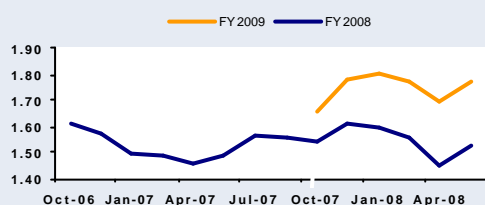


Date: 05/14/2008

Consensus Rating*: +1.13 (Acc.)

Previous rating	+1.07 (Acc.)
Stock price (in €)	28.75
High/low (52 weeks)	32.65/22.08
Market cap (in € m)	25,535.6
ISIN	FI0009007132
Reuters	FUM1V.HE
Bloomberg	FUM1V FH
Exchange	OMX
Sector	Utilities
Website	www.fortum.com
Coverage	15

Clean EPS Estimates in Euro

Change in Estimates (in Euro m)

	2008E old	2008 new	Change
Sales	5,312	5,402	1.7%
EBIT clean	1,926	1,945	1.0%
EBIT	1,926	1,953	1.4%
EPS clean	1.45	1.53	5.8%
EPS	1.47	1.52	3.4%

* Dividend yield refers to "core" dividend estimates
 Please note FY 2008 and 2009 figures include the TGC-10 acquisition (from 1.7.08 onwards)

*** Consensus Rating (CR):**
Classification:

Buy:	1.50 = CR < 2.00
Accumulate:	0.50 = CR < 1.50
Hold:	-0.50 < CR < 0.50
Reduce:	-1.50 = CR < -0.50
Sell:	-2.00 = CR < -1.50

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Fortum

Summary

Last outlook given by the company: At the beginning of April 2008, Fortum had hedged approximately 60% of the Power Generation segment's estimated Nordic electricity sales volume for the year 2008 at approximately EUR 45 per MWh. For the calendar year 2009, approximately 35% of the Power Generation segment's estimated Nordic electricity sales volume was hedged at approximately EUR 48 per MWh. These hedge ratios may vary significantly depending on Fortum's actions on the electricity derivatives markets. Hedge prices are also influenced by changes in the SEK/EUR exchange rates, as part of the hedges are conducted in SEK.

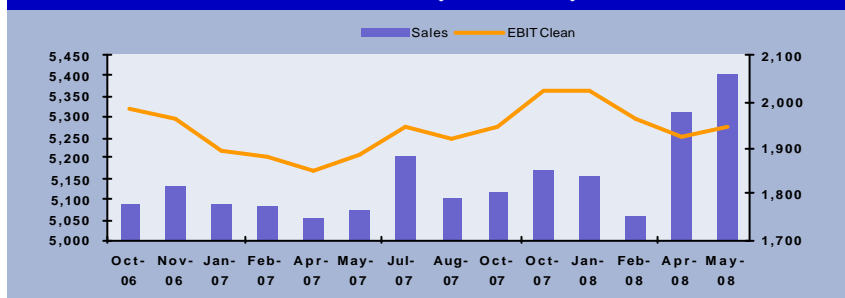
The acquisition of TGC-10 is expected to marginally dilute Fortum's EPS during 2008 and 2009. Fortum expects the full benefits of its targeted annual efficiency improvements in TGC-10 to reach at least EUR 30 million.

Price Targets in Euro

	Current	Previous	Change	Up-/Downside
Current price	28.75			
Highest	34.00	37.00	-8.1%	18.3%
Consensus	30.36	30.31	0.1%	5.6%
Median	30.00	29.25	2.6%	4.3%
Lowest	27.00	26.00	3.8%	-6.1%

Consensus Valuation

	EPS Clean	EBIT Clean	P/E	EV/Sales	EV/EBIT	Div. Yield*
2005	1.00	1,334	13.91	3.94	11.44	4.2%
2006	1.19	1,437	17.11	5.00	15.63	3.6%
2007	1.06	1,564	27.05	6.70	19.18	2.7%
2008e	1.53	1,945	18.78	5.55	15.42	4.0%
2009e	1.77	2,265	16.23	4.90	13.24	4.5%

FY 2008 Consensus Estimates (in Euro m)

Quarterly Development (in Euro m)
