 – Operating revenue

The note present Statnett's operating revenues and an alternative performance measure regulated by the RME.

Operating revenue

(Amounts in NOK million)	Year to date		Year
	2025	2024	2024
Tariff revenue	4 225	3 831	7 392
Congestion revenue ¹	7 338	3 295	11 062
Income from other owners in the grids	-	2	12
Extraordinary transfer to grid owners	-488	-	-781
Total operating revenue from regulated grid operations	11 075	7 128	17 685
Fee revenue from imbalance settlement	739	630	1 239
Fee revenue covered by imbalance settlement	-542	-308	-620
Total fee revenue	197	322	620
Total operating revenue from regulated activities	11 272	7 450	18 305
Other operating revenue	258	373	656
Total operating revenue	11 530	7 823	18 961

¹ Realised and unrealised effects related to EPAD contracts amount to NOK -186 million.

Permitted revenue regulated operations

(Amounts in NOK million)	Year to date		Year
	2025	2024	2024
Revenue cap	7 900	8 314	15 958
Supplement to revenue cap	751	909	1 575
Total permitted revenue grid operations	8 651	9 223	17 533
Permitted revenue imbalance settlement			
Permitted fee revenue imbalance settlement	221	210	405
Total permitted revenue grid operations and imbalance settlement	8 872	9 433	17 938

Higher/lower revenue -This year's changed and total balance

Regulated grid operations (Amounts in NOK million)	Year to date		Year
	2025	2024	2024
This year's higher/lower revenue (-/+), not recognised	-2 424	2 095	-152
This year's provision for interest higher/lower revenue (-/+), not recognised	-137	-76	-212
This year's adjustments of prior periods' higher/lower revenue (-/+), not	-26	-	-49
This year's changed balance for higher/lower revenue (-/+)	-2 588	2 019	-413
Balance higher/lower revenue (-/+), incl. interest as at 1 Jan	-4 534	-4 121	-4 121
Changed balance for higher/lower revenue (-/+), incl. interest	-2 588	2 019	-413
Balance higher/lower revenue (-/+), incl. interest, closing balance	-7 121	-2 102	-4 534

Imbalance settlement (Amounts in NOK million)	Year to date		Year
	2025	2024	2024
This year's higher/lower revenue (-/+), not recognised	25	-112	-214
This year's provision for interest higher/lower revenue (-/+), not recognised	-	4	6
Higher/lower revenue adjustment (-/+), not recognised	-	-	-23
This year's changed balance for higher/lower revenue (-/+)	25	-109	-231
Balance higher/lower revenue (-/+) incl. interest 1 Jan.	-1	230	230
Changed balance for higher/lower revenue (-/+) incl. interest	25	-109	-231
Balance higher/lower revenue (-/+) incl. interest, closing balance	24	121	-1

Total balance higher/lower revenue, grid and imbalance settlement (Amounts in NOK million)	Year to date		Year
	2025	2024	2024
Balance higher/lower revenue (-/+) 1 Jan.	-4 535	-3 891	-3 891
Change in balance for Grid operations, excl. interest	-2 424	2 095	-152
Change in balance for Imbalance settlement, excl. interest	25	-112	-214
Interest on change in balances	-137	-73	-207
Prior years' adjustments	-26	-	-72
Total balance higher/lower revenue (-/+), closing balance	-7 097	-1 981	-4 535

Underlying result

(Amounts in NOK million)	Year to date		Year
	2025	2024	2024
Total operating profit	1 962	747	4 621
This year's higher/lower revenue (-/+), incl. interest, not recognised	-2 536	1 910	-572
This year's adjustments of prior periods' higher/lower revenue (-/+), not	-26	-	-72
Underlying operating profit	-601	2 657	3 977
Net financial expenses	-1 027	-1 165	-2 432
Underlying profit before tax	-1 628	1 493	1 545
Tax expense, incl. not recognised tax effects on change in higher/lower revenue	367	-317	-327
Underlying result	-1 261	1 176	1 218

Note 3 – Financial instruments

The note provides an overview of the carrying value and fair value of financial instruments, and how these are treated in the financial statements. The table also shows at which level in the valuation hierarchy the various measurement methods for the Group's financial instruments measured at fair value are included, based on the relative objectivity of the measuring methods.

(Amounts in NOK million)	Classification under IFRS 9	Measure- ment level	Carrying value	30.06.2025	30.06.2024	31.12.2024
Fixed assets						
Derivatives, interest-bearing	Fair value through P/L	2	4 505	3 987	5 663	
Derivatives, non-interest bearing	Fair value through P/L	2	6	-	4	
Total derivatives			4 511	3 987	5 667	
Long-term receivables ¹	Amortised cost	i/a	282	122	110	
Subord. capital in Statnett SF's Pension fund	Amortised cost	i/a	75	75	75	
Financial assets available for sale	Fair value through P/L	3	3	3	3	
Total other non-current financial assets			360	200	188	
Current assets						
Trade accounts receivable	Amortised cost	i/a	267	158	397	
Other short-term receivables ¹	Amortised cost	i/a	2 458	830	1 468	
Total trade accounts and other short-term receivables			2 725	988	1 866	
Market-based securities	Fair value through P/L	1	2 010	3 996	5 522	
Derivatives, interest-bearing	Fair value through P/L	2	295	1 273	1 072	
Derivatives, non-interest-bearing	Fair value through P/L	2	80	5	10	
Total derivatives	Fair value through P/L		375	1 278	1 083	
Liquid assets	Fair value through P/L	i/a	7 401	5 989	7 210	
Non-current liabilities						
Other liabilities	Amortised cost	i/a	974	909	966	
Derivatives, interest-bearing	Fair value through P/L	2	557	1 234	784	
Derivatives, non-interest-bearing	Fair value through P/L	2	-	-	-	
Total derivatives	Fair value through P/L		557	1 234	784	
Other long-term interest-bearing debt	Amortised cost	2	57 055	50 156	53 244	
Lease liability	Amortised cost	i/a	277	195	227	
Total non-current interest-bearing debt			57 332	50 351	53 471	

Current liabilities					
Other short-term interest-bearing debt	Amortised cost	2	8 913	11 737	13 230
Lease liability	Amortised cost	i/a	72	92	60
Total current interest-bearing debt			8 985	11 829	13 290
Trade and other current payables	Amortised cost	i/a	5 157	5 335	5 549
Derivatives, non-interest-bearing	Fair value through P/L	2	130	7	18
Total derivatives			130	7	18

Fair value of other interest-bearing debt measured at amortised cost (Amounts in NOK million)	30.06.2025	30.06.2024	31.12.2024
	Fair value	Fair value	Fair value
Other non-current interest-bearing debt	57 912	50 330	53 368
Other current interest-bearing debt	8 914	11 737	13 230
Total other interest-bearing debt	66 826	62 066	66 598

Total measurement levels (Amounts in NOK million)	30.06.2025	30.06.2024	31.12.2024
	Carrying value	Carrying value	Carrying value
Level 1	2 010	3 996	5 522
Level 2	-61 769	-57 868	-60 527
Level 3	3	3	3

There have not been any transfers between the measurement levels during the period.

¹ Total collateral posted to Nasdaq related to EPAD contracts amounts to NOK 1,188 million, of which NOK 168 million is recognised under long-term receivables and NOK 1,020 million under other short-term receivables.

Fair value

The fair value of forward exchange contracts is established using the forward rate at the balance sheet date. The fair value of currency and interest swaps is calculated as the present value of future cash flows. Fair values are mainly confirmed by the financial institutions with which Statnett has entered an agreement. The fair value of financial assets, trade payables and other current and interest-bearing liabilities are measured at amortized cost using the effective interest method.

Due to their short-term nature, the carrying value of financial instruments such as available-for-sale financial assets, trade and other current receivables, cash and cash equivalents, trade and other current payables is deemed to be a fair estimate of fair value.

Measurement of financial instruments

The Group applies the following hierarchy to measure and present the fair value of financial instruments:

- Level 1: Fair value is measured using listed prices from active markets for identical financial instruments. No adjustment is made for these prices.
- Level 2: Fair value is measured using other observable inputs than those used at level 1, either directly (prices) or indirectly (derived from prices).
- Level 3: Fair value is measured using input that is not based on observable market data.

Listed shares, money market and interest funds, bonds and commercial papers are deemed to be Level 1 since the securities are listed on a stock market and freely tradable and are measured at the most recent quoted price. Non-listed shares and shareholdings are valued based on the company's financial statements and are therefore deemed to be Level 3.

Derivatives are deemed to be Level 2. The currency element of forward exchange rates is measured at observable market prices using rates from Norges Bank. Different maturity dates add an interest element that is used to calculate the fair value of forward currency contracts.

Note 4 – Assets under construction

(Amounts in NOK million)	30.06.2025	30.06.2024	31.12.2024
Assets under construction at 1 January	8 422	6 320	6 320
Hedge accounting effects	5	-	-
Acquisition cost at 1 January	8 427	6 320	6 320
Additions	4 533	3 213	7 266
Capitalised construction interest	211	163	353
Transferred to tangible and other intangible fixed assets	-1 847	-1 919	-5 426
Write-offs	-22	-7	-86
Acquisition cost at period end	11 301	7 769	8 427
Hedge accounting effects	-8	1	-5
Assets under construction at period end	11 293	7 770	8 422

Contractual obligations

As of 30 June 2025, contractual obligations totalled NOK 13.1 billion. The total reported obligation reflects residual contractual obligations for construction projects.

Note 5 Subsequent events after balance sheet date

On 21 January 2025, Statnett received a draft decision from the Norwegian tax authorities regarding amendment of the tax assessment for 2018 concerning deductions for maintenance costs relating to replacement of components in the transmission grid. The tax authorities have now reached a conclusion and Statnett received their decision on August 26th 2025.

The tax authorities maintain its position taken in the draft decision of January 2025, and the effects were reflected in the Annual and Sustainability report 2024. The effects of the accepted deviations have been recognized, and information was given in note 19 regarding issues that are still subject for dispute, issues that Statnett believes there is a greater than 50% likelihood that Statnett's position will prevail in the Tax Appeals Board.

The tax effects related to tax exposure amounts to NOK 169 million. Any change will not impact the Group's tax expense but may potentially result in an increase in deferred tax assets related to fixed assets with a corresponding reduction in deferred tax assets related to tax losses carried forward.

For further details, see Note 3 Estimates, management judgements and climate risk and Note 19 Taxes.

No other events have occurred after the balance sheet date.

Declaration from the Board of Directors and CEO

We confirm that, to the best of our knowledge, the interim financial statements for the period 1 January to 30 June 2025 have been prepared in accordance with IFRS and that the disclosures in the financial statements provide a true and fair view of the company's and the Group's assets, liabilities, financial position and performance as a whole. We further declare that, to the best of our knowledge, the information contained in the Interim Report from the Board of Directors for the first six months of 2025 provides a true and fair view of important events in the accounting period and their influence on the financial statements, together with a description of the key risk and uncertainty factors facing the company.

Oslo, 28. august 2025

Statnett SF's Board of Directors



Nils Kristian Nakstad
Board Chair



Mette Helene Bjørndal
Board member



Maria Sandmark
Board member



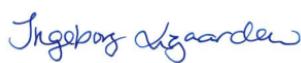
Egil Gjesteland
Board member



Wenche Teigland
Board member



Christian Reusch
Board member



Ingeborg Ligaarden
Board member



Børre Langgård
Board member



Steinar Jøråndstad
Board member



Elisabeth Vike Vardheim
CEO

Alternative performance

To provide a better understanding of Statnett's underlying profit/loss we also present a number of alternative performance measures. Alternative performance measures are defined in ESMA's guidelines as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. Statnett's alternative performance measures are adjusted for higher/lower revenue and supplement the figures in the IFRS financial statements. Reported accumulated higher/lower revenue includes prior-year higher/lower revenue with interest. EBIT to Regulatory asset base (RAB), including assets under construction, before finance and tax, is a performance measure that shows how the financial regulation of Statnett impacts the company's return on capital. Equity ratio, FFO/Net debt and financial rating from Standard & Poors' and Moody's Investors Service serve the purpose of highlighting Statnett's financial position.

Key figures (Amounts in NOK million)	1. half year		Year
	2025	2024	2024
Underlying operative revenue			
Operating revenues accounting	11 530	7 823	18 961
Change in accumulated higher/lower revenue (-/+), before tax	-2 562	1 910	-645
Underlying operative revenue	8 967	9 733	18 316
Underlying EBIT			
EBIT	1 962	748	4 621
Change in accumulated higher/lower revenue (-/+), before tax	-2 562	1 910	-645
Underlying EBIT	-601	2 658	3 976
Underlying net profit for the period			
Net profit/loss for the period	737	-313	1 720
Change in accumulated higher/lower revenue (-/+) after tax	-1 998	1 490	-502
Underlying net profit for the period	-1 261	1 177	1 218
Equity, underlying			
Equity	25 214	23 120	25 482
Accumulated higher/lower revenue (+/-), after tax	-5 536	-1 545	-3 537
Equity, underlying	19 678	21 575	21 945
Adjusted EBITDA			
EBIT	1 962	748	4 621
Depreciation, amortisation and impairment	1 771	1 701	3 503
Adjusted EBITDA	3 733	2 449	8 124
Underlying Adjusted EBITDA			
Adjusted EBITDA	3 733	2 449	8 124
Change in accumulated higher/lower revenue (+/-), before tax	-2 562	1 910	-644
Underlying Adjusted EBITDA	1 171	4 360	7 479
Regulatory asset base (RAB) and assets under construction			
Intangible assets ¹	2 659	2 171	2 618
Tangible assets ¹	72 401	71 289	72 279
Assets under construction	11 293	7 770	8 422
Retirement obligations	-309	-308	-361
Regulatory asset base (RAB) and assets under construction	86 044	80 922	82 958

EBIT to RAB and assets under construction			
EBIT	1 962	748	4 621
Regulatory asset base (RAB) and assets under construction	86 044	80 922	82 958
EBIT to RAB and assets under construction	4,6 %	1,9 %	5,7 %
EBIT to RAB and assets under construction, underlying			
EBIT to RAB and assets under construction	4,6 %	1,9 %	5,7 %
Change in accumulated higher/lower revenue (-/+) before tax	-2 563	1 910	-644
EBIT to RAB and asset under construction, underlying	-1,4 %	6,7 %	4,9 %
Equity ratio			
Total equity	25 214	23 120	25 482
Total equity and liabilities	104 413	98 097	105 533
Equity ratio	24,1 %	23,6 %	24,1 %
Equity ratio, underlying			
Equity ratio	24,1 %	23,6 %	24,1 %
Accumulated higher/lower revenue (+/-), after tax	-5 536	-1 545	-3 537
Equity ratio, underlying	18,8 %	22,0 %	20,8 %
Funds from operations to net debt, FFO/Net debt			
Funds from operations (FFO)			
Adjusted EBITDA	3 733	2 449	8 124
Net financial items	-1 027	-1 165	-2 432
Capitalized construction loan interests	-211	-163	-353
Payable taxes	-43	-51	-12
Change in trade and other current receivables (increase is -)	-859	233	-644
Change in trade and other current payables (increase is +)	-392	1 124	1 338
Funds from operations (FFO)(Adjusted EBITDA-Net financial items-Capitalized construction loan interests-Payable taxes-Change in receivables-Change in payables	1 201	2 428	6 019
Net debt			
Long-term interest-bearing debt	57 332	50 351	53 471
Short-term interest-bearing debt	8 985	11 829	13 290
Derivatives, assets	4 799	5 260	6 736
Derivatives, liabilities	-557	-1 234	-784
Hedge reserve	-484	-682	-881
Hedge reserve before tax (Hedge reserves/(1-22% tax rate)	-621	-874	-1 130
Market value interest- and currency hedge (Derivatives, assets-Derivatives, liabilities-Hedge reserve before tax (Hedge reserve/1-22% tax)	3 621	3 152	4 822
Cash and cash equivalents	7 401	5 989	7 210
Market based securities	2 010	3 996	5 522
Net debt (Long term interest bearing debt+Short term interest bearing debt-Market value interest- and currency hedge-Cash and cash equivalents-Market based securities)	53 285	49 043	49 206

Funds from operations (FFO)/Net debt			
Funds from operations (FFO)	1 201	2 428	6 019
Net debt	53 285	49 043	49 206
Funds from operations (FFO)/Net debt	4,6 %	10,2 %	12,2 %
Funds from operations (FFO)/Net debt	4,6 %	10,2 %	12,2 %
Change in accumulated higher/lower revenue (+/-), before tax	-2 562	1 910	-644
Accumulated higher/lower revenue (+/-), after tax	-5 536	-1 545	-3 537
Funds from operations (FFO)/Net debt, underlying	-4,6 %	17,9 %	10,2 %

¹⁾ Since the half-year report for 2024, there has been a reclassification between the line items 'Tangible assets' and 'Intangible assets'. The reclassification amounts to NOK 731 million, and the comparative figures as of 30 June 2024 have been updated accordingly.