



Fortum considers strategic options for its ownership in Stockholm Exergi

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In line with its strategy and continued review of the business portfolio, Fortum has decided to assess strategic options, including possible divestment, of its 50% holding in Stockholm Exergi Holding AB (publ), the district heating and cooling company in Stockholm, Sweden. As part of the process, Fortum has initiated discussions on the matter with the City of Stockholm, owner of the other 50% share in Stockholm Exergi.

Since 2002, Fortum has co-owned Stockholm Exergi together with the City of Stockholm and during this time, the energy production has been developed to have an increased share of renewable and recycled energy sources. The production is now largely decarbonised with the ambition to be climate positive in 2025. Since 2014, Stockholm Exergi is a stand-alone company with its own governance and Fortum is only represented on the Board of Directors of Stockholm Exergi.

In 2019, Stockholm Exergi's heating and cooling sales were 8.5 TWh and power sales 1.4 TWh. The EBITDA was SEK 2.8 billion. For Fortum, Stockholm Exergi is a joint venture and is accounted for using the equity method. In 2019, Fortum recorded EUR 24 million in 'share of profits from associates and joint ventures' from Stockholm Exergi, including Fortum's share, EUR -22 million, of impairment relating to the early decommissioning of Stockholm Exergi's last coal-fired power plant.

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

In February 2020, Fortum announced the strategic review of its district heating businesses in Poland, in the Baltics and in Järvenpää, Finland. In July 2020, Fortum agreed to sell its district heating business in Järvenpää, Finland. The reviews of Fortum's district heating operations in Poland and the Baltics are still ongoing.

Fortum Corporation

Ingela Ulfves, VP, IR and Financial Communications

Further information:

Investors and analysts:

Ingela Ulfves, VP, IR and Financial Communications, tel. +358 40 515 1531

Måns Holmberg, Manager, IR and Financial Communications, tel. +358 44 518 1518

Rauno Tiihonen, IR Manager, tel. +358 10 453 6150

Media:

Per-Oscar Hedman, Communication Manager, Sweden, tel. +46 70 214 75 45

Fortum

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