

CREDIT OPINION

30 May 2025

Update



Send Your Feedback

RATINGS

Statnett SF

Domicile	Oslo, Norway
Long Term Rating	A2
Type	LT Issuer Rating - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Knut Slatten +33.1.5330.1077
VP-Sr Credit Officer
knut.slatten@moodys.com

Chingunee +49.69.70730.826
Chimedbat
Lead Ratings Associate
chingunee.chimedbat@moodys.com

Neil Griffiths- +44.20.7772.5543
Lambeth
Associate Managing Director
neil.griffiths-lambeth@moodys.com

Statnett SF

Update to credit analysis

Summary

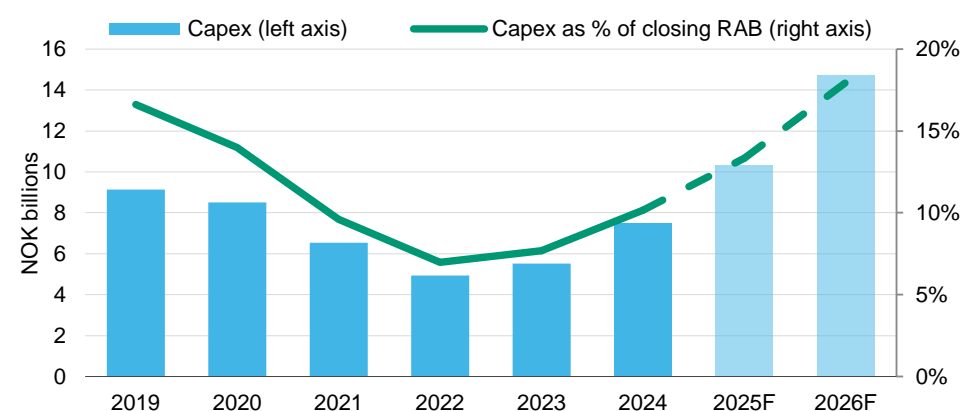
The credit quality of [Statnett SF](#) (A2 stable) is supported by the stable, predictable and supportive regulatory framework under which the company operates, which provides excellent cash flow visibility; and its long track record of efficiently delivering large capital investment programmes. Following the completion of the North Sea Link (NSL) interconnector in late 2021, and the decision of the Norwegian government to stop construction of new interconnectors, we expect Statnett's investments to be mainly onshore, which entails limited execution risk.

These strengths are offset by Statnett's plan to significantly accelerate its capital investment. Over the next decade, the company could invest more than twice the amount it invested in the past decade in onshore power networks to support growth in Norway's electricity demand from around 139 terawatt hours (TWh) in 2024 to as much as 260 TWh by 2050, and to address the transmission constraints that have led to large price differentials between northern and southern Norway. This implies that annual investment over the period will average around NOK15 billion.

Statnett's A2 rating incorporates three notches of uplift for potential support from the [Government of Norway](#) (Aaa stable) from its Baseline Credit Assessment (BCA) of baa2. The government has demonstrated a strong track record of supporting Statnett's large investment programme.

Exhibit 1

Capital spending will rise



All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

Moody's forecasts are Moody's opinion and do not represent the views of the issuer.

Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Credit strengths

- » Monopoly electricity transmission operations, with revenue regulated under a stable, predictable and supportive regulatory framework, which provides excellent cash flow visibility
- » Long track record of efficiently delivering large capital investment programmes
- » Strong support from Statnett's owner, the Government of Norway, with the company playing a key strategic role in fulfilling government policy objectives

Credit challenges

- » Relatively high financial leverage
- » Sizeable investment programme, with around NOK150 billion of capital spending over the next decade
- » Higher cash flow volatility from interconnectors, although any revenue shortfall can be recovered with a short time lag

Rating outlook

The stable outlook reflects our expectation that Statnett will continue to meet the minimum guidance for the current rating, including funds from operations (FFO)/net debt of around 8% and net debt/fixed assets of not more than 80%, excluding changes in congestion revenue and over- and under-recovery of system operating expenses.

Factors that could lead to upgrade

- » The rating could be upgraded if underlying FFO/net debt were to remain around 10% and net debt/fixed assets below 70%.

Factors that could lead to downgrade

- » The rating could be downgraded if underlying FFO/net debt fell below 8% or net debt/fixed assets remained above 80%, without any prospect of a speedy recovery.
- » Significant adverse changes in the regulatory framework or a substantial reduction in Statnett's cost-efficiency score that results in a significant reduction in the company's allowed revenue could also lead to a downgrade.
- » Statnett's rating is not likely to be affected in the event of a limited deterioration in Norway's creditworthiness. However, the company's rating could be affected by changes in our assessment of the likelihood of government support. This could be the result of a change in the government's ownership levels or strategy for the company, neither of which we expect in the medium term.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody's.com> for the most updated credit rating action information and rating history.

Key indicators

Exhibit 2

Statnett SF

	2020	2021	2022	2023	2024	2025F	2026F
FFO Interest Coverage	7.1x	11.3x	10.1x	0.8x	2.8x	3.0x	0.4x
Net Debt / Fixed Assets	67.6%	64.4%	57.0%	61.7%	63.5%	56.6%	66.7%
Net Debt / Regulated Asset Base	78.0%	69.3%	59.6%	65.5%	69.1%	63.8%	80.4%
FFO / Net Debt	11.6%	15.4%	24.5%	-1.0%	10.2%	11.7%	-2.6%
RCF / Net Debt	8.9%	13.2%	22.8%	-1.6%	8.7%	10.4%	-2.6%
Underlying FFO / Net Debt (excluding post-tax impact of over / (under) recovery of revenues)	11.5%	11.0%	9.7%	7.2%	8.5%	5.4%	8.4%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

Moody's forecasts are Moody's opinion and do not represent the views of the issuer.

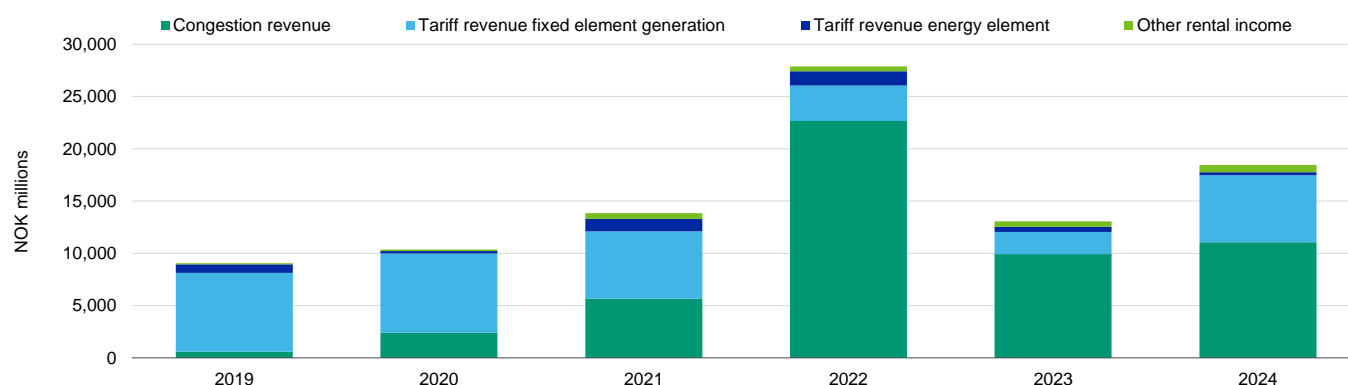
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Profile

Statnett SF is the owner and operator of Norway's high-voltage electricity grid. It is 100% owned by the Government of Norway, through the Ministry of Energy, and is regulated by the Norwegian Energy Regulatory Authority (NVE-RME).

Exhibit 3

Evolution of revenue from regulated activities



In 2024, total operating revenue from regulated grid operations was NOK17,685 million.

The exhibit excludes extraordinary transfer to grid owners (2024: -NOK781 million), and income from other owners in the regional and main grids (2024: NOK12 million).

Source: Company reports

Detailed credit considerations

Stable and predictable cash flow generated under one of the most well-established and transparent frameworks in Europe

Statnett's revenue cap regime is set by the Energy Regulatory Authority (RME), a separate regulatory body within the Norwegian Energy Regulatory Authority (NVE), which has a long track record of stable, transparent and predictable regulation that ensures timely recovery of investment costs and a stable return on assets. Under a regulatory framework introduced in 1997, Statnett's cost allowances roll forward with updated parameters (for example, interest rates, inflation and regulated asset base [RAB]) each year, providing excellent cash flow visibility. Under this methodology, Statnett's allowed equity return, which we expect to be around 8.9% (post-tax) in 2025, has been consistently higher than that in comparable European regulatory regimes. The transparency of the regime is demonstrated by extensive public consultation, and the publication of regulatory parameters and models. If Statnett disagrees with regulatory decisions, there are established processes for appeal to the Energy Complaints Body (Energiklagenemda) in the case of a decision taken by the RME or to the Ministry of Energy in the case of a decision taken by the NVE.

Reflecting these considerations, [we raised](#) Statnett's "Stability and Predictability of the Regulatory Regime" subfactor score under the Regulated Electric and Gas Networks methodology to Aaa from Aa in April 2023 (see Exhibit 4).

In 2021, certain updates were implemented to improve the company's cost-efficiency incentives. Whereas the "cost norm" was previously based on a benchmarking analysis of 17 European electricity transmission system operators, it is now linked to Statnett's own historical costs and inflated based on a bespoke inflation index. From January 2023, the share of Statnett's cost allowances subject to an efficiency challenge rose to 70% from 60%.

Statnett's efficiency is calculated by comparing its unit costs in the most recent available year to a five-year average. For example, the efficiency score for 2025 was calculated by dividing unit costs in 2023 with average unit costs over 2017-21, which yielded an efficiency score of 100.3%.

The cost norm, which from January 2023 is used to set 70% of Statnett's cost allowance, is calculated by reducing the efficiency score by 2%, to reflect required improvements in efficiency over time, and then applying it to the cost base. The remaining 30% is linked to the cost base without adjustment for efficiency. Because the cost base reflects operating costs from two years earlier (adjusted for inflation), actual costs will exceed the cost base in periods when costs increase in real terms. Some cost items are exempted from the efficiency adjustments either as system operating costs, which are subject to a 0.6% productivity requirement, or as pass-through costs (see the highlighted blue box below).

Per the Norwegian regulatory framework, the RME is obliged to reassess the parameters of the revenue framework at least once every five years. At the beginning of 2025, an external consultant report concluded that Statnett largely operates efficiently comparison with other European TSOs, with only minor inefficiencies observed on certain data sets.

Exhibit 4

Statnett scores "Aaa" for Stability and Predictability of Regulatory Regime, reflecting a well-established and transparent regulatory framework

Stability and Predictability of Regulatory Regime by country as scored under our Regulated Electric Gas Networks methodology as of May 2025

Aaa	Aa	A	Baa
Great Britain*	Czech Republic	Belgium - Flanders	Belgium - Wallonia
Ireland (ROI & NI)**	Finland	Estonia	Poland
Norway†	France	Germany	Slovakia
	Italy	Portugal	Spain
	Netherlands††	Lithuania	

* Only onshore network operators, excludes offshore transmission owners (Aa). ** We upgraded the regulatory framework in Ireland in April 2021. † We upgraded the regulatory framework in Norway in April 2023. †† Excludes [N.V. Nederlandse Gasunie](#) and [TenneT Holding B.V.](#) (both A).

Source: Moody's Ratings

Mainly because of decreasing inflation, Statnett's allowed return on capital decreased in nominal terms to 7.67% in 2024 from 8.36% in 2023. The allowed return was 7.47% in 2022. We expect the allowed return to come down slowly, reflecting the use of a four-year moving average of inflation (two historical years and two forward years) to calculate the allowed cost of equity.

Exhibit 5

Statnett's allowed return is likely to remain high

Parameter	Fixed / Variable	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025F
Gearing	Fixed	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Risk free rate (real)	Fixed	2.5%	2.5%	2.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Inflation rate	Variable	2.53%	2.33%	1.98%	2.23%	2.10%	2.23%	3.83%	4.58%	3.45%	3.03%
Risk free rate (nominal) - COE		5.09%	4.89%	4.53%	3.76%	3.63%	3.76%	5.39%	6.15%	4.95%	4.80%
Asset beta	Fixed	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Equity beta	Fixed	0.875	0.875	0.875	0.875	0.875	0.875	0.875	0.875	0.875	0.875
Market risk premium	Fixed	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Equity risk premium	Fixed	4.375%	4.375%	4.375%	4.375%	4.375%	4.375%	4.375%	4.375%	4.375%	4.375%
Tax rate	Variable	25%	24%	23%	22%	22%	22%	22%	22%	22%	22%
Cost of equity (nominal, post-tax)		9.41%	9.21%	8.86%	8.11%	7.98%	8.10%	9.71%	10.46%	9.33%	8.91%
Risk-free rate (nominal) - COD	Variable	1.18%	1.48%	1.87%	1.79%	0.89%	1.46%	3.04%	3.80%	3.85%	3.51%
Credit spread	Variable	1.00%	0.65%	0.63%	0.77%	0.87%	0.57%	1.11%	1.20%	0.97%	0.97%
Cost of debt (nominal, pre-tax)		2.18%	2.13%	2.50%	2.56%	1.76%	2.03%	4.15%	5.00%	4.82%	4.48%
WACC (nominal, pre-tax)		6.32%	6.12%	6.10%	5.69%	5.15%	5.37%	7.47%	8.36%	7.67%	7.25%

Sources: NVE-RME and Moody's Ratings forecasts

Calculation of allowed regulated revenue

Statnett's revenue cap is the sum of six components:

1. 30% cost base: This is the sum of:
 - a. inflation-adjusted operating and maintenance (O&M) costs (O&M from year n-2 uplifted for inflation in the two years since);
 - b. depreciation in the current year; and
 - c. regulatory return: $101\% \times \text{RAB} \times \text{WACC}$.
2. 70% cost norm = Cost base * efficiency score.
3. Transmission losses = Transportation losses in grid in year n-2 * Nordic system price in year n (removing almost all price risk for Statnett).
4. Cost of system services = 30% of actual costs in year n-2 and 70% cost norm applies. Of note, no efficiency factor applies to system operation costs but only a 0.6% productivity requirement.
5. Transit costs: These are pass-through costs.
6. Property taxes, as determined by the municipalities: These are pass-through costs.

Investments will increase substantially over the next 10 years

2017 was the peak of Statnett's investment cycle, when capital spending was 30% of RAB (see Exhibit 1), the highest level among the European electricity grid operators that we rate. Following the completion of interconnectors to Germany and the UK, investment fell sharply in 2021 and hit a low in 2022.

A System Development Plan, which will focus on upgrading the electricity network (stations and line upgrades from 300 kilovolt [kV] to 420 kV), was published in 2023 after an extensive consultation process. The development plan emphasises the need for Statnett to

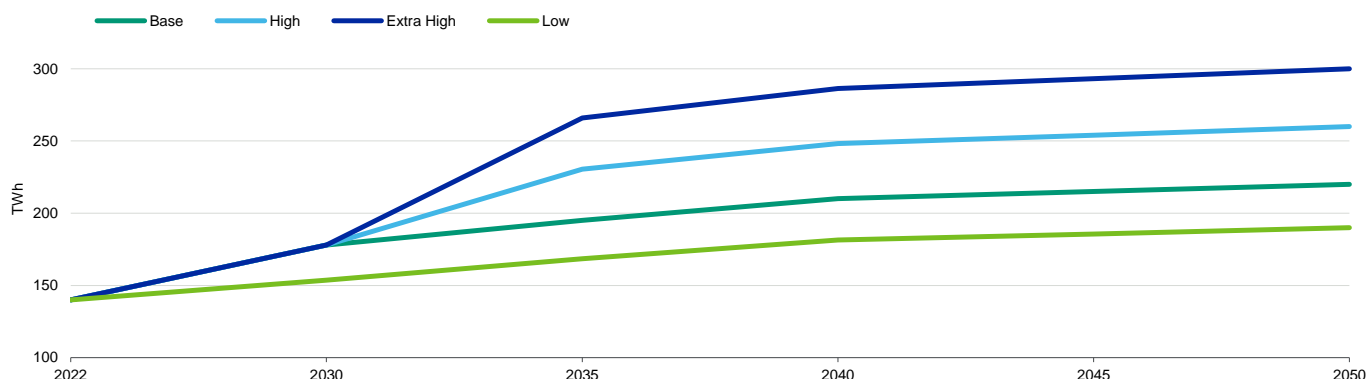
prepare the grid to achieve zero emissions by 2050 at a cost of NOK100 billion-NOK150 billion over a 10-year period. The investment is needed to support growth in Norway's electricity demand from 136 terawatt hours (TWh) in 2023 to as much as 260 TWh by 2050 and to support decarbonisation objectives by facilitating more grid connections, applications for which are increasing rapidly. As of December 2024, Statnett had reserved capacity for around 7.9 gigawatt (GW) of new consumption, whereas new applications for connection amounted to some 7 GW. Lack of interconnection within Norway has contributed to persistently large power price differentials within the region, as surplus power in the north cannot be transported to demand centres in the south. We expect this challenge to persist over the medium term.

Projected investments will increase sharply over the next three years, but are forecast to level out towards the end of the decade. However, Statnett also projects that high annual investments of more than NOK10 billion per year will be required until 2042. Like other European TSOs, Statnett is also exposed to cost inflation from suppliers, which add a degree of uncertainty on how costs may evolve over the medium term. In that regard, Statnett has increased its focus on cost optimisation through a new efficiency programme.

Norway has also set ambitious targets for future development of offshore wind, with a target of 30 GW to be developed by 2040. Following an auction for new capacity completed in March 2024, the radial connection (the cable that links the offshore wind farm to a point on the main power grid) will be owned by the developer. However, Statnett is preparing to connect up to 15 GW of offshore wind to the grid by 2040. The lead time for new offshore wind capacity is long, and we expect Statnett's offshore transmission investments to be limited in this decade.

Exhibit 6

Electricity consumption will increase significantly in all scenarios
Statnett's scenarios for the development of electricity consumption in Norway

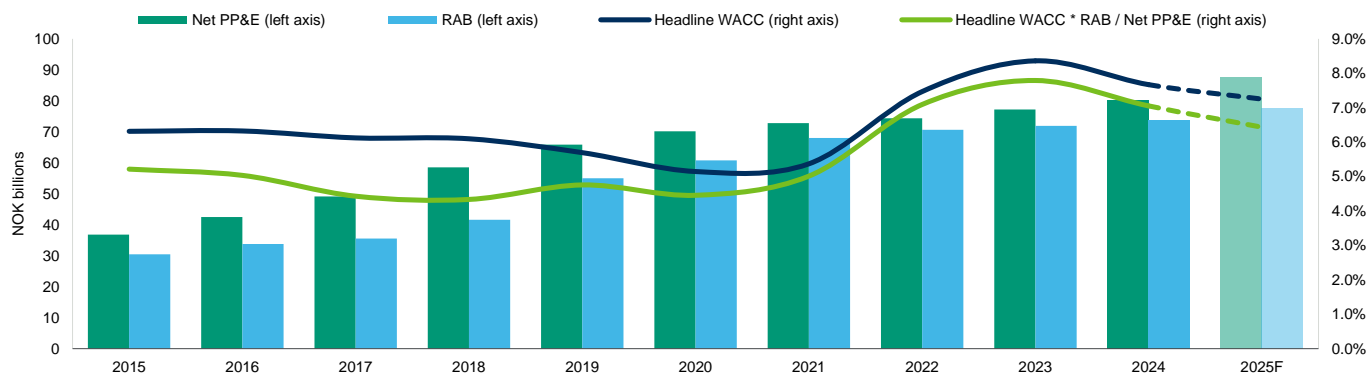


Source: Company reports

Statnett's RAB, excluding non-remunerated work in progress, amounted to around NOK74 billion as of December 2024. Over the next few years, planned investments are forecast to increase towards 17%-19% of RAB on an annual basis. Following the completion of the NSL interconnector in late 2021, and the decision of the Norwegian government to stop the construction of new interconnectors, future investments will carry lower execution risk than previous investment programmes. Nonetheless, the scaling up of investments could challenge the company's delivery capacity even if the work is less complex than interconnectors. The investment programme will exert some pressure on Statnett's FFO/net debt because assets only generate a return when they become operational and because increased operating costs, including early-stage development costs associated with the capital spending programme, are recovered with a two-year lag.

Exhibit 7

The differential between RAB, and property plant and equipment (PP&E) will again increase in tandem with a step-up in capital spending, increasing drag on returns



All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

Sources: Moody's Financial Metrics™, Company reports, NVE-RME and Moody's Ratings

Unprecedented congestion revenue reduced network tariffs in 2022 and 2023

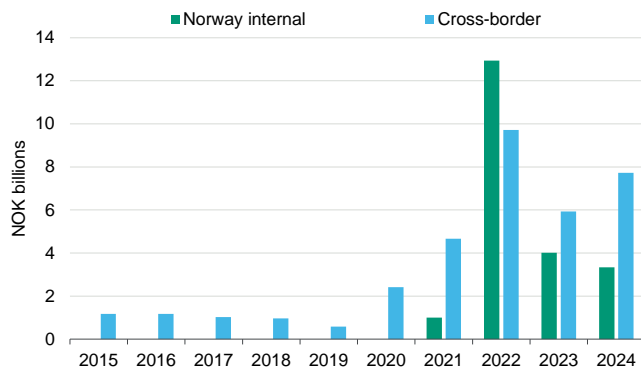
Statnett earns congestion revenue from electricity trades across international interconnectors and between the five Norwegian bidding zones. This revenue was negligible before 2020, when power price differentials between Norway and neighbouring countries started to increase. This growth continued in 2021 because of further increases in price differentials and the entry into service of NordLink and NSL. In 2022, sharp rises in European power prices and low reservoir levels in the south resulted in greatly increased congestion revenue on both the domestic and international interconnectors. As power prices decreased and price differentials narrowed, Statnett's congestion revenue declined substantially in 2023. Congestion revenue again increased during 2024 and reached NOK11.1 billion, up from NOK9.9 billion in 2023. This increase was mainly because of an increase in cross-border congestion revenue. Domestic congestion revenue decreased 30% over the period.

Under Statnett's regulatory framework, congestion revenue (less associated costs) reduces the base for tariffs to be collected from Norwegian customers. To slow the pace of over-recoveries, Statnett reduced the consumption tariff to zero from 1 April 2022 and the energy component to zero from 1 September 2022. The energy component was later increased again from 1 November 2022 because of regulatory constraints but was capped at NOK350 per megawatt-hour. In January 2024, Statnett reintroduced the consumption tariff as power prices declined.

In both 2022 and 2023, Statnett made direct payments to its customers of NOK5.9 billion and NOK2.6 billion, respectively. Although this mechanism remained in place for 2024, payments were sharply reduced to NOK781 million. The possibility of direct payouts to customers will remain in place also in 2025, but the payout is likely to remain below NOK1 billion.

Exhibit 8

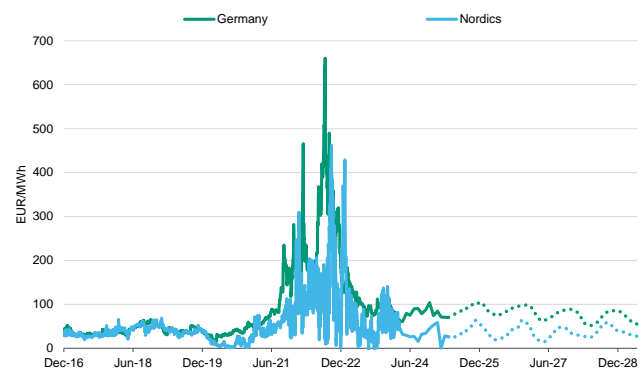
Congestion revenue has decreased significantly since the 2022 peak



Sources: Company reports and Moody's Ratings

Exhibit 9

Electricity price differential between the Nordics and neighbouring markets is likely to persist



Dotted lines represent futures prices for monthly contracts.
Sources: FactSet and Moody's Ratings

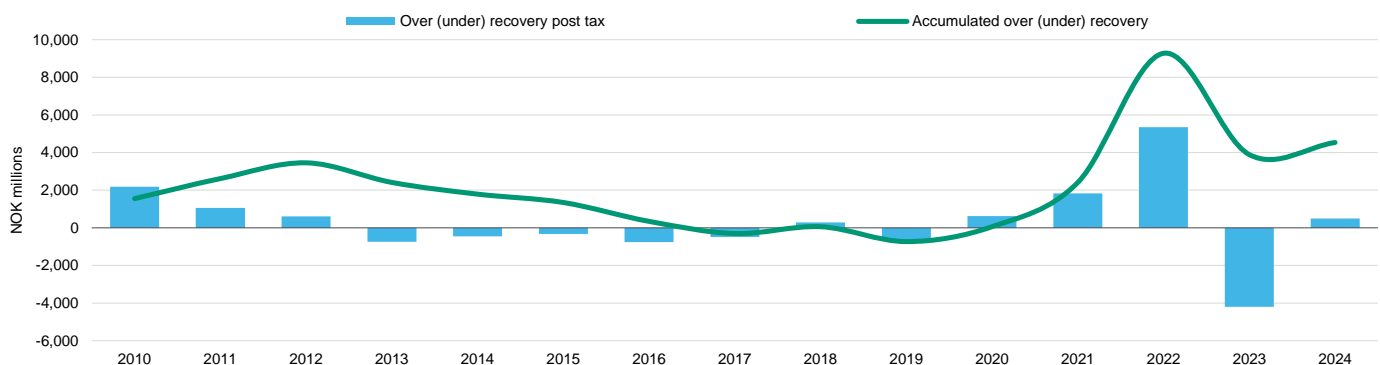
As of December 2024, Statnett's accumulated over-recoveries increased to NOK4.5 billion from NOK3.9 billion in 2023, although it was much smaller than the NOK9.3 billion recorded in 2022. Further payouts will depend on the evolution of energy prices and on future congestion revenue.

Timing differences between congestion revenue and customer rebates have created significant volatility in Statnett's FFO and credit metrics. In 2024, FFO/net debt increased to 10%, up from -1% in 2023. In 2022, the ratio was 24.5%. Our assessment of Statnett's credit quality focuses on underlying cash flow. In 2024, we estimate the underlying FFO/net debt was 8.5%, up from 7.2% in the prior year. For 2025, we expect Statnett's underlying FFO/net debt to temporarily deteriorate, mainly because of the ongoing high ancillary costs that Statnett continues to see. While ancillary costs are recovered over a two-year period, the current level of ancillary costs (NOK4.5 billion in 2024) is higher than the costs used for calculating the revenue cap (which applies 2023 costs). The future evolution of ancillary costs, which largely is correlated with increased level of volatility in power prices, adds a level of uncertainty over the future trajectory of Statnett's underlying credit metrics. In the event these costs stabilise, we expect underlying FFO/net debt to stabilise in the 8%-10% range over the coming years.

Statnett can decide to reverse tariff reductions at any time by way of a notification to the regulator. The short time lag between the notification and an eventual tariff increase limits strain on Statnett's liquidity.

Exhibit 10

Before 2022, allowed and actual revenue had been broadly in balance



Sources: Company reports and Moody's Ratings

Significant rating uplift from ownership by the Government of Norway

Statnett's A2 rating incorporates a three-notch uplift from its standalone credit quality (or BCA) of baa2 for potential state support. This is based on the credit quality of the Government of Norway, our assessment of moderate dependence between Statnett and the government, and a strong likelihood of Statnett receiving support.

The Norwegian government has a strong track record of supporting Statnett's large investment programme in recent years. In December 2013, when planned investment levels first rose significantly, the government approved a NOK3.25 billion equity injection, which was paid in 2014; no dividend for the 2013 accounting year; and a reduction in the dividend payout ratio to 25% of net income (from 50%) for the 2014-17 accounting years. The reduced payout ratio was extended to 2018, before returning to a target of 50%.

The government's November 2022 white paper on state ownership reaffirmed the enshrined commitment in law that only the government can own Statnett. *"The State's rationale for ownership in Statnett is that the company owns the transmission grid in Norway and is responsible for system operation. The State owns 100% of Statnett. The State's goal as owner is socioeconomically rational operation and development of the national transmission grid for electric power."*

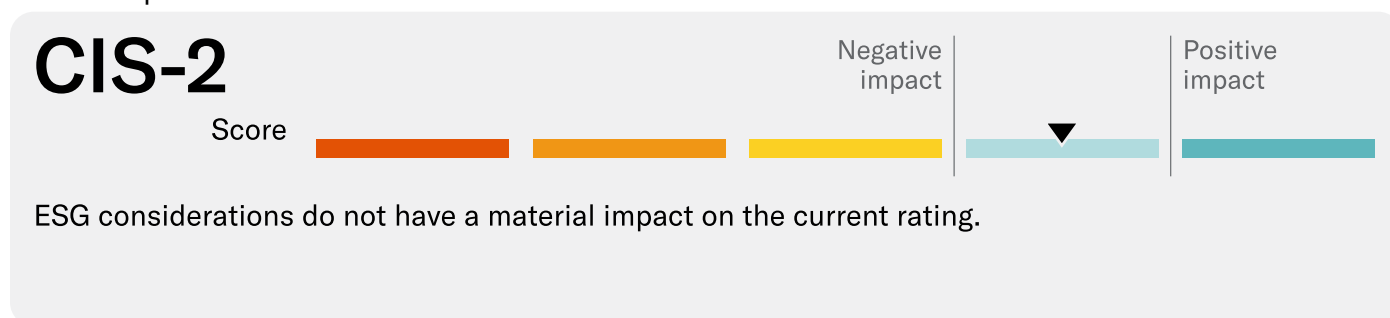
Statnett is classified as Category 2 in the white paper, which means *"the State's goal is sustainable and the most efficient possible attainment of public policy goals"*.

ESG considerations

Statnett SF's ESG credit impact score is CIS-2

Exhibit 11

ESG credit impact score

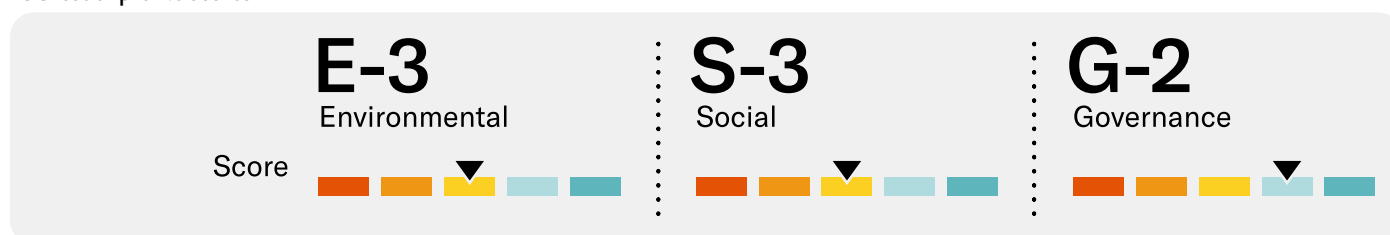


Source: Moody's Ratings

Statnett's **CIS-2** score reflects moderate environmental and social and low governance risks. The effect of ESG risks to the rating is mitigated by the expectation that its government shareholder would support the company if this were to become necessary.

Exhibit 12

ESG issuer profile scores



Source: Moody's Ratings

Environmental

Statnett's **E-3** score primarily reflects the risk that extreme weather events may result in interruptions to supply and higher operating costs. The number of faults on Statnett's network due to extreme weather events has fallen in recent years, but may increase if the frequency of severe storms rises. This risk is mitigated by the fact that the cost of energy not supplied has not been material to date,

despite several severe storms, and that the regulatory framework should allow such costs to be recoverable from customers in the subsequent regulatory period. Given the high penetration of renewables and of electrical heating and transportation in Norway, Statnett may face lower costs to reinforce and modernise its network than comparable networks in other countries. The Norwegian government is considering measures to reduce use and emissions of sulphur hexafluoride (SF6), a greenhouse gas used for electrical insulation, which is one of Statnett's largest emission sources. An environmental tax related to production and import of SF6 came into force from 1 January 2023.

Social

Statnett's **S-3** reflects the risk, common to all regulated utilities, that public concern over environmental, social or affordability issues could lead to adverse regulatory or political interventions. Statnett's allowed returns are high relative to networks in other EMEA countries. Norwegian electricity prices are among the lowest in the world, which reduces the risk of consumer activism and societal pressure.

Governance

Statnett's **G-2** reflects that the independence of Statnett's board, as a government-owned company, is relatively weak and that management may face competing priorities. Governance risks are balanced by other considerations associated with government ownership, including transparent reporting and oversight.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moody's.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Liquidity analysis

Statnett has good liquidity. The company has good access to the capital markets and benefits from unrestricted cash and cash equivalents of NOK11.2 billion as of 31 December 2024, and an NOK8.0 billion revolving credit facility, renewed in March 2023, which includes a NOK4 billion swingline loan, matures in March 2029 and contains no financial covenants.

In view of the increased capital spending, Statnett's net debt will increase substantially over the coming years. We expect Statnett to generate FFO of around NOK5 billion-NOK6 billion on average annually in the coming years. This will not be sufficient to cover the increased capital spending, which we forecast to be more than NOK10 billion in 2025 before gradually increasing towards NOK20 billion per year, and dividend payments.

The company's liquidity policy is to maintain sufficient liquidity reserves to fund operations and investments over a 12-month period without needing access to the capital markets.

Methodology and scorecard

We assess Statnett using our rating methodologies for Regulated Gas and Electric Networks and Government-Related Issuers. The forward view reflects underlying metrics, normalised for any under- or over-recovery of allowed revenue.

Exhibit 13

Rating factors

Statnett SF

Regulated Electric and Gas Networks Industry Scorecard			Current FY Dec-24		Moody's 12-18 month forward view	
Factor 1 : Regulatory Environment and Asset Ownership Model (40%)	Measure	Score	Measure	Score	Measure	Score
a) Stability and Predictability of Regulatory Regime	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
b) Asset Ownership Model	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
c) Cost and Investment Recovery (Ability and Timeliness)	A	A	A	A	A	A
d) Revenue Risk	Aa	Aa	Aa	Aa	Aa	Aa
Factor 2 : Scale and Complexity of Capital Program (10%)						
a) Scale and Complexity of Capital Program	Ba	Ba	Ba	Ba	Ba	Ba
Factor 3 : Financial Policy (10%)						
a) Financial Policy	Baa	Baa	Baa	Baa	Baa	Baa
Factor 4 : Leverage and Coverage (40%)						
a) FFO Interest Coverage (3 Year Avg)	3.4x	Baa	0.8x - 2.8x	B	0.8x - 2.8x	B
b) Net Debt / Fixed Assets (3 Year Avg)	60.8%	Baa	65% - 66%	Baa	65% - 66%	Baa
c) FFO / Net Debt (3 Year Avg)	10.7%	Ba	5.4% - 8.4%	Ba	5.4% - 8.4%	Ba
d) RCF / Net Debt (3 Year Avg)	9.4%	Baa	4.2% - 7.4%	Ba	4.2% - 7.4%	Ba
Rating:						
a) Scorecard-Indicated Outcome		Baa1			Baa3	
Government-Related Issuer						
a) Baseline Credit Assessment					Factor	
b) Government Local Currency Rating					baa2	
c) Default Dependence					Aaa	
d) Support					Moderate	
e) Actual Rating Assigned					Strong	
					A2	

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

Moody's forecasts are Moody's opinion and do not represent the views of the issuer.

Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 14

Peer comparison Statnett SF

	Statnett SF A2 Stable			American Transmission Company LLC A3 Stable			National Grid Electricity Transmission plc Baa1 Stable			ElectraNet Pty Ltd. Baa2 Stable		
(in \$ millions)	FY Dec-22	FY Dec-23	FY Dec-24	FY Dec-22	FY Dec-23	FY Dec-24	FY Mar-22	FY Mar-23	FY Mar-24	FY Jun-22	FY Jun-23	FY Jun-24
Revenue	2,323	1,042	1,703	751	819	911	2,782	2,396	3,438	300	304	351
EBITDA	1,234	194	790	579	627	n/a	2,185	1,904	2,836	218	226	266
Total Debt	4,665	5,005	5,478	2,898	3,029	3,330	12,151	12,842	12,941	1,808	1,928	2,021
Net Debt	4,305	4,693	4,494	2,898	3,029	n/a	12,134	12,842	12,936	1,806	1,926	n/a
(FFO + Interest Expense) / Interest Expense	10.1x	0.8x	2.8x	4.7x	4.7x	5.0x	4.7x	3.1x	4.8x	3.5x	2.7x	2.6x
Net Debt / Fixed Assets	57.0%	61.7%	63.5%	48.4%	48.1%	49.3%	63.7%	68.4%	62.7%	68.6%	66.4%	n/a
FFO / Net Debt	24.5%	-1.0%	10.2%	15.7%	16.3%	16.7%	13.8%	11.3%	17.2%	8.3%	6.5%	7.2%
RCF / Net Debt	22.8%	-1.6%	8.7%	9.1%	8.8%	9.7%	9.8%	8.4%	14.3%	7.1%	4.2%	5.0%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

Source: Moody's Financial Metrics™

Exhibit 15

Moody's-adjusted debt reconciliation Statnett SF

(in NOK millions)	2020	2021	2022	2023	2024
As reported debt	55,895.0	53,903.0	47,375.0	54,835.0	66,761.0
Pensions	275.0	266.0	247.0	270.0	282.0
Non-Standard Adjustments	(6,707.0)	(4,228.0)	(1,663.0)	(4,276.0)	(4,822.0)
Moody's-adjusted debt	49,463.0	49,941.0	45,959.0	50,829.0	62,221.0

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

Source: Moody's Financial Metrics™

Exhibit 16

Moody's-adjusted FFO reconciliation Statnett SF

(in NOK millions)	2020	2021	2022	2023	2024
As reported funds from operations (FFO)	5,615.0	7,690.0	9,424.0	62.0	5,758.0
Capitalized Interest	(260.0)	(120.0)	(176.0)	(249.0)	(353.0)
Alignment FFO	7.0	(85.0)	(118.0)	(299.0)	(202.0)
Cash Flow Presentation	135.0	50.0	7.0	14.0	22.0
Non-Standard Adjustments	-	(313.0)	1,250.0	-	-
Moody's-adjusted funds from operations (FFO)	5,497.0	7,222.0	10,387.0	(472.0)	5,225.0

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

Source: Moody's Financial Metrics™

Exhibit 17

Overview of select historical Moody's-adjusted financial data

Statnett SF

(in NOK millions)	2020	2021	2022	2023	2024
INCOME STATEMENT					
Revenue	10,522	13,944	22,243	10,994	18,305
EBITDA	7,066	8,080	11,812	2,043	8,487
EBITDA Margin	67.2%	57.9%	53.1%	18.6%	46.4%
EBIT	4,193	4,961	8,742	(1,248)	4,984
EBIT Margin	39.8%	35.6%	39.3%	-11.4%	27.2%
Interest Expense	908	702	1,145	2,205	2,951
Net income	2,591	3,323	5,923	(2,688)	1,599
BALANCE SHEET					
Total Debt	49,463	49,941	45,959	50,829	62,221
Cash & Cash Equivalents	2,073	3,018	3,546	3,172	11,186
Net Debt	47,390	46,923	42,413	47,657	51,035
Net Property Plant and Equipment	70,139	72,844	74,362	77,190	80,349
Total Assets	82,625	84,326	87,008	90,054	105,180
CASH FLOW					
Funds from Operations (FFO)	5,497	7,222	10,387	(472)	5,225
Cash Flow From Operations (CFO)	5,774	7,828	10,355	(768)	6,048
Dividends	1,261	1,039	737	296	793
Retained Cash Flow (RCF)	4,236	6,183	9,650	(768)	4,432
Capital Expenditures	(8,519)	(6,533)	(4,926)	(5,527)	(7,506)
Free Cash Flow (FCF)	(4,006)	256	4,692	(6,591)	(2,251)
INTEREST COVERAGE					
(FFO + Interest Expense) / Interest Expense	7.1x	11.3x	10.1x	0.8x	2.8x
LEVERAGE					
FFO / Net Debt	11.6%	15.4%	24.5%	-1.0%	10.2%
RCF / Net Debt	8.9%	13.2%	22.8%	-1.6%	8.7%
FCF / Net Debt	-8.5%	0.5%	11.1%	-13.8%	-4.4%
Debt / EBITDA	7.0x	6.2x	3.9x	24.9x	7.3x
Net Debt / EBITDA	6.7x	5.8x	3.6x	23.3x	6.0x
Net Debt / Fixed Assets	67.6%	64.4%	57.0%	61.7%	63.5%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

Source: Moody's Financial Metrics™

Ratings

Exhibit 18

Category	Moody's Rating
STATNETT SF	
Outlook	Stable
Issuer Rating	A2
Senior Unsecured	A2
ST Issuer Rating	P-1

Source: Moody's Ratings

© 2025 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved. CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at ir.moody.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V., I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Clasificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

