



Vattenfall Q1 Results 2024

30 April 2024



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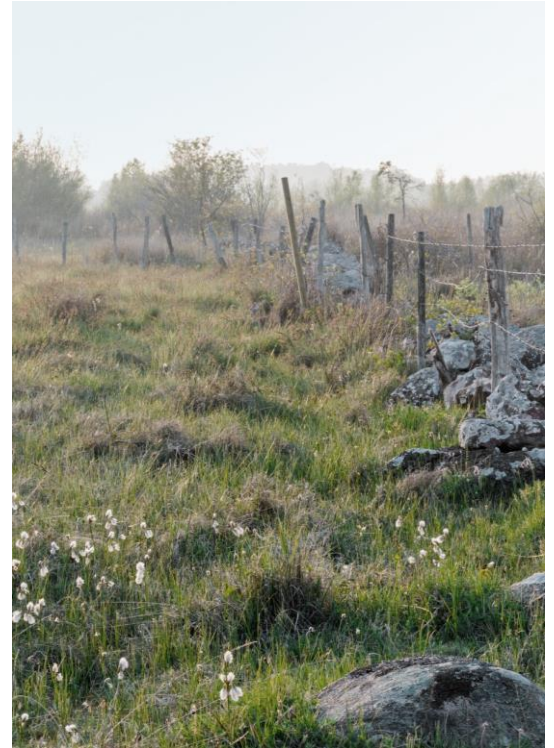
Vattenfall Q1 Results 2024

In brief

- Vattenfall completed the sale of the Norfolk Offshore Wind Zone in the UK and reports a capital gain of SEK 4.6 billion
- Completion of the offshore wind farm Vesterhav Nord in Denmark
- Vattenfall and Borealis have signed a 10-year hydropower purchase agreement contributing to reduced CO₂ emissions
- The feasibility study on new nuclear has been completed and shows favourable conditions for new construction at Ringhals
- New long-term Power Purchase Agreements signed for solar projects in Germany
- Vattenfall has initiated the work to connect SSAB's electric arc furnace in Oxelösund to the electricity grid

Events after the balance sheet date

- Vattenfall has signed a purchase agreement with BASF for 49% of Nordlicht 1 and 2 offshore wind farms in the German North sea
- Underlying EBIT increased by SEK 4.3 bn to SEK 13.9 bn
 - Mainly due to higher achieved prices in the Nordics, as well as higher volumes from nuclear, wind and hydro power
 - Profit for the period increased by SEK 5.1 bn to SEK 16.9 bn
 - Mainly driven by higher EBIT



Vattenfall Q1 Results 2024

Overview

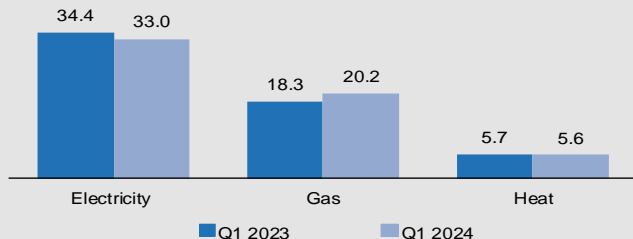
Result development

SEK BN	Q1 2024	Q1 2023	Δ
Net Sales	76.5	96.8	-21%
EBITDA	26.5	21.3	25%
Underlying operating profit (EBIT)	13.9	9.5	45%
EBIT	20.8	16.3	27%
Profit for the period	16.9	11.8	43%

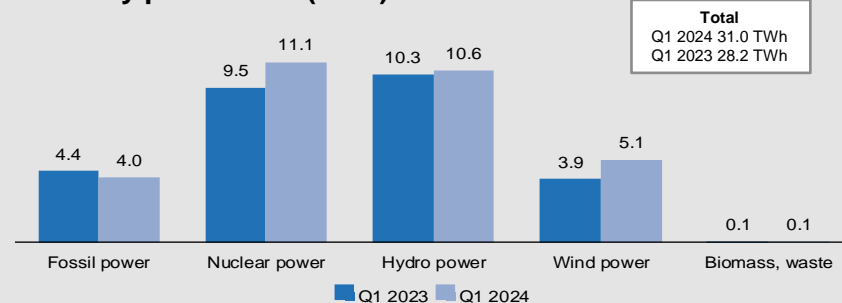
Financial targets

	Q1 2024	Q1 2023
Return on capital employed (≥8%)	6.6%	5.4%
FFO/adjusted net debt (22-27%)	26.8%	39.6%

Customer sales (TWh)



Electricity production (TWh)



Customers & Solutions

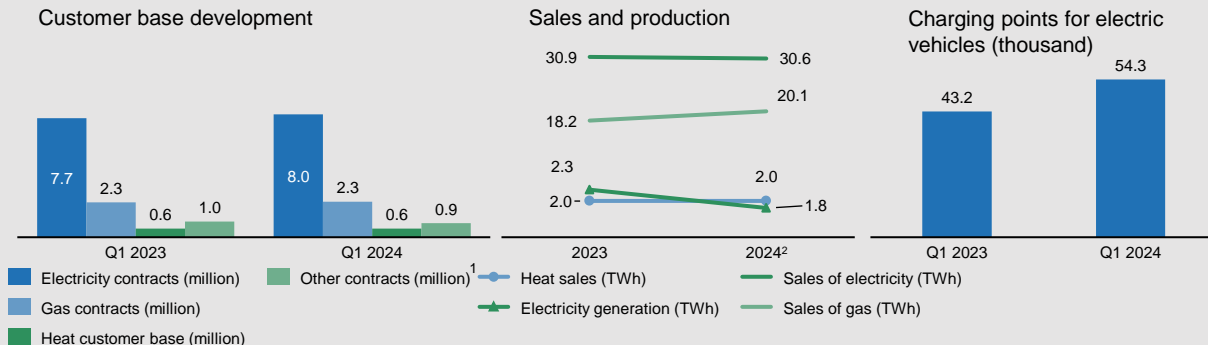
New customer solutions and further steps towards decarbonisation

Highlights

SEK million	Q1 2024	Q1 2023
Net Sales	61,634	85,922
Underlying operating profit	1,881	2,436
-of which heat operations	657	1,644

- Net sales decreased by 28% compared to the first quarter 2023. Underlying operating profit decreased by 23% largely driven by Dutch heat operations: lower heat revenues following lower gas prices as well as an unfavorable clean spark spread development, partially offset by increasing customer base in Germany
- The customer base decreased by 2% compared to the end of 2023 to 12 million contracts due to the sale of Vindstød. Excluding this effect slight growth driven by the German customer base
- Vattenfall and Borealis have signed a 10-year hydropower purchase agreement contributing to reduced CO₂ emissions
- Proposed as preferred bidder for heat network solution in Edinburgh

Key data



¹ Other includes Vindstød and Feenstra contracts

Power Generation

Increased underlying results following higher achieved prices and higher volumes

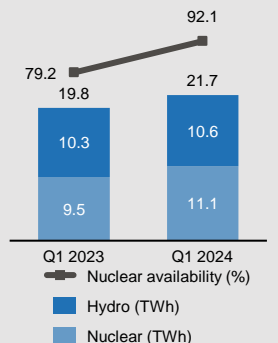
Highlights

SEK million	Q1 2024	Q1 2023
Net Sales	51,320	74,037
Underlying operating profit	6,483	3,772

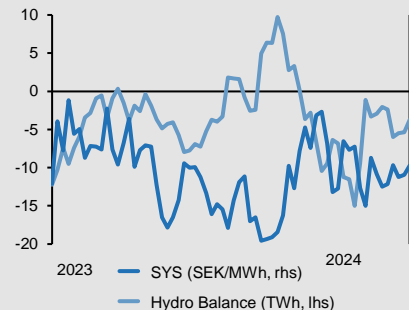
- Net sales decreased by 31%. Underlying operating profit increased by 72% mainly due to positive price effects from Nordic hedges which more than offset the lower price in the Nordics, higher production volumes in nuclear and Nordic hydro power, and slightly higher realised trading result
- Nuclear power generation increased during the first quarter of 2024 driven by good availability. The hydro power production continued to be stable with slightly higher volumes compared the first quarter 2023
- The feasibility study on new nuclear has been completed and shows favourable conditions for new construction at Ringhals
- Two new long-term Power Purchase Agreements signed for solar projects in Germany

Key data

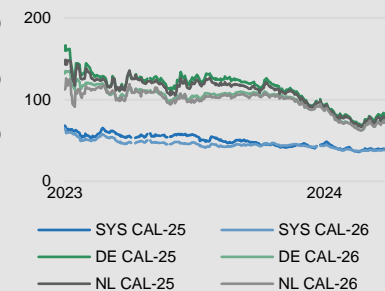
Production and availability



Nordic hydro balance and system price



Electricity futures prices (EUR/MWh)



Wind

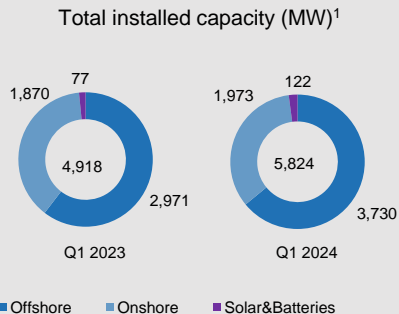
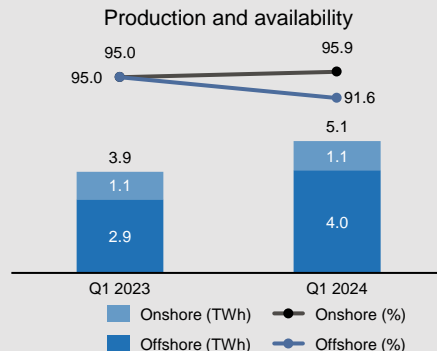
Improved results and progress within wind power

Highlights

SEK million	Q1 2024	Q1 2023
Net Sales	5,851	6,291
Underlying operating profit	2,603	2,393

- Net sales decreased by 7% compared to 2023. Underlying operating profit increased by 9% driven mainly by higher volumes and lower costs
- Electricity generation increased by 32%, driven by higher volumes from new wind farms Hollandse Kust Zuid and Vesterhav Syd as well as higher volumes from Offshore Germany
- The sale of the Norfolk Offshore Wind Zone in the UK to RWE was completed in March and a capital gain of SEK 4.6 billion was recorded
- In February, all 21 wind turbines of the Vesterhav Nord Offshore wind farm were connected to the electricity grid
- During March, the final turbine of the Windplan blauw wind farm (123 MW capacity) was installed

Key data



¹ Added capacity during the last 12 months amounted to 906 MW and is mainly attributable South Kyle (101 MW of 240 MW), Hollandse Kust Zuid (641 MW of 1,520 MW) and Vesterhav (118 of 344 MW)

Distribution

Continued growth and decision regarding revenue frames for the period 2024–2027

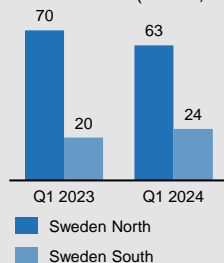
Highlights

SEK million	Q1 2024	Q1 2023
Net Sales	4,222	3,859
Underlying operating profit	1,138	1,356

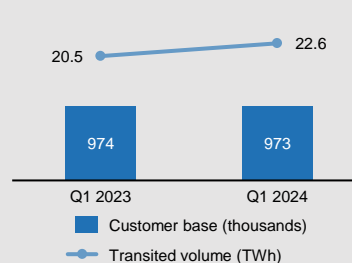
- Net sales increased by 9% compared with 2023. The underlying operating profit decreased by 16%, mainly driven by higher costs for the transmission network and higher personnel costs due to growth
- Vattenfall has clarified the prerequisites for allocation of capacity in line with Svenska Kraftnät's guidance
- Advanced notice from Svenska kraftnät of additional allocated capacity in northern Norrland and in the Skaraborg area
- Vattenfall has initiated the work to connect SSAB's electric arc furnace in Oxelösund to the electricity grid
- Decision received regarding the revenue frames for the period 2024-2027. The discount rate applied for the period is 4.53%

Key data

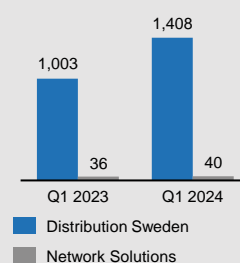
Service level (SAIDI, min)¹



Customers and volumes



Investments in electricity grids (SEK mn)



¹ All outages longer than 1 second in medium and low voltage networks are included. Vattenfall's Swedish network covers both urban areas and large rural areas.

Financials



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Vattenfall Q1 Results 2024

Financial highlights

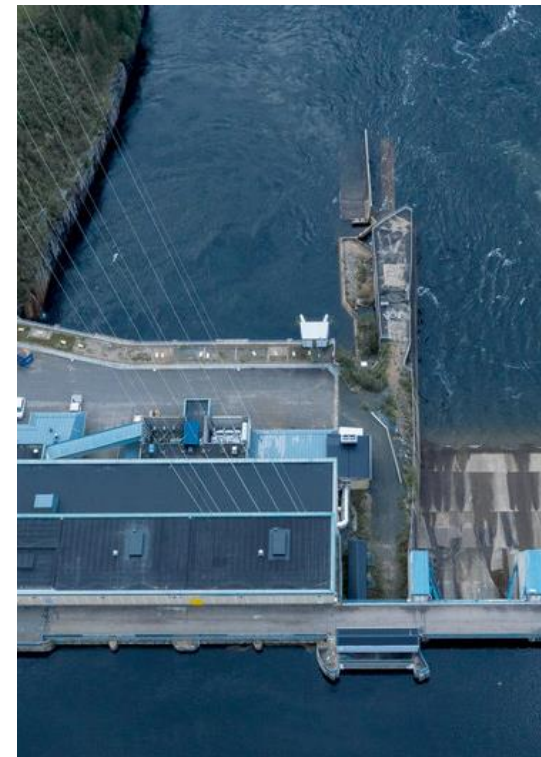
Key data

SEK bn	Q1 2024	Q1 2023
Net Sales	76.5	96.8
EBITDA	26.5	21.3
Underlying operating profit (EBIT)	13.9	9.5
EBIT	20.8	16.3
Profit for the period	16.9	11.8
Funds from Operations (FFO)	15.5	11.8
Cash flow operating activities	6.7	-32.2
Net debt	53.7	41.1
Adjusted net debt	126.0	115.2
Adjusted net debt/EBITDA (times)	2.8	3.3
Financial targets		
ROCE ¹ (≥8%)	6.6	5.4
FFO/adjusted net debt ¹ (22-27%)	26.8	39.6

¹ Rolling 12-month

Key developments

- Net sales decreased by SEK 20.3 bn to SEK 76.5 bn due to lower electricity and gas prices within customer sales
- Underlying EBIT increased by SEK 4.3 bn to 13.9 bn explained mainly by higher achieved prices in the Nordics as well as higher volumes from nuclear, wind and hydro power. Profit for the period increased by SEK 5.1 bn to SEK 16.9 bn, mainly due to higher EBIT
- ROCE increased to 6.6%, driven by higher EBIT. Based on underlying operating profit, ROCE was 7.5%
- FFO/Adjusted net debt based on rolling 12-month figures decreased to 26.8% which is at the upper range of our target interval. This is a result of lower underlying EBITDA as well as higher paid tax and slightly higher adjusted net debt

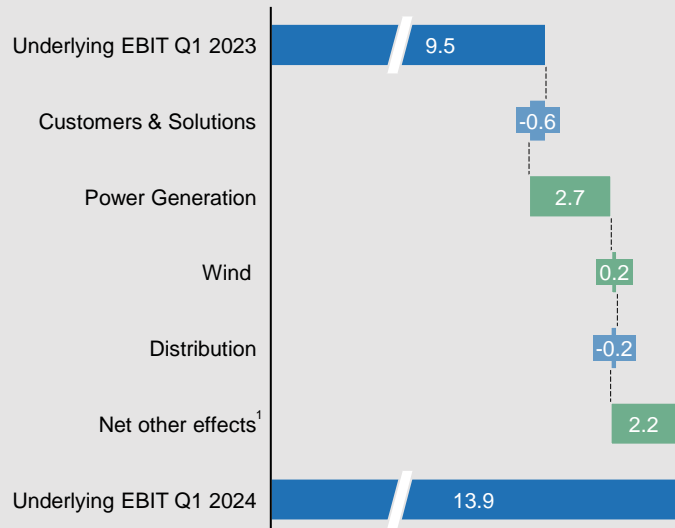


Development of underlying EBIT Q1 2024

Increase in earnings mainly due to higher achieved prices

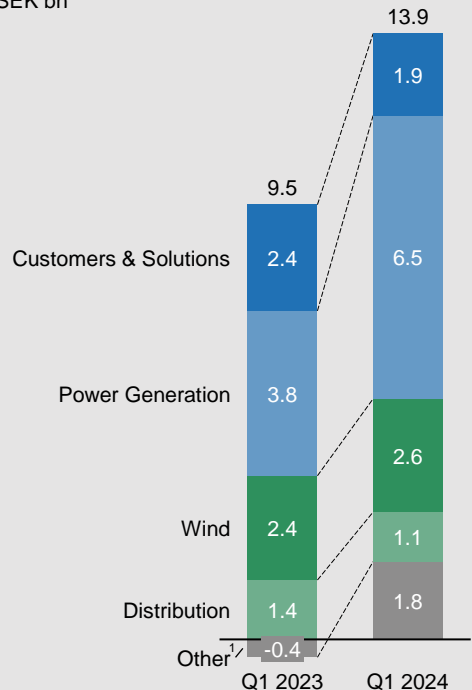
Change in Q1 2024 vs. Q1 2023

SEK bn



Breakdown per operating segment

SEK bn



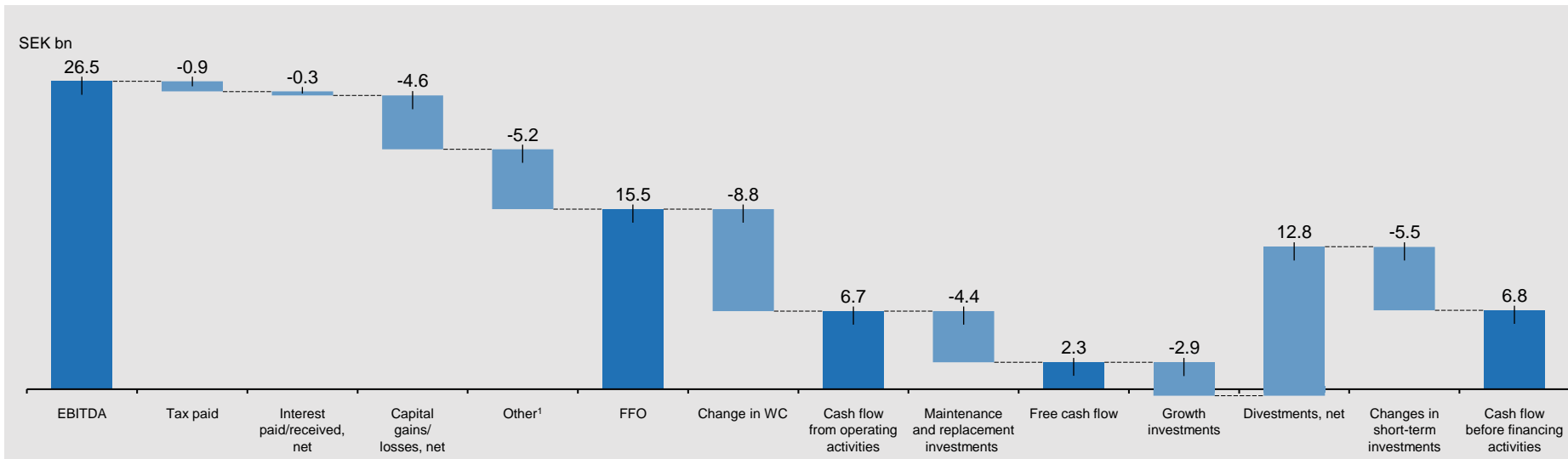
Highlights

- Customers & Solutions: lower heat revenues following lower gas prices as well as an unfavorable clean spark spread development
- Power Generation: higher results from Nordic hedges offsetting the lower electricity prices in the Nordics, as well as higher production volumes from nuclear power
- Wind: higher volumes from Offshore wind farms Hollandse Kust Zuid in Netherlands and Vesterhav in Denmark and higher subsidies for German Offshore wind farms compensated for lower electricity prices
- Distribution: higher costs for the transmission network as well as higher personnel costs due to growth
- Other: favourable clean spark spread impacting the heat business in Berlin to be divested during the second quarter of 2024

¹ "Other" pertains mainly to all Staff functions, including Treasury, Shared Service Centres and capital gains and losses from divestment of shares. As of 1 January 2024, the heat operations in Berlin is included in Other.

Cash flow development Q1 2024

Negative working capital development mainly driven by the operating segments Customers & Solutions and Power Generation



Main effects

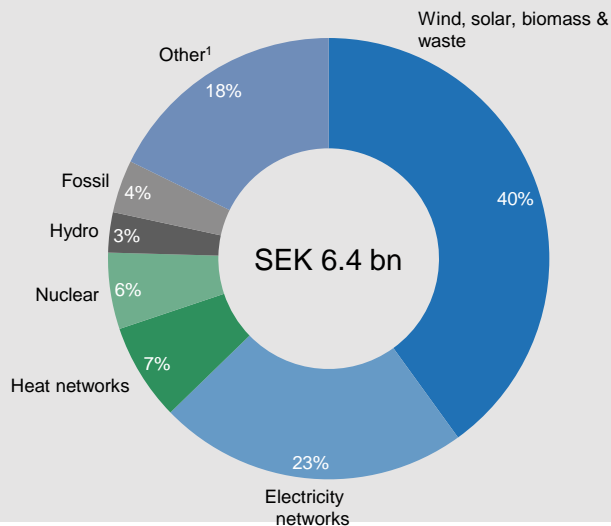
Change in working capital mainly driven by increased working capital in operating segment Customers & Solutions (SEK -5.7 bn), Power Generation (SEK -4.9bn), and from the heat business in Berlin (SEK -3.6 bn). This was partly offset by changes related to net change in margin calls (SEK +6.6 bn).

¹ "Other" includes non-cash items included in EBITDA, mainly changes in fair value of commodity derivatives

Capital expenditures

Majority of investments directed to renewables and electricity networks

Investments per category, Q1 2024



Detailed overview of investments, Q1 2024

SEK bn	Q1 2024	Q1 2023		FY 2023
Hydro	0.2	0.1	29%	0.9
Nuclear	0.4	0.4	1%	1.7
Fossil	0.2	0.1	119%	1.2
Wind, solar, biomass & waste	2.6	6.1	-58%	19.8
Electricity networks	1.4	1.0	39%	6.9
Heat networks	0.5	0.3	68%	1.7
Other	1.1	0.9	21%	4.9
Total	6.4	8.9	-29%	37.1

¹ Mainly pertains to investments in Heat Berlin and immaterial assets

Overview of key figures Q1 2024

Amounts in SEK bn unless indicated otherwise	Q1 2024	Q1 2023	FY 2023	Last 12 months
Net sales	76.5	96.8	290.2	269.9
EBITDA	26.5	21.3	39.7	44.9
EBIT	20.8	16.3	17.0	21.4
Underlying operating profit (EBIT)	13.9	9.5	20.0	24.3
Profit for the period	16.9	11.8	10.4	15.5
Electricity generation (TWh)	31.0	28.2	100.9	103.7
Sales of electricity (TWh)	45.4	45.7	168.0	167.7
- of which, customer sales (TWh)	33.0	34.4	125.9	124.5
Sales of heat (TWh)	5.6	5.7	13.5	13.4
Sales of gas (TWh)	20.2	18.3	44.5	46.4
Return on capital employed (≥8%)	6.6 ¹	5.4 ¹	5.3	6.6
FFO/adjusted net debt (22-27%)	26.8 ¹	39.6 ¹	21.5	26.8



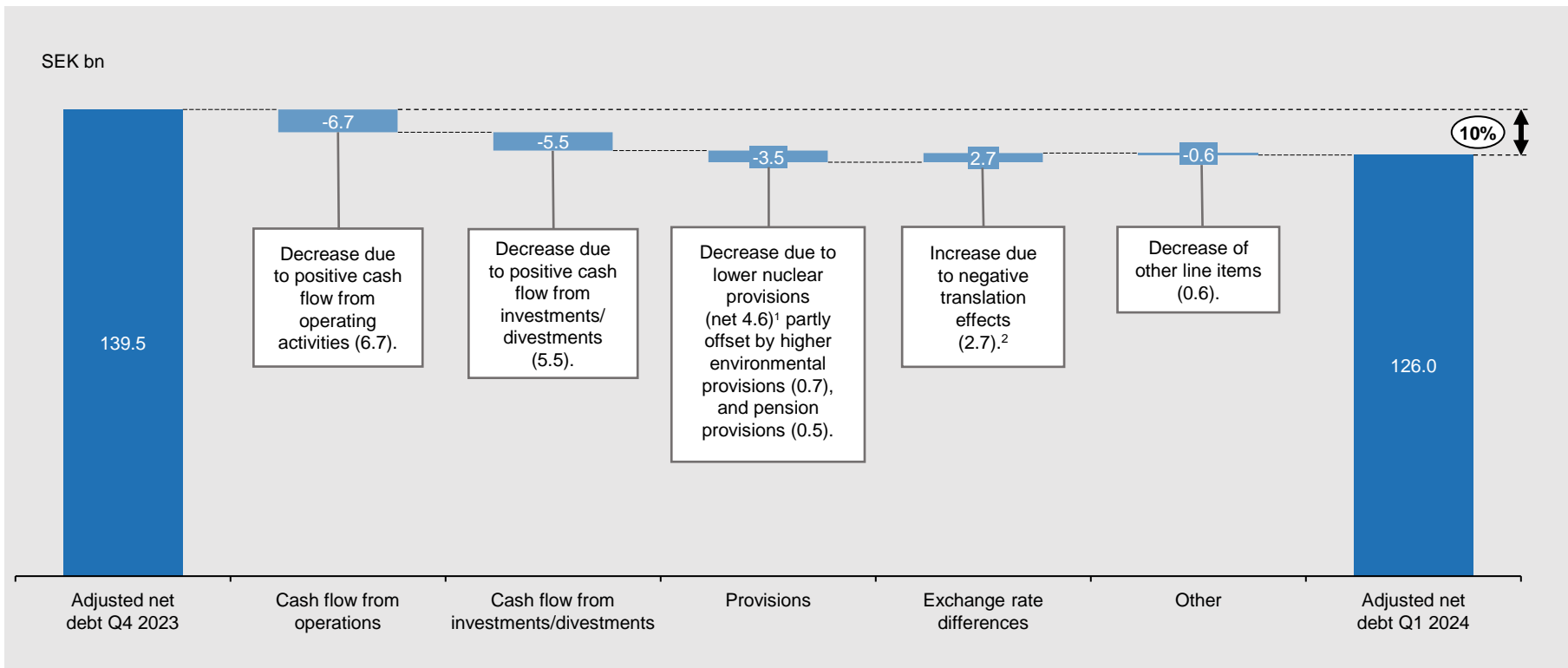
Appendix



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Development of adjusted net debt YTD 2024

Adjusted net debt decreased mainly due to positive cashflow from operating activities and divestments.

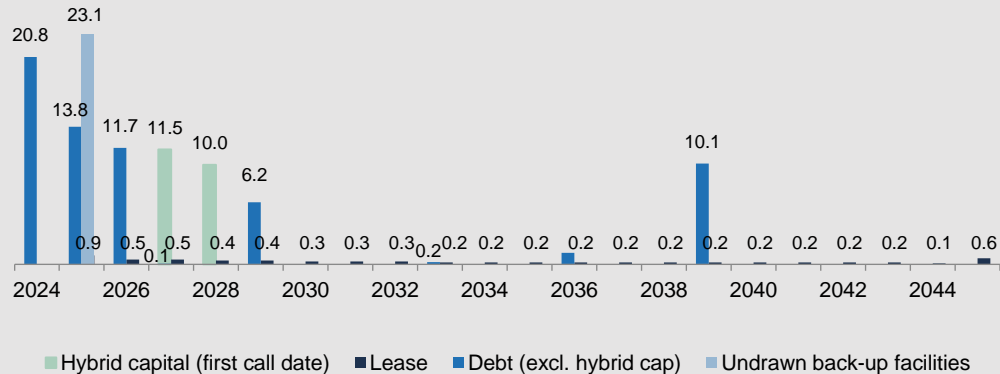


¹ Nuclear provision decreased net by SEK 4.6 bn, whereof in Sweden by 5.2, mainly due to increase in discount rate (4.0) and higher return from nuclear waste fund (0.8), in Germany provisions increased by 0.6 mainly due to negative translation effects.

² SEK weakened against EUR (from 11.10 to 11.52); translation of EUR denominated net debt into SEK leads to increase in adjusted net debt.

Debt maturity profile¹

SEK bn



	31 Mar. 2024	31 Dec. 2023
Duration (years)	3.7	3.5
Average time to maturity (years)	3.8	4.2
Average interest rate (%)	3.9	3.9
Net debt (SEK bn)	53.7	68.4
Available group liquidity (SEK bn)	56.5	46.8
Undrawn committed credit facilities (SEK bn)	23.1	33.3

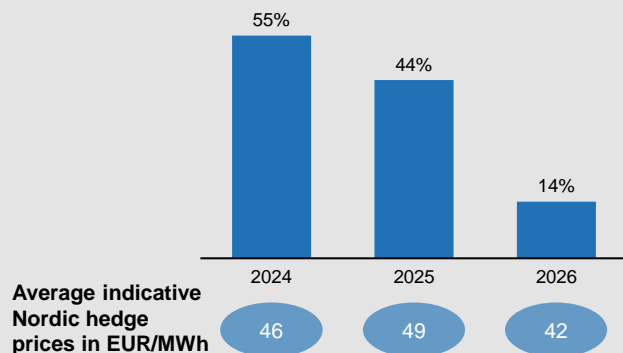
Cumulative maturities excl. undrawn back-up facilities

	2024-2026	2027-2029	From 2030
Debt incl. hybrid capital	48.1	29.0	15.0
<i>% of total</i>	52%	32%	16%

¹ Short term debt (Commercial paper and Repo's: 12.7), loans from associated companies, minority owners, margin calls received (CSA) and valuation at fair value are excluded.
Currency derivatives for hedging debt in foreign currency are included.

Price hedging

Estimated Nordic¹ volume hedge ratio (%) and indicative prices



Achieved prices² - Nordic portfolio, EUR/MWh

Q1 2024	Q1 2023	FY 2023
49	40	37

Vattenfall's hedging strategy has the objective to stabilize profits over time by selling parts of the planned production in the forward markets. The main exposure arise from outright power in the Nordics (nuclear and hydro), with a growing exposure in wind both in the Nordics and on the Continent/UK. Hedging is mainly based on the Nordic system price (SYS) while delivery takes place in the price areas where generation assets are located. The achieved price in the first quarter 2024 increased due to Nordic hedges and lower price area differentials

¹ Nordic: SE, DK, FI

² Achieved prices from the spot market and hedges. Includes Nordic (SE, DK, FI) hydro, nuclear and wind power generation

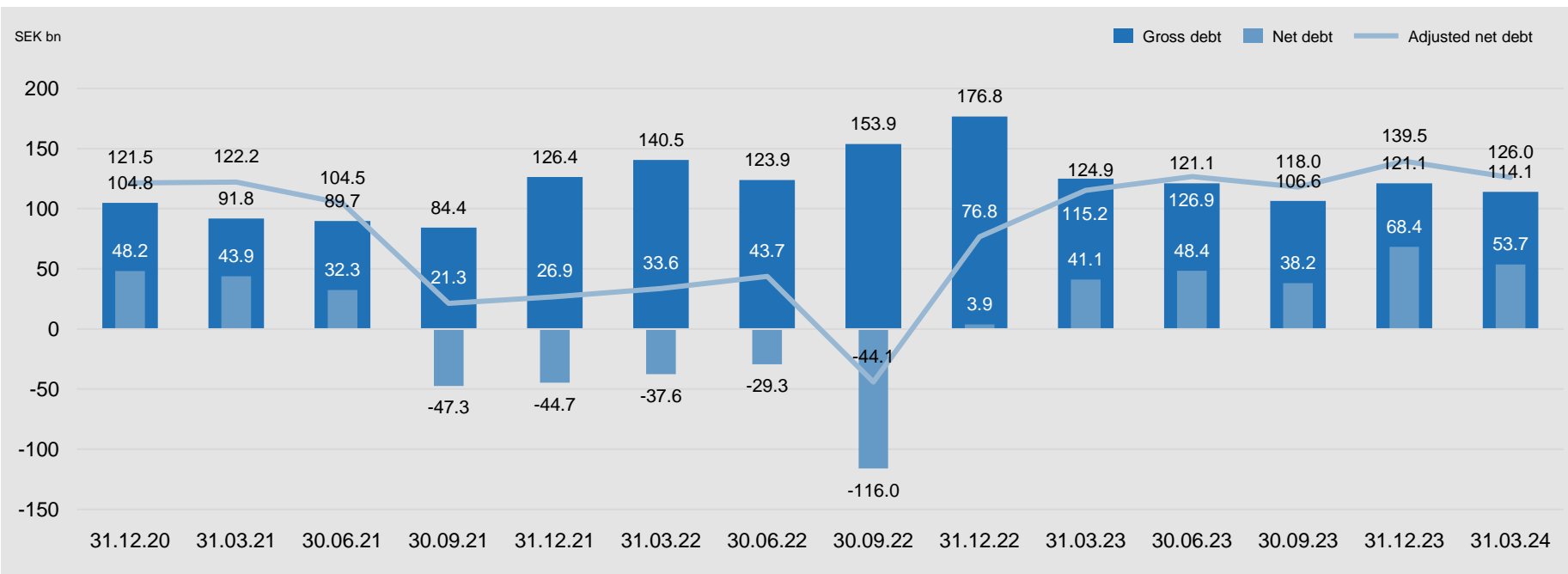
Liquidity position

Group liquidity	SEK bn	Committed credit facilities	Facility size, EUR bn	SEK bn
Cash and cash equivalents	30.9	RCF (2025)	2.0	23.1
Short term investments	29.0	Total undrawn		23.1
Reported cash, cash equivalents & short-term investments	59.9			
		Debt maturities²		SEK bn
Unavailable liquidity ¹	-3.3	Within 90 days		33.5
Available liquidity	56.5	Within 180 days		33.5

¹ German nuclear "Solidarvereinbarung" 1.1 SEK bn, Margin calls paid (CSA) 1.4 SEK bn, Insurance "Provisions for claims outstanding" 0.8 SEK bn.

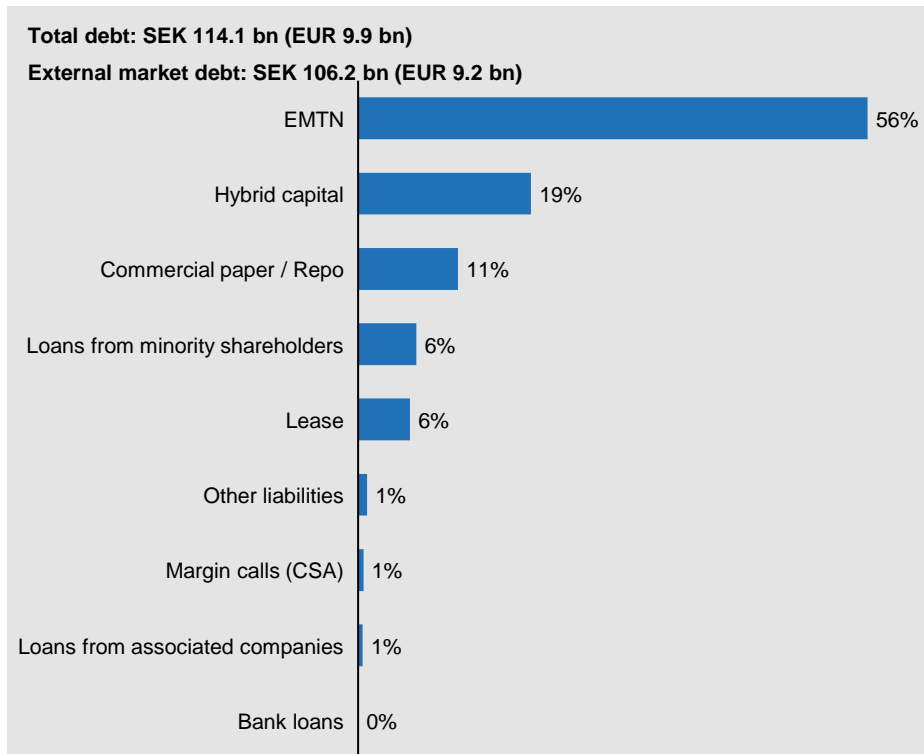
² Excluding loans from minority owners and associated companies.

Debt development



Net debt decreased by SEK 14.7 bn to SEK 53.7 bn compared with the level at 31 December 2023. Adjusted net debt decreased by SEK 13.5 bn to SEK 126.0 bn compared with the level at 31 December 2023. For the calculation of adjusted net debt, see slide 22.

Breakdown of gross debt



Debt issuing programmes	Size (EUR bn)	Utilization (EUR bn)
EUR 10bn Euro MTN	10.0	5.5
EUR 10bn Euro CP	10.0	1.2
Total	20.0	6.7

- All public debt is issued by Vattenfall AB.
- The main part of debt portfolio has no currency exposure that has an impact on the income statement. Debt in foreign currency is either swapped to SEK or booked as hedge against net foreign investments.
- No structural subordination.

¹ EMTN= Euro Medium Term Notes

Reported and adjusted net debt

Reported net debt (SEK bn)	31 Mar. 2024	31 Dec. 2023	Adjusted net debt (SEK bn)	31 Mar. 2024	31 Dec. 2023
Hybrid capital	21.8	21.0	Total interest-bearing liabilities	114.1	121.1
Bond issues and liabilities to credit institutions	63.9	62.0	50% of Hybrid capital	-10.9	-10.5
Commercial papers and Repos	12.7	20.1	Present value of pension obligations	28.6	28.1
Liabilities to associated companies	0.5	0.7	Wind & other environmental provisions	16.1	15.4
Liabilities to minority shareholders	7.4	10.1	Provisions for nuclear power (net)	41.4	46.0
Lease liabilities	6.5	6.3	Margin calls received	-0.6	-0.3
Other liabilities	1.4	1.0	Liabilities to minority owners due to consortium agreements	-7.4	-10.1
Total interest-bearing liabilities	114.1	121.1	Adjustment related to assets/liabilities held for sale	1.2	-3.4
Reported cash, cash equivalents & short-term investments	59.9	52.3	= Adjusted gross debt	182.5	186.9
Loans to minority owners of foreign subsidiaries	0.5	0.4	Reported cash, cash equivalents & short-term investments	59.9	52.3
Net debt	53.7	68.4	Unavailable liquidity	-3.3	-5.4
			= Adjusted cash, cash equivalents & short-term investments	56.5	46.8
			= Adjusted net debt	126.0	139.5

Nuclear provisions

Reactor ¹	Net capacity (MW)	Start (year)	Vattenfall share (%)	Vattenfall provisions, SEK bn (IFRS accounting)	Vattenfall provisions, SEK bn (pro rata)	Sw nuclear waste fund SEK bn (Vattenfall pro rata share)
Ringhals 1	879	1976	70.4			
Ringhals 2	809	1975	70.4			
Ringhals 3	1,070	1981	70.4			
Ringhals 4	942	1983	70.4	Total Ringhals: 40.2	Total Ringhals: 40.2²	
Forsmark 1	984	1980	66.0			
Forsmark 2	1,120	1981	66.0			
Forsmark 3	1,170	1985	66.0	Total Forsmark: 37.2	Total Forsmark: 24.6	
Total Sweden	6,974	-		81.1³	66.7³	43.5⁴
Brunsbüttel	771	1977	66.7	11.8	7.9	
Brokdorf	1,410	1986	20.0	0	3.3	
Krümmel	1,346	1984	50.0	8.0	8.0	
Stade ⁵	640	1972	33.3	-	0.3	
Total Germany	4,167	-	-	19.8	19.5	
Total SE & DE	11,141			101.0	86.3	

¹ Five reactors are in commercial operation in Sweden; Ringhals 3 & 4 and Forsmark 1, 2 & 3. Ringhals 1 & 2 and all reactors in Germany are taken out of commercial operation. Stade is being dismantled.

² Vattenfall is 100% liability of Ringhals decommissioning, while owning only 70.4%

³ Total provisions in Sweden (IFRS accounting) include provisions of SEK 0.3 bn (pro rata SEK 0.3 bn) related to Ägesta, SEK 3.1 bn (pro rata SEK 1.7 bn) related to SVAFO and SEK 0.3 bn (pro rata SEK 0.0 bn) related to SKB.

⁴ Vattenfall's share of the Nuclear Waste Fund. IFRS consolidated value is SEK 53.2 bn.

Impairments and items affecting comparability

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months	Major items Q1 2024
Items affecting comparability	6,871	6,787	- 3,014	- 2,930	<ul style="list-style-type: none"> • Capital gain (SEK 4.6 bn) mainly related to the sale of Norfolk Offshore Wind Zone in the United Kingdom • Unrealised changes in the fair value of energy derivatives and inventories, SEK 2.2 bn
- of which, capital gains	4,639	298	240	4,581	
- of which, capital losses	- 7	- 3	- 184	- 188	
- of which, impairment losses	- 958	—	- 6,520	- 7,478	
- of which, reversed impairment losses	—	—	4,161	4,161	
- of which, provisions	1,017	944	1,243	1,316	
- of which, changes in the fair value of energy derivatives	2,059	6,204	- 1,594	- 5,739	
- of which, changes in the fair value of inventories	121	- 656	- 662	115	
- of which, other non-recurring items affecting comparability	—	—	302	302	













Impairment losses and reversed impairment losses









- Discussions with the State of Berlin during Q1 2024 led to an adjustment of the expected purchase price which resulted in an impairment of Assets held for sale related to Heat Berlin amounting to SEK 958 million.
- No previously recognised impairment losses have been reversed in the income statement.














Wind & Solar - Installed capacity (MW¹) Q1 2024






	Solar	Onshore	Offshore	Batteries	Total
United Kingdom	-	623	686	55	1.364
Denmark	-	196	1.287	-	1.483
The Netherlands	65	509	1.010	-	1.584
Sweden	-	638	110	-	748
Germany	2	7	636	-	645
Total (MW)	67	1.973	3.730	55	5.824



















 Batteries
 Solar
 Onshore
 Offshore

United Kingdom	
 Thanet	300
 Ormonde (51%)	150
 Aberdeen	97
 Kentish Flats	90
 Kentish Flats Extension	50
 South Kyle (0%, AMA ²)	240
 Pen Y Cymoedd	228
 Ray	54
 Edinbane	41
 Clashindarroch	37
 Swinford	22
 Battery@Ray	55
Installed capacity (MW)	1.364

Sweden	
 Lillgrund	110
 Blakliden + Fåbodberget (30%)	353
 Stor-Rotliden	78
 Grönhult (0%, AMA ²)	67
 Högabjär-Kårsås (50%)	38
 Höge Våg (50%)	37
 Hjuleberg (50%)	36
 Juktan (50%)	29
Installed capacity (MW)	748

Denmark	
 Kriegers Flak	605
 Horns Rev 3	407
 Horns Rev 1 (60%)	158
 Vesterhav	118
 Klim (98%)	67
 Nørrekær Enge 1 (99%)	30
 Rejsby Hede	23
 Hagesholm	23
 Tjæreborg Enge	17
 Bajlum (89%)	15
 DræbyFed	9
 Ejsing (97%)	7
 Lyngmose	5
Installed capacity (MW)	1.483

Germany	
 DanTysk (51%)	288
 Sandbank (51%)	288
 Alpha Ventus (26%)	60
 Westküste (20%)	7
 Decentral Solar installations	2
Installed capacity (MW)	645

The Netherlands	
 Hollandskust Zuid (51%)	1.010
 Princess Ariane	184
 Princess Alexia	122
 Windplan Blauw	72
 A16 / Klaverspoor	34
 Slufterdam	29
 Moerdijk	27
 Haringvliet	22
 Echteld	8
 Oom Kees (12%)	6
 Oudendijk	5
 Haringvliet	38
 Kooypunt	12
 Velsen	2
 Hemweg	2
 Diemen	1
 Symbizon	1
 Decentral Solar installations	8
Installed capacity (MW)	1.584

¹ Capacity in operation: total capacity of the wind farms that Vattenfall has an ownership or is responsible for the operation. Minority shares included as 100%

² Asset divested but in operation by Vattenfall under Asset Management Agreement (AMA)

Main projects BA Wind in our 5 core countries

Country	Name	Capacity (MW)	Support scheme	Awarded	Duration of support	Ownership (%)	Commissioning	Current status
NL	Hollandse Kust Zuid 1-4	1,520	-	X	-	51	2023/2024	Commissioning ongoing, Partnering with BASF
DK	Vesterhav	344	FIT	X	50,000hrs	100	2023/2024	
NL	Windplan Blauw	77	SDE+	X	15 yrs	100	2023/2024	Commissioning ongoing. 13 commissioning certificates signed
SE	Bruzaholm	139				100	2025/2026	
SE	Velinga	60				100	2026	Under construction
SE	Battery@Bruzaholm	38				100	2025/2026	Under construction
SE	Battery@Toledo	20	-		-	100	2024	Under construction
In construction		2,198						
UK	Muir Mhor (Scotwind)	750	CfD			50	2030	Under development with consenting and permitting progressing to ensure participation in the CfD bid, JV with Fred Olsen
GE	Nordlicht I (N 7.2)	980	-		-	50	2029	
GE	Nordlicht II (N 6.6)	630	-		-	50	2029	Development rights received in September 2023, FID planned for 2025
DE	Wolfsberg	17	EEG			100	2026	FID planned for 2024
SE	Vargtrask	84				100	2027	FID planned for 2024
DE	Big Battery @ Brunsbuttel	230	-		-	100	2028	FID planned for 2024
DE	Battery @ Tutzpatz	50	-		-	100	2025	FID planned for 2024
In development (in mature stage)		2,741						

	Offshore
	Onshore
	Solar
	Batteries