



Fortum considers possible strategic options for its district heating businesses in Joensuu, Finland and in Pärnu and Tartu, Estonia

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Fortum has decided to assess strategic options, including possible divestment, of its district heating and cooling businesses in Joensuu, Finland as well as in Pärnu (100% ownership) and Tartu (60% ownership), Estonia. In line with its strategy, Fortum continuously reviews its businesses to optimise its portfolio for value creation.

Based on initial assessments, the district heating and cooling businesses in Joensuu and Estonia have been identified as operations that potentially could benefit from a different ownership structure. These business operations are entering into a more stable phase as measures to improve operational efficiency and the transformation to lower carbon intensity has largely been done.

In 2018, Fortum produced approximately 550 GWh of heat and approximately 240 GWh of power in Joensuu. The business generates an EBITDA of approximately EUR 20 million and currently employs less than 10 Fortum employees as operation and maintenance services are sourced externally.

Correspondingly, Fortum's pro rata share of the production in Estonia was approximately 530 GWh of heat and approximately 280 GWh of power with an EBITDA of approximately EUR 30 million, including subsidies for renewable energy. The operations currently employ around 130 persons.

There is no certainty whether the assessment will result in any transactions and Fortum will inform the market if and when appropriate.

Fortum Corporation

Ingela Ulfves, VP, IR and Financial Communications

Further information:

Media:

Timo Piispa, Head of Heating & Cooling Finland, tel. +358 50 453 2758
Margo Külaots, Head of Heating & Cooling Estonia, tel. +372 505 2986
Juha Luomala, Communications for Heating & Cooling Finland, tel. +358 50 592 3993

Investors & analysts:

Måns Holmberg, Manager, IR and Financial Communications, tel. +358 44 518 1518
Rauno Tiihonen, IR Manager, tel. +358 10 453 6150

Fortum

Fortum is a leading clean-energy company that provides its customers with electricity, heating and cooling as well as smart solutions to improve resource efficiency. We want to engage our customers and society to join the change for a cleaner world. We employ some 8,000 professionals in the Nordic and Baltic countries, Russia, Poland and India. In 2018, our sales were EUR 5.2 billion and 57% of our electricity generation was CO2 free. Fortum's share is listed on Nasdaq Helsinki. www.fortum.com