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INTERIM REPORT JANUARY–JUNE 2009

- Net sales rose 19.5% during the second quarter, to SEK 42,128 million (35,259), and 17.3% for the first half of the year, to SEK 94,656 million (80,663).
- Operating profit for the second quarter decreased by SEK 6.9% to SEK 5,881 million (6,316), and increased for the first half of the year by 5.6%, to SEK 18,741 million (17,742).
- Profit for the period after tax decreased by 35.1% for the second quarter to SEK 2,625 million (4,043), and by 4.6% for the first half of the year to SEK 10,716 million (11,227).

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This is a translation of the Swedish original. In the event of any discrepancy, the Swedish version shall take precedence.

All comparison figures in this report pertain to the second quarter of 2008, unless indicated otherwise.

Cover photo: This year Vattenfall celebrates its 100 year anniversary. The Olidan power station, on the Göta River, was one of the first hydro power stations built between 1909 and 1916 by the newly formed Swedish State Power Board.

Financial calendar

Interim report January—March
29 April 2009

Interim report January—June
30 July 2009

Interim report January—September
27 October 2009

Year-end report 2009
10 February 2010

Annual General Meeting

29 April 2010, in Stockholm

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LOWER GENERATION VOLUMES, BUT RELATIVELY GOOD EARNINGS

- Net sales rose 19.5% during the second quarter, to SEK 42,128 million (35,259), and 17.3% for the first half of the year, to SEK 94,656 million (80,663).
- Operating profit for the second quarter decreased by SEK 6.9% to SEK 5,881 million (6,316), and increased for the first half of the year by 5.6%, to SEK 18,741 million (17,742).
- Profit for the period after tax decreased by 35.1% for the second quarter to SEK 2,625 million (4,043), and by 4.6% for the first half of the year to SEK 10,716 million (11,227).

The recession has led to falling electricity prices and lower demand from industrial customers; however, Vattenfall's earnings have been affected relatively little compared with companies in other industries. Vattenfall continuously hedges its electricity generation through sales in the futures market, which has had a favourable impact on operating profit. Currency movements have also had a favourable earnings impact. However, lower electricity generation volumes and higher operating and maintenance expenses have had a negative earnings impact. In total, operating profit for the second quarter fell 6.9% compared with the same period a year ago. At the same time, generation volumes decreased by 12%. Against the backdrop of the difficult market situation and lower generation volumes, I regard the result for the period as relatively good. We have had favourable development in the number of customers as well as in customer satisfaction.

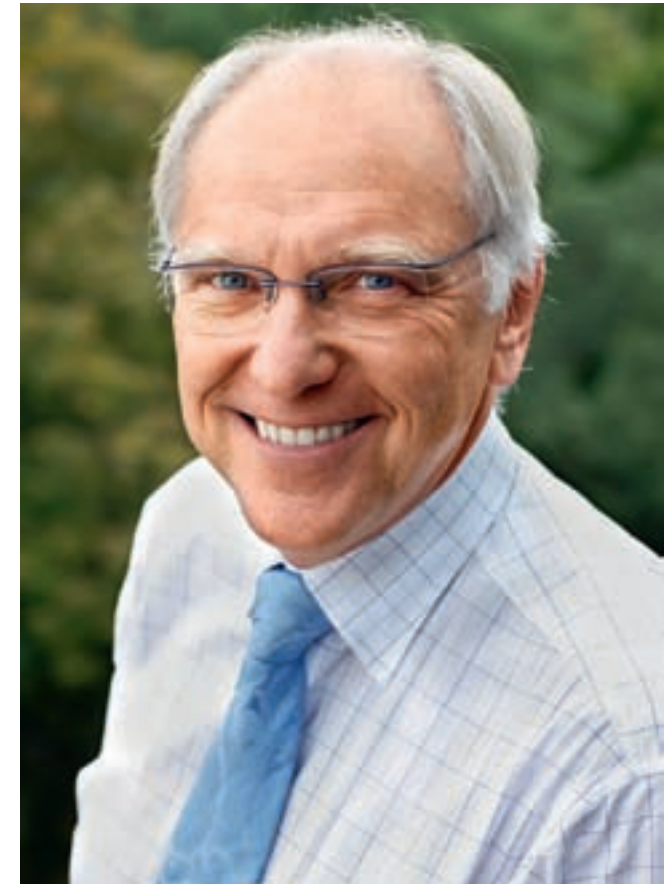
Following Vattenfall's bid in February for the Dutch energy group Nuon, intensive work was conducted during the spring to prepare for the integration of Nuon with Vattenfall. Since the acceptance in June of Vattenfall's bid by 100% of Nuon's shareholders and EU approval of the acquisition from a competition standpoint, the acquisition agreement was signed on 1 July 2009, and Vattenfall has taken over operational control of Nuon. The acquisition

of Nuon marks the passing of an important milestone for Vattenfall: the Benelux region now makes up a new geographic main market for Vattenfall and gives us improved risk diversification for our operations. Nuon also brings key expertise in natural gas to Vattenfall. Vattenfall's main priority now is to secure the Group's financial position, and to consolidate and integrate Nuon.

In view of the drop in demand and lower electricity prices, we are looking over our investment programme, focusing on cost control and cash flow, and we are evaluating opportunities to release tied-up capital.

On 4 July, the Krümmel nuclear power plant in Germany was scrambled as a result of a short circuit in one of two transformers that connect the plant to the high voltage grid. The plant was disconnected from the grid, and the reactor was scrambled entirely in accordance with the existing safety routines. The event has been preliminarily classified as a zero (0) on the seven-degree INES scale, i.e., a deviation with 'no safety significance'. Even though safety was never jeopardised at any point, we view the incident very seriously.

The event does not make a positive contribution to confidence in Vattenfall. We aim to restore trust in the company through a large measure of openness and determination. Apart from our focus on profitability and consolidation, this is our main priority.



A handwritten signature in blue ink, appearing to read 'Lars G. Josefsson'.

Lars G. Josefsson
President and CEO

Summary of Vattenfall's consolidated financial performance, cash flow and balance sheet

Amounts in SEK million unless otherwise stated	Q2 2009	Q2 2008	Change %	Q1-2 2009	Q1-2 2008	Change %	Last 12 months
Net sales	42,128	35,259	19.5	94,656	80,663	17.3	178,542
Operating profit before depreciation and amortisation (EBITDA)	10,145	10,078	0.7	27,294	25,281	8.0	47,973
Operating profit (EBIT)	5,881	6,316	-6.9	18,741	17,742	5.6	30,894
Operating profit excl. items affecting comparability	5,807	6,300	-7.8	18,658	17,657	5.7	30,798
Financial items, net	-2,408	-840	-186.7	-4,511	-2,198	-105.2	-8,710
Profit before tax	3,473	5,476	-36.6	14,230	15,544	-8.5	22,184
Profit for the period	2,625	4,043	-35.1	10,716	11,227	-4.6	17,252
- of which, attributable to owners of the Parent Company	2,456	3,808	-35.5	10,207	10,617	-3.9	16,685
- of which, attributable to minority interests	169	235	-28.1	509	610	-16.6	567
Return on equity, %	12.5 ¹	14.8 ¹	-	12.5 ¹	14.8 ¹	-	12.5
Return on net assets, %	13.9 ¹	16.1 ¹	-	13.9 ¹	16.1 ¹	-	13.9
Funds from operations (FFO)	2,568	-666	-	21,328	11,162	91.1	40,901
Cash flow before financing activities	1,200	-5,235	-	5,782	-911	-	1,614
Free cash flow	5,594	74	-	14,049	5,101	175.4	27,911
Cash and cash equivalents plus short-term investments	101,874	22,896	344.9	101,874	22,896	344.9	
Balance sheet total	500,621	353,932	41.4	500,621	353,932	41.4	
Equity incl. minority interests	145,060	112,372	29.1	145,060	112,372	29.1	
Capital Securities	10,728	9,330	15.0	10,728	9,330	15.0	
Other interest-bearing liabilities	156,175	66,638	134.4	156,175	66,638	134.4	
Net debt	63,478	52,011	22.0	63,478	52,011	22.0	
Net debt/Operating profit before depreciation and amortisation (EBITDA), times	1.3 ¹	1.1 ¹	-	1.3 ¹	1.1 ¹	-	

1) Last 12-month values.

See pages 30-31 for definitions and calculations of key ratios.

Group

Second quarter 2009 – net sales, earnings, cash flow and debt

Consolidated net sales rose 19.5% to SEK 42,128 million (35,259). Excluding currency effects of approximately SEK 3,500 million, the increase was 9.6%. Operating profit decreased by 6.9% to SEK 5,881 million (6,136). Excluding currency effects of approximately SEK 350 million, the decrease was 12.4%. Profit after tax fell 35.1% to SEK 2,625 million (4,043), mainly due to higher financial expenses. Return on equity was 12.5% (14.8%), and the return on net assets was 13.9% (16.1%) – both calculated on a last twelve-month basis. Vattenfall's requirements for these key ratios are 15% and 11%, respectively. The cash flow interest coverage ratio after maintenance investments increased to

4.7 (4.0) on a last twelve-month basis, compared with the target interval of 3.5–4.5. Net debt increased by SEK 2,907 million to SEK 63,478 million, compared with the level at 31 March 2009. Cash flow before financing increased to SEK 1,200 million (-5,235), and free cash flow increased to SEK 5,594 million (74).

Electricity generation and heat during second quarter of 2009

Vattenfall's electricity generation decreased by 12.0% to 34.4 TWh (39.1). Hydro power generation decreased by 27.8% to 7.0 TWh (9.7), due to considerably lower water supply. Nuclear power generation decreased by 2.7% to 10.8 TWh (11.1), fossil-based power decreased by 10.1% to 16.1 TWh (17.9), and wind power increased from 0.2 TWh to 0.3 TWh. Electricity generation based on biomass

and waste amounted to 0.2 TWh (0.1). Heat decreased slightly, from 5.8 TWh to 5.6 TWh. For more information, see page 8.

Electricity prices

The average spot price on Nord Pool was EUR 34.03/MWh, which is virtually unchanged compared with the second quarter of 2008. The price-reducing effect of lower electricity consumption and lower commodity prices was offset by a 13.3 TWh deficit in the hydrological balance, compared with an 11.4 TWh surplus during the corresponding period in 2008. In Germany the average spot price (EEX base load) was EUR 32.40/MWh, which is 51% lower than for the second quarter of 2008. The decrease is mainly attributable to lower industrial electricity

consumption and lower prices for fuel and CO₂ emission allowances.

Futures prices rose in the Nordic as well as German markets. Futures prices for the 2010 and 2011 contracts in the Nordic market closed at the end of the quarter at EUR 38.60/MWh and EUR 39.70/MWh, respectively. In Germany, the closing prices for the corresponding contracts were EUR 50.50/MWh and EUR 56.30/MWh, respectively. The higher prices in the futures market are mainly due to higher oil prices and positive signs from the stock market. The forward price for CO₂ emission allowances for 2010 closed the quarter at EUR 13.21/tonne, which is roughly 55% lower than on 30 June 2008. For further information and price chart, see page 9.

Group, first half of 2009

Net sales rose 17.3% to SEK 94,656 million (80,663). Excluding currency effects of approximately SEK 8,400 million, the increase was 6.9%. Operating profit rose 5.6% to SEK 18,741 million (17,742). Excluding currency effects of approximately SEK 1,200 million, operating profit decreased by 1.3%. Profit for the period after tax decreased by 4.6% to SEK 10,716 million (11,227). Cash flow before financing activities increased to SEK 5,782 million (-911), and free cash flow rose to SEK 14,049 million (5,101). The increase is attributable to improved cash flow from operating activities and a decrease in maintenance investments.

Electricity generation decreased by 7.1% to 79.6 TWh (85.7). Hydro power generation decreased by 19.2%, nuclear power generation decreased by 4.3%, fossil-based generation decreased by 1.9%, and wind power generation decreased from 0.8 TWh to 0.7 TWh. Heat increased by 7.5%. For more information, see page 8.

Important events after the balance sheet date

Nuon part of the Vattenfall Group as from 1 July 2009

On 1 July 2009 Vattenfall took over the operational control of N.V. Nuon Energy, the second-largest energy company in the Netherlands. Vattenfall had made an all cash offer

of EUR 8.5 billion enterprise value for 100% of the shares in Nuon. In June, 100% of Nuon's shareholders accepted Vattenfall's offer, and the EU Commission gave its clearance from a competition standpoint, contingent upon the divestment of the sales activities of the subsidiary Nuon Deutschland. Nuon's grid company Alliander was not included in the acquisition.

Vattenfall has initially acquired 49% of the shares for EUR 4,833 million, or SEK 52 billion. The purchase price for the remaining 51% of the shares, totalling EUR 5,030 million (approx. SEK 55 billion) will be paid by Vattenfall in three tranches during the next six years.

Nuon is consolidated in the Vattenfall Group as from 1 July 2009, which means that Nuon's earnings and financial position will be included in the Vattenfall Group's interim book-closing for the first time as per 30 September 2009. Nuon forms a third regional Business Group within Vattenfall: Business Group Benelux. Together with Nuon, Vattenfall has developed a detailed integration plan. This plan puts continued focus on value creation and on carrying out the Group's initiatives in renewable energy projects, gas purchasing and security of supply. Vattenfall will provide four of the eight members on Nuon's Supervisory Board. Among these are Lars G. Josefsson, who as chairman will have the deciding vote. Vattenfall financed the acquisition during the first half of the year through several major bond issues on the international credit market. The credit facility worth EUR 5 billion that was originally contracted with nine large relationship banks never needed to be utilised.

Shutdown of Krümmel nuclear power plant

On 4 July, the Krümmel nuclear power plant in Germany was scrambled as a result of a short circuit in one of two transformers that connect the plant to the high voltage grid. The plant was disconnected from the grid, and the reactor was scrambled entirely in accordance with the existing safety routines. The event has been preliminarily classified as a zero (0) on the seven-degree INES scale, i.e., a deviation with 'no

safety significance'. Necessary tests were conducted of the transformer prior to the restart of the power plant, which had been off-line since July 2007, and there were no indications that the transformer was not fully functional. A recommendation had been made to start the plant with certain measurement equipment coupled to the transformer. That this did not happen can be prescribed to the human factor, and the power plant director at Krümmel resigned voluntarily because of this. Vattenfall has decided to replace both transformers with new ones, which will take more than six months to complete.

Decision made by Swedish Radiation Safety Authority on special conditions for operation of the Ringhals nuclear power plant

On 8 July, the Swedish Radiation Safety Authority (SSM) announced that it is subjecting Ringhals AB to special investigation measures and conditions for operation of the Ringhals 1–4 reactors as a result of observed defects that can be coupled to the safety culture at the nuclear power plant. Vattenfall will carry out the investigation measures and meet the conditions made by SSM

Sales, profit and cash flow

Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %
Net sales	42,128	35,259	19.5	94,656	80,663	17.3

Comment: Net sales for the second quarter increased by SEK 6.9 billion. Adjusted for intra-Group transactions, net sales for Business Group Central Europe increased by SEK 6.8 billion. External net sales for the segment Other and for Business Group Pan Europe increased by SEK 1.4 billion and SEK 0.2 billion, respectively, while net sales for Business Group Nordic and the segment Supply & Trading decreased by SEK 1.1 billion and SEK 0.4 billion, respectively. Of the increase in net sales, totalling SEK 6.9 billion, approximately SEK 3.5 billion is attributable to currency effects. For further information on the various operating segments, see pages 12-15 and page 18.

Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %
Cost of products sold	32,788	25,755	27.3	69,470	57,024	21.8

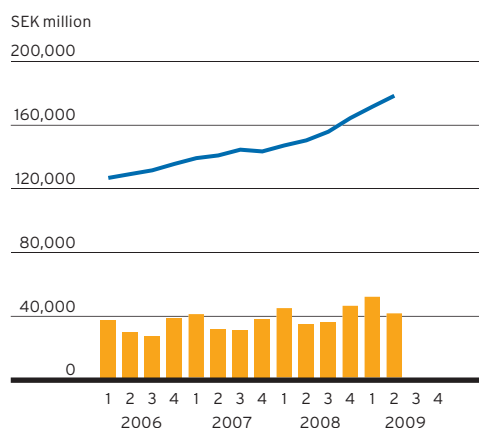
Comment: EEG¹ costs rose SEK 3.4 billion. Costs for operations and maintenance increased by SEK 1.5 billion. Depreciation was SEK 0.5 billion higher than the corresponding period a year ago. Of the total cost increase of SEK 7.0 billion, approximately SEK 3 billion is attributable to currency effects.

1) EEG is an abbreviation of Erneuerbare-Energien-Gesetz, Germany's Renewable Energy Law. These costs are associated with the feed-in of wind power to Vattenfall's transmission grid in Germany and are passed on to end customers with a certain time delay.

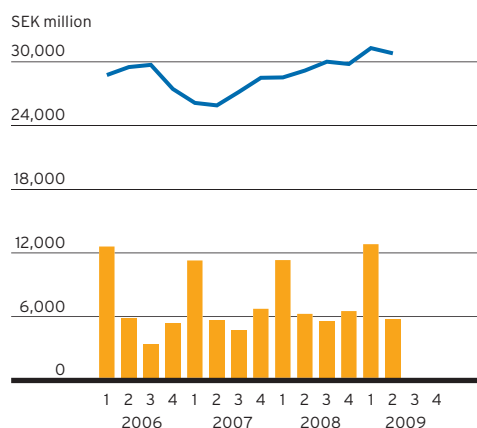
Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %
Operating profit (EBIT)	5,881	6,316	-6.9	18,741	17,742	5.6
Operating profit (EBIT) excl. items affecting comparability	5,807	6,300	-7.8	18,658	17,657	5.7

Comment: All operating segments showed declines in operating profit except for Other. Currency effects had a favourable impact on operating profit, by approximately SEK 350 million. Vattenfall's continuous price hedging has had a favourable effect on operating profit, through the achievement of higher electricity prices. However, lower electricity generation volumes, higher costs for operations and maintenance, and higher depreciation have had a negative impact on operating profit. The improvement in the segment Other is mainly attributable to positive unrealised market values. For further information on the various operating segments, see pages 12-15 and page 18.

Net sales



Operating profit, excl. items affecting comparability



Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %
Cash flow from operating activities	10,437	7,402	41.0	21,965	16,423	33.7
Free cash flow¹	5,594	74	-	14,049	5,101	175.4
Cash flow before financing activities	1,200	-5,235	-	5,782	-911	-

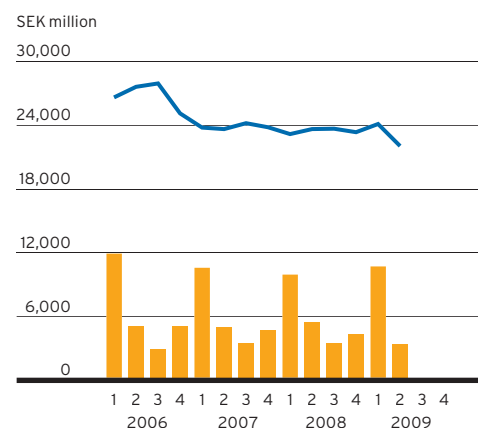
1) Cash flow from operating activities less maintenance investments.

Comment: Compared with the second quarter of 2008, cash flow from operating activities increased by approximately SEK 3 billion. Cash flow during the second quarter of 2008 was charged with a combined total of SEK 9 billion in payments for margin calls². Due to the sharp rise in wholesale prices during the second quarter of 2008, the market value of Vattenfall's futures contracts fell, and Vattenfall paid a total of SEK 9 billion in margin calls. In the case of falling market prices, the opposite takes place, with payments being made to Vattenfall (provided that Vattenfall has a net selling position in the futures contracts). During the second quarter of 2009 the effect of margin calls was considerably lower. Other factors contributing to the change in cash flow from operating activities include lower earnings, slightly higher paid taxes, and a decrease in trade accounts payable and other operating liabilities. The increase in free cash flow is attributable to the higher cash flow from operating activities and lower maintenance investments.

Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %
Net financial items	-2,408	-840	-186.7	-4,511	-2,198	-105.2
Interest income from financial investments	337	382	-11.8	654	776	-15.7
Interest expenses from loans	-1,687	-849	-98.7	-3,030	-1,608	-88.4
Interest received	363	460	-21.1	665	933	-28.7
Interest paid	-2,477	-1,636	-51.4	-3,703	-2,459	-50.6

Comment: The deterioration of financial items is primarily attributable to higher interest expenses from loans, which is attributable to a higher level of debt due to the prefunding of the Nuon shares and a higher average interest rate for outstanding debt. During the first half of 2009, average monthly net interest expense amounted to SEK -396 million (-139).

Profit before tax



2) Margin calls are security that the holder of a derivative position must pledge to cover the credit risk of its counterparty.

Financial position

Amounts in SEK million	30 June 2009	30 June 2008	Change, %
Cash, cash equivalents and similar assets, and short-term investments	101,874	22,896	344.9
Committed credit facilities (unutilised)	10,946	13,334	-17.9
Other credit facilities (unutilised)	10,827	11,390	-4.9

Comment: The sharp increase in Cash, cash equivalents and similar assets as well as in short-term investments is attributable to the prefunding of the acquisition of the Nuon shares. Committed credit facilities consist of a EUR 1 billion Revolving Credit Facility that expires on 23 February 2013 and a SEK 100 million bank overdraft facility that expires in December 2009. Vattenfall's target is always to have no less than 10% of the Group's net sales and at least the equivalent of the next 90 days' maturities in the form of liquid assets or committed credit facilities.

Net debt	63,478	52,011	22.0
Interest-bearing liabilities	166,903	75,968	119.7
Average interest rate, % ¹	4.7	4.9	-4.1
Duration, years ¹	4.0	2.4	66.7
Average time to maturity, years ¹	9.2	6.0	53.3

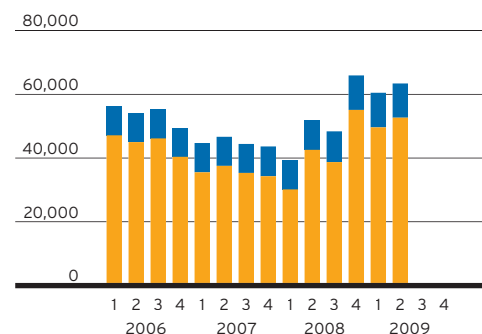
1) Excluding Capital Securities and loans from minority owners and associated companies. Including SEK 10,728 million in Capital Securities, the average interest rate is 4.8%, the duration is 4.1 years, and the average time to maturity is 8.9 years. These values pertain to 30 June 2009. The norm duration has been extended from 2.5 years to 4 years. The duration is permitted to vary 12 months over and below the norm time.

Comment: Compared with 30 June 2008, net debt increased by SEK 11,467 million. The increase is mainly a result of increased borrowings due to the substantially higher level of investments during the last twelve months. Total interest-bearing liabilities increased during the period by SEK 90,935 million, mainly due to the prefunding of the Nuon shares.

Compared with 31 December 2008, net debt decreased by SEK 2,522 million, and total interest-bearing liabilities increased by SEK 59,556 million, mainly due to the prefunding of the Nuon shares.

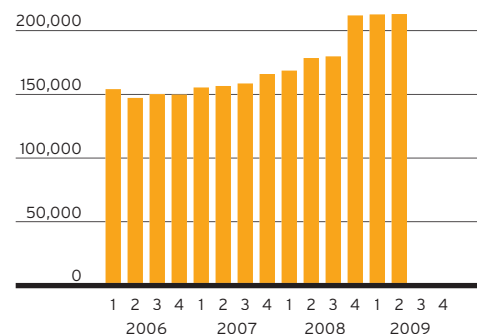
Net debt

SEK million
100,000



Net assets

SEK million
250,000



Amounts in SEK million	30 June 2009	30 June 2008	Change, %
Equity attributable to Owners of the Parent Company	133,752	101,708	31.5
Minority interests	11,308	10,664	6.0
Total	145,060	112,372	29.1

Comment: Changes in equity are specified on page 23.

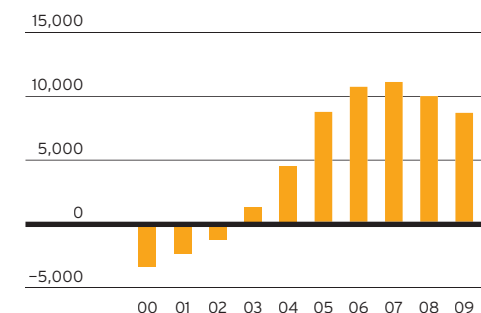
Credit rating

On 1 July the rating agency Standard & Poor's upgraded Vattenfall's credit rating for long-term borrowing from A- to A and for short-term borrowing to A-1 from A-2. The upgrades are attributable to Standard & Poor's revision of its methodology for rating government-related entities.

Value creation

Difference between achieved results and the Group's required rate of return – 11% return on net assets (last 12 months)

SEK million
20,000



■ Capital Securities
■ Quarterly values

Investments

Amounts in SEK million	Q2 2009	Q2 2008	Change, %
Maintenance investments	4,843	7,328	-33.9
Growth investments	5,096	5,445	-6.4
– of which, shares	225	4,107	-94.5
Total investments	9,939	12,773	-22.2

Comment: For the corresponding quarter in 2008, the item maintenance investments included considerably higher prepayments, mainly for a number of projects in Germany. The difference in these prepayments was approximately SEK 2.8 billion.

Divestments

Amounts in SEK million	Q2 2009	Q2 2008	Change, %
Divestments	675	131	415.3
– of which, shares	519	-7	-

Comment: The item divestments pertains primarily to shares in the associated company PiteEnergi AB, sold for SEK 238 million, and the net sum from the transactions with Göteborgs Energi AB in connection with the takeover of parts of the customer base of the jointly owned company Plusenergi AB.

Employees

Average number of employees, full-year equivalents	Q2 2009	Q2 2008	Change, %
Business Group Nordic	5,624	5,674	-0.9
Business Group Central Europe	21,335	21,102	1.1
Business Group Pan Europe	5,476	4,954	10.5
Supply & Trading	244	201	21.4
Other	703	696	1.0
Total	33,382	32,627	2.3

Comment: The increase in the number of employees in Business Group Pan Europe is mainly attributable to Vattenfall's major investment programme in nuclear power. During the coming years, continued major investments are planned primarily in safety upgrades, capacity increases and continued modernisation.

Electricity balance (TWh)

	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %	Full year 2008
Internal generation and electricity input							
Hydro power	7.0	9.7	-27.8	17.3	21.4	-19.2	38.5
Nuclear power	10.8	11.1	-2.7	24.5	25.6	-4.3	46.2
Fossil-based power	16.1	17.9	-10.1	36.7	37.4	-1.9	75.1
Wind power	0.3	0.2	50.0	0.7	0.8	-12.5	1.6
Biomass	0.1	0.1	0.0	0.4	0.4	0.0	0.6
Waste	0.1	0.0		0.1	0.1	0.0	0.2
Total internal generation	34.4	39.1	-12.0	79.6	85.7	-7.1	162.1
Purchased power	13.8	10.9	26.6	29.0	27.2	6.6	53.8
Spot market	0.4	0.4	0.0	1.0	0.5	100.0	1.2
Total electricity input	48.6	50.3	-3.4	109.6	113.4	-3.4	217.1
Consumption within the Group	2.4	2.1	14.3	5.3	5.7	-7.0	11.2
Total	46.3	48.3	-4.1	104.3	107.7	-3.2	205.9
Sales							
Nordic countries	13.0	13.1	-0.8	27.9	28.7	-2.8	55.7
Germany and Poland	21.4	21.9	-2.3	46.2	49.8	-7.2	98.2
Other countries	1.0	1.1	-9.1	2.6	2.3	13.0	4.1
Spot market	6.8	8.1	-16.0	18.8	17.6	6.8	31.4
Total electricity sales	42.3	44.1	-4.1	95.5	98.3	-2.8	189.3
Delivery to minority owners	3.8	3.9	-2.6	8.4	8.8	-4.5	15.7
Other	0.2	0.3	-33.3	0.4	0.5	-20.0	0.9
Total	46.3	48.3	-4.1	104.3	107.7	-3.2	205.9
Heat sales (TWh)							
Business Group Nordic	1.9	1.8	5.6	6.4	5.9	8.5	10.4
Business Group Central Europe	3.7	4.0	-7.5	15.0	14.0	7.1	25.3
Total	5.6	5.8	-3.4	21.4	19.9	7.5	35.6

Rounding differences of 0.1 TWh exist on certain items. Certain values for 2008 have been adjusted compared with previously published information.

Electricity generation and electricity input Q2

Total electricity generation decreased by 12.0%. Hydro power generation decreased by 27.8% to 7.0 TWh (9.7), due to considerably lower water supply. The decrease in nuclear generation is attributable to the Nordic countries. The Brunsbüttel nuclear power plant in Germany is still off line, which was also the case during the second quarter of 2008. The outage at the 50%-owned Krümmel nuclear power plant in Germany did not affect consolidated volumes, since the plant is not consolidated in Vattenfall's accounts. Wind power generation increased by 0.1 TWh to 0.3 TWh, and generation derived from waste combustion increased to 0.1 TWh. Purchased power increased by 26.6% to 13.8 TWh, mainly due to greater purchases of wind power by the Transmission business unit in Germany. This is done on account of Germany's Renewable Energy Law (EEG¹), which prescribes a preference for renewable energy generation. The Transmission business unit purchases power and sells it on to German sales companies (which is shown under external sales to Germany).

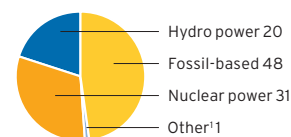
Electricity sales Q2

Total electricity sales decreased by 4.1% to 42.3 TWh (44.1). However, electricity sales in Germany increased slightly as a result of a greater feed-in of wind power, which led to an increase in sales from the Transmission business unit to German sales companies. Sales to the Nordic electricity exchange, Nord Pool, decreased, mainly due to lower generation.

Heat sales Q2

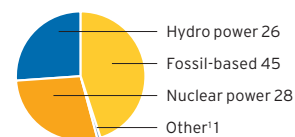
Sales of heat rose slightly in the Nordic countries, but decreased in Central Europe.

Electricity generation, Q2 2009, %



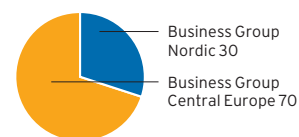
1) Wind power, biomass and waste.

Electricity generation, Q2 2008, %

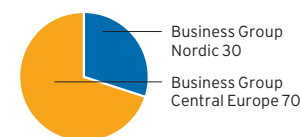


1) Wind power, biomass and waste.

Heat sales, Q2 2009, %



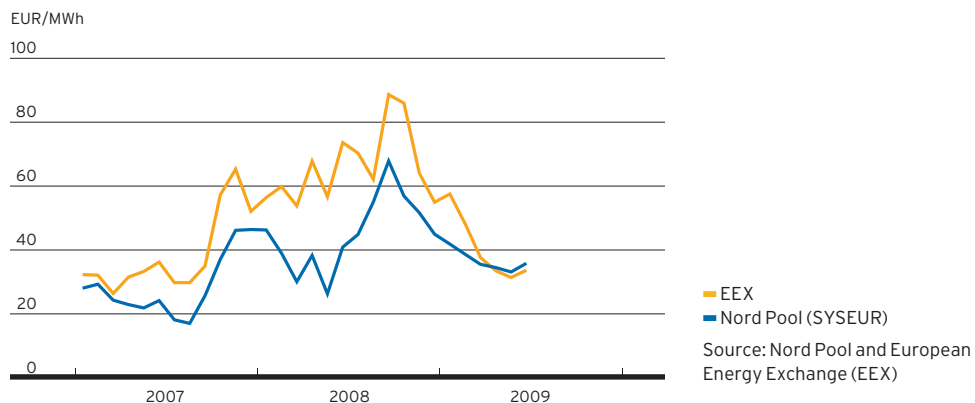
Heat sales, Q2 2008, %



1) EEG is an abbreviation of Erneuerbare-Energien-Gesetz, Germany's Renewable Energy Law.

Wholesale price trend

German and Nordic electricity spot prices 2007–2009, monthly averages



Electricity spot prices in the Nordic countries and Germany

Average spot prices (EURSYS base load) on the Nordic electricity exchange, Nord Pool, were virtually unchanged during the second quarter of 2009 compared with the corresponding period a year ago – EUR 34.03/MWh, compared with EUR 34.71/MWh. The price-reducing effect of lower electricity consumption and lower commodity prices was offset by a deficit in the hydrological balance (–13.3 TWh compared with a surplus of 11.4 TWh during the same period a year ago).

However, on the European Energy Exchange (EEX) in Germany, average spot prices (base load) were considerably lower during the second quarter of 2009 compared with the same period a year ago – EUR 32.40/MWh, compared with EUR 65.65/MWh, a decrease of 51%. The corresponding peak load prices were 53% lower – EUR 41.86/MWh, compared with EUR 88.88/MWh. The lower spot prices are mainly attributable to lower industrial electricity consumption and lower prices for fuel and CO₂ emission allowances.

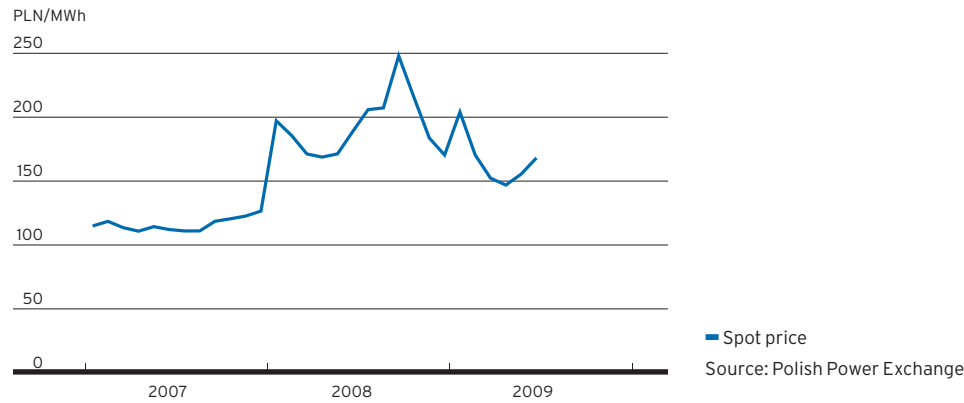
Nordic and German futures prices



Electricity futures prices in the Nordic countries and Germany

Nordic electricity futures prices rose during the second quarter of 2009. The closing prices for the 2010 and 2011 contracts were EUR 38.60/MWh and EUR 39.70/MWh, respectively, on 30 June 2009, compared with EUR 33.35/MWh and EUR 34.70/MWh, respectively, on 31 March 2009. Futures prices for the 2010 and 2011 yearly contracts in Germany for also rose compared with the end of March 2009. On 30 June the closing price for the 2010 contract was EUR 50.50/MWh, compared with EUR 48.35/MWh, while the 2011 contract closed at EUR 56.30/MWh, compared with EUR 52.14/MWh. The higher prices in the futures market are mainly a result of higher oil prices and positive signs from the stock market.

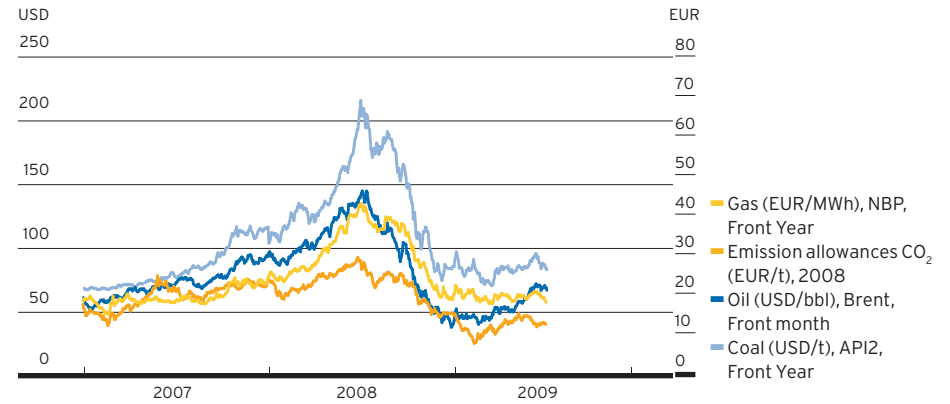
Polish electricity spot prices 2007–2009, monthly averages



Electricity spot prices in Poland

Average spot prices (base load) on the Polish Power Exchange (PPX) were 11% lower during the second quarter compared with the same period a year ago – PLN 155.84/MWh, compared with PLN 175.36/MWh. The main reason for the lower spot prices is new tax legislation, which has shifted over the obligation to pay generation taxes from producers to the ultimate seller, which caused a drop in prices by approximately PLN 17.50/MWh. Peak load prices fell 14% to PLN 175.49/MWh, compared with PLN 199.87/MWh during the same period a year ago. Demand for electricity fell 7% on an annualised basis due to lower industrial production.

Price trend for oil, coal, gas and CO₂ emission allowances



Price trend for oil, coal, gas and CO₂ emission allowances

Prices of coal, oil and natural gas rose during the second quarter of 2009, with oil prices rising the most, by 42%. However, the price of natural gas fell during the second quarter compared with the first three months of the year due to an increase in supply of LNG (Liquefied Natural Gas) to the UK. Compared with the corresponding period in 2008, when commodity prices reached record levels, all prices were considerably lower than during the second quarter of 2009. For example, the price of coal fell 60% during the last 12-month period.

The Group's operating segments

Business Group Nordic

Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %	Full year 2008	Last 12 months
Net sales	9,112	8,987	1.4	22,198	20,804	6.7	38,408	39,802
External net sales ¹	9,535	10,642	-10.4	24,461	24,001	1.9	48,417	48,877
Operating profit (EBIT)	1,940	2,749	-29.4	6,270	6,919	-9.4	11,461	10,812
Operating profit (EBIT) excl. items affecting comparability	1,869	2,744	-31.9	6,187	6,915	-10.5	11,469	10,741
Heat sales (TWh)	1.9	1.8	5.6	6.4	5.9	8.5	10.4	10.9
Electricity generation (TWh)	8.1	10.4	-22.1	20.3 ²	23.2	-12.5	42.1	39.2
Of which, hydro power	6.4	9.1	-29.7	16.1	19.9	-19.1	35.5	31.7
Of which, fossil-based power	1.7	1.3	30.8	3.9	3.0	30.0	6.1	7.0
Of which, biomass	0.1	0.1	0.0	0.3	0.3	0.0	0.5	0.5
Transited volume	15.9	18.4	-13.6	38.9	41.7	-6.7	79.8	77.0

1) Excluding intra-Group transactions.

2) Of electricity generation, Vattenfall disposes over 19.3 TWh (22.5), while the rest goes to the minority part-owners or is deducted as replacement power.

3) Certain values for 2008 have been adjusted compared with previously published information.

Business Group Nordic comprises Vattenfall's operations in Sweden, Finland and Denmark. The following business units are included in the segment: Generation, Distribution, Sales, Heat and Services. Electricity generation is primarily based on hydro power. As from 1 January 2009, nuclear power and wind power are reported under Business Group Pan Europe. Comparison figures for 2008 have been restated according to the new segmental structure. Based on these figures, Business Group Nordic accounted for 29% of consolidated external net sales and 38% of consolidated operating profit for the full-year 2008. Hans von Uthmann is Head of Business Group Nordic.

External net sales Q2

The decrease in external net sales is mainly attributable to lower hydro power generation compared with the second quarter of 2008.

Operating profit Q2

The decline in operating profit is mainly attributable to the Generation business unit and is due to a decrease in hydro power generation. However, the electricity prices achieved for generation were higher than a year ago, which partly compensated for the drop in generation volume. The Sales and Heat business units also posted declines in operating profit. For the Sales unit, this is mainly due to a lower gross margin

and higher sales and administrative costs. For Heat, it is mainly due to an increase in depreciation for the Danish operation. The Distribution business unit showed an improvement in operating profit as a result of higher tariffs and positive currency effects in the Finnish operation.

Electricity generation and heat sales Q2

Electricity generation fell 27% to 8.1 TWh (11.1). The decrease in hydro power generation, which was largely due to lower precipitation and low reservoir levels, was only partly compensated by higher fossil-based generation in Denmark. Biomass-based generation was unchanged compared with 2008. Sales of heat rose marginally to 1.9 TWh (1.8).

Important events

- Vattenfall sold its 50% stake in the associated company AB PiteEnergi to Piteå municipality. The municipality is the sole owner of the energy company as from 8 June. The purchase price was SEK 238 million.
- An agreement was made with the glass manufacturer Pilkington on portfolio management and physical deliveries of electricity in Sweden, Finland and Norway. Vattenfall is one of the few players in the market that can deliver electricity to companies with operations in several Nordic countries. The agreement is unique for Vattenfall since it marks the first time that Vattenfall has physically delivered electricity in Norway.
- Vattenfall sold its 30% stake in the associated company Luleå Energi AB to Luleå Kommunföretag AB. Luleå Energi AB will thereby be a

wholly owned municipal company as from 1 September 2009. The purchase price was SEK 312 million.

- Vattenfall is participating in McDonald's project by providing advice on electricity charging infrastructure and charging of electric cars, and is delivering the renewable electricity that will be available from charging posts. The first restaurant to feature this is the McDonald's at Lindvreten in Skärholmen, south of Stockholm.

Business Group Central Europe

Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %	Full year 2008	Last 12 months
Net sales	37,811	30,282	24.9	83,048	68,402	21.4	140,956	155,602
External net sales ¹	27,391	20,617	32.9	58,764	47,791	23.0	97,883	108,856
Operating profit (EBIT)	3,776	3,912	-3.5	11,021	9,215	19.6	16,872	18,678
Operating profit (EBIT) excl. items affecting comparability	3,774	3,901	-3.3	11,008	9,135	20.5	16,774	18,647
Heat sales (TWh)	3.7	4.0	-7.5	15.0	14.0	7.1	25.3	26.3
Electricity generation (TWh)	15.2	17.4	-12.6	34.2 ²	36.1	-5.3	72.3	70.4
Of which, fossil-based power	14.5	16.6	-12.7	32.7	34.4	-4.9	69.0	67.3
Of which, hydro power	0.6	0.7	-14.3	1.2	1.5	-20.0	3.0	2.7
Of which, biomass	0.0	0.0	-	0.1	0.1	0.0	0.2	0.2
Of which, waste	0.1	0.0	-	0.1	0.1	0.0	0.2	0.2
Transited volume	9.4	10.3	-0.1	20.2	21.5	-0.1	43.1	41.8

1) Excluding intra-Group transactions.

2) Of electricity generation, Vattenfall disposes over 34.2 TWh (36.1), while the rest goes to the minority part-owners.

Business Group Central Europe comprises Vattenfall's operations in Germany and Poland. The segment consists of the following business units: Mining & Generation, Transmission, Distribution Germany, Sales Germany, Heat Germany, Distribution Poland, Sales Poland and Heat Poland. As from 1 January 2009, nuclear power and wind power are reported under Business Group Pan Europe. Comparison figures for 2008 have been restated according to the new segmental structure. Based on these figures, Business Group Central Europe accounted for 60% of consolidated external net sales and 56% of consolidated operating profit for the full-year 2008. Tuomo Hatakka is Head of Business Group Central Europe

External net sales Q2

External net sales increased by SEK 6.8 billion, which is entirely attributable to operations in Germany. Of the total increase in sales for Business Group Central Europe, approximately SEK 2.9 billion can be credited to currency effects.

Operating profit Q2

Operating profit for the German operations was almost in line with last year's level, including positive currency effects of SEK 432 million. The Sales business unit posted a lower operating profit mainly due to a lower gross margin in the retail segment. Operating profit for the

Transmission business unit fell slightly, mainly due to lower volumes. The Mining & Generation business unit posted an improved operating profit, despite lower generation volumes, resulting mainly from higher electricity prices achieved. Operating profit for the Polish operation decreased by SEK 118 million, including a negative currency effect of approximately SEK 40 million. The entire decline is attributable to the Heat business unit, mainly due to higher fuel costs.

Electricity generation and heat sales Q2

Electricity generation decreased by 12.6% to 15.2 TWh. The decrease is mainly attributable to lower fossil-based generation primarily in Germany. The decrease in generation in Germany is due to lower availability of nuclear generation, among other things. Heat sales fell 7.5%, which is mainly attributable to Poland and a result of warmer weather during the second quarter of 2009 compared with the same period in 2008.

Important events

- Vattenfall plans to build a hybrid cooling tower at the Moorburg power plant, which is under construction, to ensure the efficiency of the plant under any cooling water scenario. The investment sum is estimated at around EUR 200 million. Vattenfall plans to apply for the necessary permits in autumn 2009.
- Vattenfall won a European tender process for all municipal facilities

in Berlin and will supply renewable energy to the state's properties for two years until 2012.

- Vattenfall and BMW Group started the pilot phase of the "MINI E Berlin powered by Vattenfall" project. During a set period, 50 persons will test 50 electric MINI cars, making the project the largest of its kind in Germany. Vattenfall has installed electricity charging stations at various locations in Berlin that enable charging of the batteries with certified renewable energy.

Business Group Pan Europe

Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %	Full year 2008	Last 12 months
Net sales	5,379	4,691	14.7	11,162	10,286	8.5	20,407	21,283
External net sales ¹	2,078	1,845	12.6	3,893	3,439	13.2	7,614	8,068
Operating profit (EBIT)	470	785	-40.1	1,990	2,605	-23.6	3,567	2,952
Operating profit (EBIT) excl. items affecting comparability	469	785	-40.3	1,989	2,604	-23.6	3,559	2,944
Electricity generation (TWh)	11.1	11.3	-1.8	25.1²	26.4	-4.9	47.7	46.4
Of which, nuclear power	10.8	11.1	-2.7	24.5	25.6	-4.3	46.2	45.1
Of which, wind power	0.3	0.2	50.0	0.6	0.8	-25.0	1.6	1.4

1) Excluding intra-Group transactions.

2) Of electricity generation, Vattenfall disposes over 17.3 TWh (18.3), while the rest goes to the minority part-owners.

Business Group Pan Europe comprises three Group-wide business units: Wind, Nuclear and Engineering. Business Group Pan Europe is also responsible for the Vattenfall's European Business Development unit, focusing on efficient use of energy and biomass. Based on comparison figures for 2008 (pro forma), Business Group Pan Europe accounted for 12% of consolidated operating profit for the full-year 2008. H el ene Bistr om is Head of Business Group Pan-European.

External net sales Q2

The increase in external net sales is mainly attributable to higher electricity prices achieved compared with the same period a year ago within the Nuclear business unit. Of the total increase, approximately SEK 60 million is attributable to currency effects.

Operating profit Q2

The decrease in operating profit is mainly attributable to the Nuclear business unit and is mainly due to lower generation volumes and higher costs for operations and maintenance as a result of planned outages at the Swedish nuclear power plants and the prolonged outages in Germany. Of the total decline in operating profit, SEK 69 million is attributable to currency effects. The earnings impact of the outages at the Kr ummel and Brunsb uttel nuclear power plants in Germany is estimated to be approximately EUR 58 million for the second quarter of 2009.

Electricity generation Q2

Electricity generation decreased by 1.8% to 11.1 TWh (11.3). Nuclear power generation fell 2.7%, which is entirely attributable to the Nordic countries and is due to lower availability above all as a result of pushed up and extended, planned outages compared with 2008. Wind power generation increased by 0.1 TWh to 0.3 TWh (0.2) and is mainly attributable to the Nordic countries.

Important events

- Vattenfall and Volvo Car Corporation launched an industrial collaboration to introduce plug-in hybrid cars on the market. In January 2007 Volvo Car Corporation and Vattenfall initiated a joint project with the goal of testing and developing plug-in technology. This co-operation is now being taken to the next level. As a result of this pioneering technology, a substantial reduction can be made in the environmental impact of automobile traffic. Vattenfall and Volvo Car Corporation believe that series production of plug-in hybrid cars and infrastructure development can lead to new jobs and help Sweden also in the future to be at the forefront of advanced environmental technology.
- Vattenfall decided to build the Stor-Rotliden wind farm in  asele municipality, which will be Vattenfall's largest land-based wind farm. The wind farm, which is expected to begin generating electricity in 2010, will comprise up to 40 wind turbines and is expected to generate approximately 240 GWh of electricity each year, corresponding to the electricity needs of 50,000 homes.
- Vattenfall decided to build one of Denmark's largest land-based wind

farms near Aalborg. Thirteen new, highly modern wind turbines will replace 77 older models. Vattenfall's work here is part of Denmark's "Repowering programme", where older wind turbines are being replaced with new ones that are larger and more efficient. The annual electricity generation of 120 GWh will correspond to the electricity needs of 30,000 Danish households.

- The Swedish Radiation Safety Authority (SSM) announced on 22 April 2009 that it is lifting the special oversight that the Forsmark nuclear power plant has been subject to since September 2006.
- On 8 July, SSM announced that it is subjecting Ringhals 1-4 to special investigation measures and conditions for operation of the Ringhals 1-4 reactors as a result of observed defects that can be coupled to the safety culture at the nuclear power plant. Vattenfall will carry out the investigation measures and meet the conditions made by SSM.
- After receiving permission from the authorities, the Kr ummel nuclear power plant was restarted on 21 June. The plant had been off-line since June 2007. However, a short circuit in a transformer triggered a scram of the reactor on 4 July. See page 3 for further information.

Supply & Trading

Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %	Full year 2008	Last 12 months
Net sales	12,548	10,615	18.2	28,159	22,575	24.7	44,920	50,504
External net sales ¹	2,600	2,984	-12.9	7,035	6,023	16.8	11,421	12,433
Operating profit (EBIT)	20	95	-78.9	547	266	105.6	561	842
Operating profit (EBIT) excl. items affecting comparability	20	95	-78.9	561	266	110.9	561	856

1) Excluding intra-Group transactions.

Supply & Trading has Group-wide responsibility for market access, price hedging, fuel purchasing, dispatching for the German power plants, and trading for own account within mandates issued by the Executive Group Management. Based on restated comparison figures for 2008, Supply & Trading accounted for 2% of consolidated operating profit for the full-year 2008. Operating profit does not include unrealised changes in fair value according to IAS 39. These are reported in the segment Other. Management of Supply & Trading is based on the value that is created for other Group units as well as the unit's own trading result. Stephen Asplin is Head of Supply & Trading.

External net sales Q2

Net sales and external net sales for the Supply & Trading operating segment are mainly affected by the price hedges that are taken out for other business units in the Vattenfall Group, as Supply & Trading is a Group-wide market access function for these.

Operating profit Q2

A large part of Supply & Trading's operations – market access, price hedging, fuel purchasing and dispatching for German power plants – generates earnings for other business units (in other operating segments) of the Vattenfall Group. Consequently, Supply & Trading's operating profit is derived primarily from realised trading transactions. Realised trading profits for the second quarter of 2009 decreased

compared with the same period in 2008. Operating profit does not include unrealised changes in fair value according to IAS 39, which are reported in the segment Other.

Important events

- Vattenfall Trading Services expanded its market-quoted trading by becoming accredited with the European Climate Exchange, the Intercontinental Exchange, and the Endex Futures Exchange. This facilitates trading activities for CO₂ emission allowances, oil and gas, and reduces credit risk. New clearing opportunities allow netting between commodity exposures, which reduces margin requirements and risk capital.
- Stephen Asplin was named Head of the Supply & Trading business unit. He succeeds Henrik Valgma, who has chosen to leave Vattenfall.

Other

Amounts in SEK million	Q2 2009	Q2 2008	Change, %	Q1-2 2009	Q1-2 2008	Change, %	Full year 2008	Last 12 months
Net sales	786	-715	-	993	-146	-	-66	1,073
External net sales ¹	524	-829	-	503	-591	-	-786	308
Operating profit (EBIT)	-325	-1,225	73.5	-1,087	-1,263	13.9	-2,566	-2,390
Operating profit (EBIT) excl. items affecting comparability	-325	-1,225	73.5	-1,087	-1,263	13.9	-2,566	-2,390

1) Excluding intra-Group transactions.

The segment Other includes Treasury operations and Other Group functions. Operating profit also includes unrealised changes in fair value of energy trading contracts, which according to IAS 39 may not be recognised using hedge accounting. However, Vattenfall strives to use hedge accounting as far as possible. The changes in fair value that are recognised in consolidated profit pertain to trading for own account and price hedging contracts that are not effective hedges.

Administration of energy trading contracts is handled by Supply & Trading; these are reported in the segment Other until the amounts are realised. When the amounts are realised, they affect the segments for which the contracts were taken out. Based on pro forma comparison figures for 2008, the segment Other accounted for -8% of consolidated operating profit for the full-year 2008.

External net sales Q2

External net sales for the second quarter of 2009 improved compared with the same period in 2008. These are mainly attributable to positive unrealised changes in fair value.

Operating profit

Similarly, the improvement in operating profit is mainly attributable to positive unrealised changes in fair value.

Consolidated income statement

Amounts in SEK million	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Last 12 months
Net sales	42,128	35,259	94,656	80,663	164,549	178,542
Cost of products sold ¹	-32,788	-25,755	-69,470	-57,024	-122,961	-135,407
Gross profit	9,340	9,504	25,186	23,639	41,588	43,135
Selling expenses, administrative expenses and research and development costs ²	-3,913	-3,714	-7,561	-6,863	-14,700	-15,398
Other operating income and expenses, net	91	295	269	396	1,580	1,453
Participations in the results of associated companies	363	231	847	570	1,427	1,704
Operating profit (EBIT)³	5,881	6,316	18,741	17,742	29,895	30,894
Financial income ⁴	415	740	1,102	1,454	3,412	3,060
Financial expenses ⁵	-2,823	-1,580	-5,613	-3,652	-9,809	-11,770
Profit before tax⁶	3,473	5,476	14,230	15,544	23,498	22,184
Income tax expense	-848	-1,433	-3,514	-4,317	-5,735	-4,932
Profit for the period⁷	2,625	4,043	10,716	11,227	17,763	17,252
Profit for the period attributable to:						
Owners of the Parent Company	2,456	3,808	10,207	10,617	17,095	16,685
Minority interests	169	235	509	610	668	567
Total	2,625	4,043	10,716	11,227	17,763	17,252
Earnings per share						
Number of shares in Vattenfall AB, thousands	131,700	131,700	131,700	131,700	131,700	131,700
Earnings per share, basic and diluted (SEK)	18.65	28.91	77.50	80.62	129.80	126.69
Supplementary information						
Operating profit before depreciation and amortisation (EBITDA)	10,145	10,078	27,294	25,281	45,960	47,973
Financial items, net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	-1,665	-450	-3,215	-1,492	-5,049	-6,772
1) Of which, depreciation, amortisation and impairment losses related to intangible assets (non-recurring) and property, plant and equipment	-4,133	-3,552	-8,280	-7,200	-15,508	-16,588
2) Of which, depreciation, amortisation and impairment losses related to intangible assets (non-recurring) and property, plant and equipment	-131	-210	-273	-339	-557	-491
3) Including items affecting comparability attributable to:						
Capital gains/losses, net	74	16	83	85	98	96
4) Including return from the Swedish Nuclear Waste Fund	82	300	374	600	1,452	1,226
5) Including interest components related to pension costs	-310	-255	-621	-454	-943	-1,110
5) Including discounting effects attributable to provisions	-825	-690	-1,670	-1,306	-2,800	-3,164
6) Including items affecting comparability attributable to:						
Capital gains/losses, net	77	9	85	96	124	113
7) Including items affecting comparability stated above adjusted for tax	60	6	64	72	95	87

Consolidated statement of comprehensive income

Amounts in SEK million	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Last 12 months
Profit for the period	2,625	4,043	10,716	11,227	17,763	17,252
Other comprehensive income:						
Cash flow hedges:						
Changes in fair value	-1,545	-18,644	1,741	-15,965	-3,486	14,220
Dissolved against the income statement	349	-765	1,132	-889	6,466	8,487
Transferred to cost of hedged item	-278	92	-342	146	368	-120
Tax attributable to cash flow hedges	272	5,545	-824	4,817	-899	-6,540
Hedging of net investments in foreign operations	577	-485	766	-121	-7,177	-6,290
Translation differences	-544	1,801	-2,041	1,064	15,393	12,288
Total other comprehensive income, net after tax	-1,169	-12,456	432	-10,948	10,665	22,045
Total comprehensive for the period	1,456	-8,413	11,148	279	28,428	39,297
Total comprehensive income for the period attributable to:						
Owners of the Parent Company	1,075	-8,895	10,791	-569	27,395	38,755
Minority interests	381	482	357	848	1,033	542
Total	1,456	-8,413	11,148	279	28,428	39,297

Operating segments, Vattenfall Group

Amounts in SEK million	External net sales					Sales between segments					Total net sales				
	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008
Business Group Nordic	9,535	10,642	24,461	24,001	48,417	-423	-1,655	-2,263	-3,197	-10,009	9,112	8,987	22,198	20,804	38,408
Business Group Central Europe	27,391	20,617	58,764	47,791	97,883	10,420	9,665	24,284	20,611	43,073	37,811	30,282	83,048	68,402	140,956
Business Group Pan Europe	2,078	1,845	3,893	3,439	7,614	3,301	2,846	7,269	6,847	12,793	5,379	4,691	11,162	10,286	20,407
Supply & Trading	2,600	2,984	7,035	6,023	11,421	9,948	7,631	21,124	16,552	33,499	12,548	10,615	28,159	22,575	44,920
Other ¹	524	-829	503	-591	-786	262	114	490	445	720	786	-715	993	-146	-66
Eliminations ²	-	-	-	-	-	-23,508	-18,601	-50,904	-41,258	-80,076	-23,508	-18,601	-50,904	-41,258	-80,076
Total	42,128	35,259	94,656	80,663	164,549	-	-	-	-	-	42,128	35,259	94,656	80,663	164,549

Amounts in SEK million	Profit					Profit excl. items affecting comparability				
	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008
Business Group Nordic	1,940	2,749	6,270	6,919	11,461	1,869	2,744	6,187	6,915	11,469
Business Group Central Europe	3,776	3,912	11,021	9,215	16,872	3,774	3,901	11,008	9,135	16,774
Business Group Pan Europe	470	785	1,990	2,605	3,567	469	785	1,989	2,604	3,559
Supply & Trading ³	20	95	547	266	561	20	95	561	266	561
Other ¹	-325	-1,225	-1,087	-1,263	-2,566	-325	-1,225	-1,087	-1,263	-2,566
Operating profit (EBIT)	5,881	6,316	18,741	17,742	29,895	5,807	6,300	18,658	17,657	29,797
Financial income and expenses	-2,408	-840	-4,511	-2,198	-6,397					
Profit before tax	3,473	5,476	14,230	15,544	23,498					

Amounts in SEK million	Assets		
	30 June 2009	30 June 2008	31 Dec. 2008
Business Group Nordic	106,799	105,079	122,955
Business Group Central Europe	215,185	192,325	217,647
Business Group Pan Europe	125,878	96,717	119,173
Supply & Trading ³	17,385	21,742	23,212
Other ¹	210,717	115,488	171,672
Eliminations	-175,343	-177,419	-208,832
Total	500,621	353,932	445,827

1) Includes Treasury operations and Other Group functions. Operating profit also includes unrealised changes in fair value according to IAS 39 for energy trading contracts administered by Supply & Trading which are reported in the segment Other until the amounts are realised. When the amounts are realised, other segments are affected.

2) Chiefly concerns trade between Business Groups and Supply & Trading.

3) Operating profit excludes unrealised changes in fair value according to IAS 39 which are reported in the segment Other.

Vattenfall Group, information about products and services

Amounts in SEK million	External net sales					Sales between segments					Total net sales				
	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008
Electricity Generation	8,879	10,670	20,814	21,262	47,129	10,040	7,012	21,337	15,282	27,226	18,919	17,682	42,151	36,544	74,355
Supply & Trading	2,600	2,984	7,035	6,023	11,421	9,948	7,631	21,124	16,552	33,499	12,548	10,615	28,159	22,575	44,920
Electricity Networks	12,631	8,769	26,660	22,974	45,643	3,424	3,365	8,693	7,697	15,565	16,055	12,134	35,353	30,671	61,208
Heat	3,696	2,754	10,172	7,486	14,854	2,413	2,792	6,936	6,262	12,257	6,109	5,546	17,108	13,748	27,111
Other ¹	19,130	15,645	40,823	34,118	72,076	2,493	2,456	4,874	5,014	10,867	21,623	18,101	45,697	39,132	82,943
Eliminations ²	-4,808	-5,563	-10,848	-11,200	-26,574	-28,318	-23,256	-62,964	-50,807	-99,414	-33,126	-28,819	-73,812	-62,007	-125,988
Total	42,128	35,259	94,656	80,663	164,549	—	—	—	—	—	42,128	35,259	94,656	80,663	164,549

Amounts in SEK million	Operating profit (EBIT)					Operating profit (EBIT) excl. items affecting comparability				
	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008
Electricity Generation	5,365	5,816	14,672	13,479	24,227	5,366	5,815	14,671	13,472	24,217
Supply & Trading ³	20	95	547	266	561	20	95	561	266	561
Electricity Networks	810	917	2,988	2,471	4,654	726	918	2,904	2,473	4,677
Heat	667	714	2,675	2,781	3,310	682	702	2,681	2,762	3,290
Other	-981	-1,226	-2,141	-1,255	-2,857	-987	-1,230	-2,159	-1,316	-2,948
Total	5,881	6,316	18,741	17,742	29,895	5,807	6,300	18,658	17,657	29,797

1) Includes Energy Sales, Treasury operations, Other Group functions and certain other business operations. Operating profit also includes unrealised changes in fair value according to IAS 39 for energy trading contracts administered by Supply & Trading which are reported in the segment Other until the amounts are realised. When the amounts are realised mainly Electricity Generation is affected.

2) Chiefly concerns trade between Electricity Generation, Supply & Trading, Energy Sales and Electricity Networks.

3) Operating profit excludes unrealised changes in fair value according to IAS 39 which are reported in the segment Other.

Vattenfall Group, information about geographical areas

Amounts in SEK million	External net sales					Sales between segments					Total net sales				
	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008
Nordic countries	11,029	12,127	27,312	26,817	54,732	452	-962	403	-547	-5,881	11,481	11,165	27,715	26,270	48,851
Germany and Poland	27,899	20,976	59,650	48,413	99,182	10,644	9,787	24,535	20,800	43,078	38,543	30,763	84,185	69,213	142,260
Other ¹	3,200	2,156	7,694	5,433	10,635	10,206	7,742	21,608	16,992	34,214	13,406	9,898	29,302	22,425	44,849
Eliminations	—	—	—	—	—	-21,302	-16,567	-46,546	-37,245	-71,411	-21,302	-16,567	-46,546	-37,245	-71,411
Total	42,128	35,259	94,656	80,663	164,549	—	—	—	—	—	42,128	35,259	94,656	80,663	164,549

Amounts in SEK million	Operating profit (EBIT)					Operating profit (EBIT) excl. items affecting comparability				
	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008
Nordic countries	2,874	3,843	9,402	10,314	16,760	2,802	3,838	9,318	10,309	16,760
Germany and Poland	3,246	3,603	9,774	8,425	15,140	3,244	3,592	9,761	8,345	15,042
Other	-239	-1,130	-435	-997	-2,005	-239	-1,130	-421	-997	-2,005
Total	5,881	6,316	18,741	17,742	29,895	5,807	6,300	18,658	17,657	29,797

1) Chiefly concerns Supply & Trading, Treasury operations and Other Group functions. Also includes operations in the UK.

Consolidated balance sheet

Amounts in SEK million	30 June 2009	30 June 2008	31 December 2008
Assets			
Non-current assets			
Intangible assets: non-current	7,459	4,206	7,257
Property, plant and equipment	262,599	218,061	256,077
Other non-current assets	54,985	50,621	54,578
Total non-current assets	325,043	272,888	317,912
Current assets			
Inventories	12,522	10,792	12,580
Intangible assets: current	1,091	589	3,285
Trade receivables and other receivables	28,268	23,844	34,293
Advance payment to suppliers	714	721	704
Derivatives with positive fair value	23,631	15,712	26,450
Prepaid expenses and accrued income	4,582	4,435	5,660
Current tax assets	2,896	2,055	4,707
Short-term investments	19,476	9,707	19,332
Cash and cash equivalents	82,398	13,189	20,904
Total current assets	175,578	81,044	127,915
Total assets	500,621	353,932	445,827
Equity and liabilities			
Equity			
Attributable to owners of the Parent Company	133,752	101,708	129,861
Attributable to minority interests	11,308	10,664	11,025
Total equity	145,060	112,372	140,886
Non-current liabilities			
Capital Securities	10,728	9,330	10,811
Other interest-bearing liabilities	128,066	39,838	67,022
Pension provisions	20,849	17,849	20,752
Other interest-bearing provisions	63,304	52,080	64,068
Deferred tax liabilities	27,618	22,736	26,107
Other noninterest-bearing liabilities	3,980	3,256	3,818
Total non-current liabilities	254,545	145,089	192,578
Current liabilities			
Trade payables and other liabilities	16,337	14,119	24,506
Advance payments from customers	142	83	346
Derivatives with negative fair value	26,820	32,245	28,582
Accrued expenses and deferred income	22,459	14,177	21,941
Current tax liabilities	2,226	4,706	2,495
Interest-bearing liabilities	28,109	26,800	29,514
Interest-bearing provisions	4,923	4,341	4,979
Total current liabilities	101,016	96,471	112,363
Total equity and liabilities	500,621	353,932	445,827
Pledged assets	1,521	1,399	1,631
Contingent liabilities	5,258	3,942 ¹	4,598

1) The amount is adjusted compared to previously published information.

Supplementary information

Net assets

Amounts in SEK million	30 June 2009	30 June 2008	31 December 2008
Business Group Nordic	70,274	67,388	72,904
Business Group Central Europe	99,643	82,826	94,290
Business Group Pan Europe	41,195	24,075	36,377
Supply & Trading	2,292	2,060	2,280
Other ¹	983	3,363	4,547
Eliminations	-1,268	-1,059	1,625
Total net assets	213,119	178,653	212,023
Net assets, weighted average value	200,168	165,321	179,114

1) Includes Treasury operations and Other Group functions.

Net debt

Amounts in SEK million	30 June 2009	30 June 2008	31 December 2008
Capital Securities	-10,728	-9,330	-10,811
Other interest-bearing liabilities ¹	-156,175	-66,638	-96,536
Cash and cash equivalents	82,398	13,189	20,904
Short-term investments	19,476	9,707	19,332
Loans to minority owners in foreign subsidiaries	1,551	1,061	1,111
Total net debt	-63,478	-52,011	-66,000
1) Of which, loans from minority-owned German nuclear power companies	-17,707	-11,761	-16,881

Consolidated statement of cash flows

Amounts in SEK million	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Last 12 months
Operating activities						
Profit before tax	3,473	5,476	14,230	15,544	23,498	22,184
Depreciation, amortisation and impairment losses	4,264	3,757	8,553	7,534	16,060	17,079
Tax paid	-2,714	-2,496	-1,523	-3,801	-8,203	-5,925
Other adjustment items	-2,455	-7,403	68	-8,115	-620	7,563
Funds from operations (FFO)	2,568	-666	21,328	11,162	30,735	40,901
Changes in inventories	-822	-1,131	-74	-1,222	-2,222	-1,074
Changes in operating receivables	10,890	10,745	8,075	8,212	-1,318	-1,455
Changes in operating liabilities	-2,606	642	-4,587	796	12,858	7,475
Other changes	407	-2,188	-2,777	-2,525	-3,859	-4,111
Cash flow from changes in operating assets and operating liabilities	7,869	8,068	637	5,261	5,459	835
Cash flow from operating activities	10,437	7,402	21,965	16,423	36,194	41,736
Investing activities						
Investments	-9,939	-12,773	-16,947	-17,800	-42,296	-41,443
Divestments	675	131	737	458	865	1,144
Cash and cash equivalents in acquired/divested companies	27	5	27	8	158	177
Cash flow from investing activities	-9,237	-12,637	-16,183	-17,334	-41,273	-40,122
Cash flow before financing activities	1,200	-5,235	5,782	-911	-5,079	1,614
Financing activities						
Changes in short-term investments	3,782	-162	-316	2,360	-4,806	-7,482
Changes in loans to minority owners in foreign subsidiaries	-111	-101	-450	-272	-174	-352
Loans raised ¹	32,854	5,836	73,656	10,665	31,797	94,788
Amortisation of debt	-9,221	-285	-10,363	-1,227	-4,457	-13,593
Dividends paid to owners	-6,941	-8,063	-6,968	-8,064	-8,066	-6,970
Cash flow from financing activities	20,363	-2,775	55,559	3,462	14,294	66,391
Cash flow for the period	21,563	-8,010	61,341	2,551	9,215	68,005
Cash and cash equivalents						
Cash and cash equivalents at the beginning of the period	60,841	21,084	20,904	10,563	10,563	13,189
Cash flow for the period	21,563	-8,010	61,341	2,551	9,215	68,005
Translation differences	-6	115	153	75	1,126	1,204
Cash and cash equivalents at the end of the period	82,398	13,189	82,398	13,189	20,904	82,398

1) Short-term borrowings in which the duration is three months or shorter are reported net.

Consolidated statement of cash flows (cont.)

Supplementary information

Amounts in SEK million	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Last 12 months
Cash flow before financing activities	1,200	-5,235	5,782	-911	-5,079	1,614
Financing activities						
Dividends paid to owners	-6,941	-8,063	-6,968	-8,064	-8,066	-6,970
Cash flow after dividend	-5,741	-13,298	-1,186	-8,975	-13,145	-5,356
Analysis of change in net debt						
Net debt at beginning of the period	-60,571	-39,545	-66,000	-43,740	-43,740	-52,011
Cash flow after dividend	-5,741	-13,298	-1,186	-8,975	-13,145	-5,356
Changes as a result of valuation at fair value	2,570	853	2,104	455	-1,847	-198
Changes in interest-bearing liabilities for leasing	13	-31	24	-29	-25	28
Interest-bearing liabilities acquired	-	-	-	-	-107	-107
Translation differences on net debt	251	10	1,580	278	-7,136	-5,834
Net debt at the end of the period	-63,478	-52,011	-63,478	-52,011	-66,000	-63,478
Free cash flow	5,594	74	14,049	5,101	18,963	27,911

Consolidated statement of changes in equity

Amounts in SEK million	30 June 2009			30 June 2008			31 December 2008		
	Attributable to owners of the Parent Company	Attributable to minority interests	Total equity	Attributable to owners of the Parent Company	Attributable to minority interests	Total equity	Attributable to owners of the Parent Company	Attributable to minority interests	Total equity
Balance brought forward	129,861	11,025	140,886	111,709	12,423	124,132	111,709	12,423	124,132
Dividends paid to owners	-6,900	-68	-6,968	-8,000	-64	-8,064	-8,000	-66	-8,066
Group contributions from/to (-) minority, net after tax	-	-	-	-	-	-	-	189	189
Changes in ownership	-	-6	-6	-1,432	-2,543	-3,975	-1,243	-2,554	-3,797
Total comprehensive income for the period	10,791	357	11,148	-569	848	279	27,395	1,033	28,428
Balance carried forward	133,752¹	11,308	145,060	101,708¹	10,664	112,372	129,861¹	11,025	140,886
1) Of which, Reserve for cash flow hedges	-2,334	-	-	-18,334	-	-	-4,054	-	-

Key ratios, Vattenfall Group (definitions and calculations of key ratios on pages 30–31)

In % unless otherwise stated. (x) means times	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008	Last 12 months
Operating margin	14.0	17.9	19.8	22.0	18.2	17.3
Operating margin ¹	13.8	17.9	19.7	21.9	18.1	17.2
Pre-tax profit margin	8.2	15.5	15.0	19.3	14.3	12.4
Pre-tax profit margin ¹	8.1	15.5	14.9	19.2	14.2	12.4
Return on equity	12.5 ²	14.8 ²	12.5 ²	14.8 ²	13.6	12.5
Return on equity ¹	12.4 ²	14.7 ²	12.4 ²	14.7 ²	13.5	12.4
Return on net assets	13.9 ²	16.1 ²	13.9 ²	16.1 ²	15.1	13.9
Return on net assets ¹	13.8 ²	16.0 ²	13.8 ²	16.0 ²	15.1	13.8
EBIT interest cover, (x)	3.1	7.6	4.9	7.9	4.5	3.8
EBIT interest cover, (x) ¹	3.1	7.6	4.9	7.9	4.5	3.8
FFO interest cover, (x)	2.3	0.3	6.4	5.8	5.4	5.8
FFO interest cover, net, (x)	2.5	-0.5	7.6	8.5	7.1	7.0
Cash flow interest cover after maintenance investments, (x)	4.3	1.1	5.2	3.7	4.1	4.7
FFO/gross debt	24.5 ²	37.0 ²	24.5 ²	37.0 ²	28.6	24.5
FFO/net debt	64.4 ²	54.0 ²	64.4 ²	54.0 ²	46.6	64.4
EBITDA/net financial items, (x)	6.1	22.4	8.5	16.9	9.1	7.1
EBITDA/net financial items, (x) ¹	6.0	22.4	8.5	16.9	9.1	7.1
Equity/total assets	29.0	31.7	29.0	31.7	31.6	29.0
Gross debt/equity	115.1	67.6	115.1	67.6	76.2	115.1
Net debt/equity	43.8	46.3	43.8	46.3	46.8	43.8
Gross debt/gross debt plus equity	53.5	40.3	53.5	40.3	43.2	53.5
Net debt/net debt plus equity	30.4	31.6	30.4	31.6	31.9	30.4
Net debt/EBITDA, (x)	1.3 ²	1.1 ²	1.3 ²	1.1 ²	1.4	1.3

1) Excl. items affecting comparability.

2) Last 12-month values.

Quarterly information, Vattenfall Group

Amounts in SEK million	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008
Income statement						
Net sales	42,128	52,528	46,870	37,016	35,259	45,404
Cost of products sold	-32,788	-36,682	-37,395	-28,542	-25,755	-31,269
Other operating income and expenses, net	-3,822	-3,470	-3,465	-3,188	-3,419	-3,048
Participations in the results of associated companies	363	484	552	305	231	339
Operating profit before depreciation and amortisation (EBITDA)	10,145	17,149	11,407	9,272	10,078	15,203
Operating profit (EBIT)	5,881	12,860	6,562	5,591	6,316	11,426
Financial items, net	-2,408	-2,103	-2,151	-2,048	-840	-1,358
Financial items, net ¹	-1,665	-1,550	-2,380	-1,177	-450	-1,042
Profit before tax	3,473	10,757	4,411	3,543	5,476	10,068
Profit for the period	2,625	8,091	4,055	2,481	4,043	7,184
- of which, attributable to owners of the Parent Company	2,456	7,751	3,894	2,584	3,808	6,809
- of which, attributable to minority interests	169	340	161	-103	235	375
Balance sheet						
Non-current assets	325,043	321,685	317,912	277,672	272,888	265,288
Short-term investments	19,476	23,256	19,332	13,156	9,707	9,498
Cash and cash equivalents	82,398	60,841	20,904	14,722	13,189	21,084
Other current assets	73,704	94,111	87,679	56,037	58,148	54,476
Total assets	500,621	499,893	445,827	361,587	353,932	350,346
Equity	145,060	150,485	140,886	124,068	112,372	132,822
- of which, attributable to owners of the Parent Company	133,752	139,577	129,861	113,364	101,708	120,035
- of which, attributable to minority interests	11,308	10,908	11,025	10,704	10,664	12,787
Capital Securities	10,728	10,856	10,811	9,641	9,330	9,267
Other interest-bearing liabilities	156,175	135,267	96,536	67,860	66,638	61,815
Pension provisions	20,849	20,993	20,752	18,517	17,849	17,644
Other interest-bearing provisions	68,227	69,387	69,047	57,529	56,421	56,446
Deferred tax liabilities	27,618	27,870	26,107	23,890	22,736	24,302
Other noninterest-bearing liabilities	71,964	85,035	81,688	60,082	68,586	48,050
Total equity and liabilities	500,621	499,893	445,827	361,587	353,932	350,346
Net assets	213,119	212,812	212,023	179,949	178,653	168,781
Net debt	-63,478	-60,571	-66,000	-48,476	-52,011	-39,545
Cash flow						
Funds from operations (FFO)	2,568	18,760	10,886	8,687	-666	11,828
Cash flow from changes in operating assets and operating liabilities	7,869	-7,232	-3,328	3,526	8,068	-2,807
Cash flow from operating activities	10,437	11,528	7,558	12,213	7,402	9,021
Cash flow from investing activities	-9,237	-6,946	-17,715	-6,224	-12,637	-4,697
Cash flow before financing activities	1,200	4,582	-10,157	5,989	-5,235	4,324
Changes in short-term investments	3,782	-4,098	-3,968	-3,198	-162	2,522
Loans raised/Amortisation of debt, net, etc.	23,522	39,321	19,349	-1,349	5,450	3,716
Dividends paid to owners	-6,941	-27	-1	-1	-8,063	-1
Cash flow from financing activities	20,363	35,196	15,380	-4,548	-2,775	6,237
Cash flow for the period	21,563	39,778	5,223	1,441	-8,010	10,561
Free cash flow	5,594	8,455	6,398	7,464	74	5,027

1) Excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund.

Quarterly information, Vattenfall Group (cont.)

Key ratios (definitions and calculations of key ratios on pages 30–31)

In % unless otherwise stated. (x) means times	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008
Return on equity ¹	12.5	13.9	13.6	14.0	14.8	17.0
Return on equity ^{1,2}	12.4	13.9	13.5	13.8	14.7	16.9
Return on net assets ¹	13.9	14.9	15.1	16.0	16.1	16.2
Return on net assets ^{1,2}	13.8	14.8	15.1	16.0	16.0	16.1
EBIT interest cover, (x)	3.1	6.8	2.4	3.7	7.6	8.1
EBIT interest cover, (x) ²	3.1	6.8	2.4	3.7	7.6	8.1
FFO interest cover, (x) ¹	24.5	25.8	28.6	39.7	37.0	47.4
FFO interest cover, net, (x) ¹	64.4	62.2	46.6	63.4	54.0	85.1
Equity/assets ratio	29.0	30.1	31.6	34.3	31.7	37.9
Gross debt/equity	115.1	97.1	76.2	62.5	67.6	53.5
Net debt/equity	43.8	40.3	46.8	39.1	46.3	29.8
Net debt/net debt plus equity	30.4	28.7	31.9	28.1	31.6	22.9
Net debt/EBITDA, (x) ¹	1.3	1.3	1.4	1.0	1.1	0.9

1) Last 12-month values.

2) Excl. items affecting comparability.

Key ratios – renewable energy¹ generation in the Nordic countries

Amounts in SEK million	Wind power		Hydro power ²		Heat		Total	
	Q1-2 2009	Q1-2 2008	Q1-2 2009	Q1-2 2008	Q1-2 2009	Q1-2 2008	Q1-2 2009	Q1-2 2008
Operating profit	91.5	234.2	99.4	109.3	245.9	252.5	436.7	596.0
Investments	3,225.6	418.3	25.1	10.3	778.2	609.3	4,028.9	1,038.0
Property, plant and equipment ³	9,971.9	6,228.8	332.1	311.4	7,043.2	5,275.5	17,347.2	11,815.7
Return on property, plant and equipment, %	1.8	7.5	59.8	70.2	7.0	9.6	5.0	10.1

1) By renewable energy is meant electricity and heat generation in the Nordic countries according to the official rules that apply for electricity certificates in Sweden.

2) Small-scale hydro power and capacity increases.

3) The value of Property, plant and equipment is calculated as an average over the year.

Exchange rates

Key exchange rates applied in the accounts of the Vattenfall Group:

	Q2 2009	Q2 2008	Q1-2 2009	Q1-2 2008	Full year 2008		30 June 2009	30 June 2008	31 Dec. 2008
Average rate						Balance sheet date rate			
EUR	10.8039	9.3875	10.8908	9.4051	9.6628	EUR	10.8455	9.4500	10.9400
DKK	1.4508	1.2585	1.4620	1.2614	1.2962	DKK	1.4565	1.2675	1.4680
GBP	12.2125	11.8725	12.0971	12.1829	12.1085	GBP	12.8400	11.9400	11.2500
NOK	1.2123	1.1750	1.2070	1.1784	1.1704	NOK	1.2020	1.1825	1.1035
PLN	2.3950	2.7375	2.4343	2.6929	2.7331	PLN	2.4200	2.8200	2.6200
USD	7.9069	5.9925	8.0939	6.1382	6.5929	USD	7.6875	5.9800	7.7500

Parent Company income statement

Amounts in SEK million	Q1-2 2009	Q1-2 2008	Full year 2008
Net sales	16,253	16,740	31,844
Cost of products sold	-9,136	-8,674	-18,118
Gross profit	7,117	8,066	13,726
Selling expenses, administrative expenses and research and development costs	-1,541	-1,381	-2,905
Other operating income and expenses, net	10	170	160
Operating profit (EBIT)	5,586	6,855	10,981
Result from participations in Group companies	57	31,314	34,579
Result from participations in associated companies	235	2	12
Result from other shares and participations	104	20	20
Interest income and similar profit/loss items	586	1,178	2,594
Interest expenses and similar profit/loss items	-1,806	-2,135	-14,467
Group contributions	-	-	1,315
Profit before appropriations and tax	4,762	37,234	35,034
Appropriations	-51	-322	3,498
Profit before tax	4,711	36,912	38,532
Income tax expense	-1,141	-1,914	-1,024
Profit for the period	3,570	34,998	37,508

Parent Company balance sheet

Amounts in SEK million	30 June 2009	30 June 2008	31 December 2008
Assets			
Non-current assets			
Intangible assets: non-current	125	60	50
Property, plant and equipment	20,447	19,614	20,148
Other non-current assets	101,726	97,268	103,304
Total non-current assets	122,298	116,942	123,502
Current assets			
Inventories	274	280	322
Intangible assets: current	417	350	710
Current receivables	38,578	29,859	33,353
Current tax assets	1,063	-	1,688
Short-term investments	52,942	-	-
Cash and cash equivalents	185	234	375
Total current assets	93,459	30,723	36,448
Total assets	215,757	147,665	159,950
Equity and liabilities			
Equity			
Restricted equity			
Share capital	6,585	6,585	6,585
Statutory reserve	1,286	1,286	1,286
Non-restricted equity			
Retained earnings	41,235	16,116	10,633
Profit for the period	3,570	34,998	37,508
Total equity	52,676	58,985	56,012
Untaxed reserves	7,546	11,315	7,495
Provisions	96	136	109
Non-current liabilities			
Non-current interest-bearing liabilities	130,148	59,253	59,557
Non-current noninterest-bearing liabilities	2,905	2,622	2,803
Total non-current liabilities	133,053	61,875	62,360
Current liabilities			
Current interest-bearing liabilities	719	395	7,932
Current tax liabilities	-	1,006	-
Other current noninterest-bearing liabilities	21,667	13,953	26,042
Total current liabilities	22,386	15,354	33,974
Total equity and liabilities	215,757	147,665	159,950

Accounting principles, risks and uncertainties, and the Parent Company's interim report

Group

Accounting principles

The consolidated accounts for the first half of 2009 have, as in the year-end accounts for 2008, been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the Swedish Annual Accounts Act.

This interim report for the Group has been prepared in accordance with IAS 34 – Interim Financial Reporting, and the Swedish Annual Accounts Act.

The accounting principles applied in this interim report are the same as those described in Vattenfall's 2008 Annual Report (Note 2 to the consolidated accounts), with the following exceptions.

The following new IFRSs, amendments to standards and interpretations are effective as of the 2009 financial year:

IFRS 8 – Operating Segments, which defines an operating segment and what information shall be disclosed for each operating segment in the financial statements. IFRS 8 in combination with a changed Group organisational structure as of the 2009 financial year entail a further split of the segments disclosed by Vattenfall compared with the segments reported in 2008. See further under the heading Operating segments below.

Amendments to IAS 23 – Borrowing Costs, require that an entity must capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that takes a substantial period of time to get ready for its intended use or sale. The amendments have not had any impact on Vattenfall's financial statements, as such borrowing costs are already capitalised within the Vattenfall Group.

Amendments to IAS 1 – Presentation of Financial Statements, have led to a changed presentation format of the consolidated financial statements in certain respects. The amendment does not affect the calculation of numbers reported. It entails that certain transactions that were previously recognised directly in equity, have been recognised as separate items in a new statement – Consolidated statement of comprehensive income – under the heading Other comprehensive income.

The following amendments to standards and interpretations have had no or minimal impact on Vattenfall's financial statements:

Amendments to IFRS 2 – Share-based Payment: Vesting Conditions and Cancellations. These clarify, among other things, the treatment of vesting conditions related to share-based payments.

IFRIC 13 – Customer Loyalty Programmes. This interpretation addresses the reporting and valuation of a company's obligation to provide free or discounted goods or services to customers that have qualified for such through previous purchases.

Amendments to IAS 27 – Consolidated and Separate Financial State-

ments, “Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate”, which affect dividends received from subsidiaries, associated companies and joint ventures.

Amendments to IAS 32 – Financial Instruments: Presentation, and IAS 1 – Presentation of Financial Statements. “Puttable Financial Instruments and Obligations Arising on Liquidation” states that certain well-defined financial instruments shall be classified as equity and not as a liability.

Operating segments

As of the 2009 financial year the Group's activities are conducted primarily in three operating segments (Business Groups). In addition to the geographical breakdown of operations, consisting of a Business Group for the Nordic region (Sweden, Finland and Denmark) and one for Central Europe (Germany and Poland), a Business Group Pan Europe has been established with responsibility for wind power, nuclear power and technological development in all countries in which Vattenfall has operations. Business Group Pan Europe will also be responsible for European business development with focus on efficient use of energy and biomass. In addition to these are the operating segment Supply & Trading, which is responsible for energy trading, and the segment Other (Treasury operations and Other Group functions).

Operating profit for the segment Other includes unrealised changes in market value (fair value) in accordance with IAS 39 for energy trading contracts administered by Supply & Trading. When the amounts are realised, other segments are affected.

Deliveries of electricity between segments are made at market prices. In the case of services between segments, the cost price principle generally applies, although in certain cases market prices are applied.

Risks and uncertainties

For a description of risks, uncertainties and risk management, please refer to Vattenfall's 2008 Annual Report, pages 71–75, and Note 35 to the consolidated accounts. No material changes, other than what is stated in this interim report, have taken place since publication of the 2008 Annual Report.

Other

Significant related-party transactions are described in Note 51 to the consolidated accounts in Vattenfall's 2008 Annual Report. No material changes have taken place in relations or transactions with related parties compared with the description in the 2008 Annual Report.

IAS 34 requires certain supplementary disclosures regarding business combinations (IFRS 3), even when such business combinations are completed after the end of the reporting period. As a result of the short time that passed between the European Commission's approval and the

publication of this report, such data cannot be presented. Such data will be disclosed in the next interim report.

Parent Company Vattenfall AB

Accounting principles

The Parent Company Vattenfall AB's accounts are prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2.2 – Accounting for Legal Entities, issued by the Swedish Financial Reporting Board.

The accounting principles used in this report are the same as those described in Vattenfall's 2008 Annual Report (Note 2 to the Parent Company accounts).

First half of 2008

A condensed income statement and balance sheet for the Parent Company are presented on page 27 of this report.

Sales amounted to SEK 16,253 million (16,740).

Profit before appropriations and tax was SEK 4,762 million (37,234).

The deterioration in earnings compared with the preceding year is attributable to an intra-Group, non-taxable capital gain recognised in 2008 on the sale of shares by the Parent Company to a wholly owned subsidiary. This capital gain was eliminated at the Group level.

The balance sheet total was SEK 215,757 million (147,665). The increase is explained by loans raised intended to finance the acquisition of 49% of the shares in N.V. Nuon Energy.

Investments for the period amounted to SEK 2,243 million (4,189).

Cash, cash equivalents and similar assets amounted to SEK 185 million (234). Funds in the Group cash pool account managed by Vattenfall Treasury AB amounted to SEK 31,050 million (19,908).

Risks and uncertainties

For a description of risks, uncertainties and risk management, please refer to Vattenfall's 2008 Annual Report, pages 71–75. No material changes, other than what is stated in this report, have taken place since publication of the 2008 Annual Report.

Other

Significant related-party transactions are described in Note 40 to the Parent Company accounts in Vattenfall's 2008 Annual Report. No material changes have taken place in relations or transactions with related parties compared with the description in the 2008 Annual Report.

The information provided in this interim report is such that Vattenfall is required to disclose pursuant to the Swedish Securities Market Act.

The Board of Directors and President certify that this half-year interim report presents a true and fair overview of the Vattenfall Group's and the Parent Company Vattenfall AB's operations, financial position and results of operations, and describes the significant risks and uncertainties facing the Company and the companies belonging to the Group.

Stockholm, 30 July 2009

Lars Westerberg
Chairman

Lars G. Josefsson
President and Chief Executive Officer

Viktorija Aastrup
Director

Carl-Gustaf Angelin
Director

Eli Arnstad
Director

Johnny Bernhardsson
Director

Christer Bådholm
Director

Ronny Ekvall
Director

Björn Savén
Director

Lone Fønss Schrøder
Director

Cecilia Vieweg
Director

Review Report

Introduction

We have reviewed the interim report for Vattenfall AB (publ) for the period from 1 January 2009 to 30 June 2009. It is the Board of Directors and the President who are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements, SÖG 2410, Review of the Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden (RS) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not, in all material respects, been prepared for the Group in accordance with IAS 34 and the Swedish Annual Accounts Act and for the Parent Company in accordance with the Swedish Annual Accounts Act.

Stockholm, 30 July 2009

Ernst & Young AB
Hamish Mabon
Authorised Public
Accountant

Per Redemo
Authorised Public Accountant appointed by
the Swedish National Audit Office

Definitions and calculations of key ratios

Figures for the Group. Amounts in SEK million unless otherwise stated.

EBIT	=	Earnings Before Interest and Tax.
EBITDA	=	Earnings Before Interest, Tax, Depreciation and Amortisation.
FFO	=	Funds From Operations.
Items affecting comparability		Non-recurring capital gains and capital losses from shares and other non-current assets.
Free cash flow		Cash flow from operating activities less maintenance investments.
Capital Securities		Perpetual subordinated securities, junior to all Vattenfall's unsubordinated debt instruments. Reported as interest-bearing non-current liabilities.
Net assets		Balance sheet total less noninterest-bearing liabilities, provisions, interest-bearing receivables, funds in the Swedish Nuclear Waste Fund, cash and cash equivalents, short-term investments.
Net debt		Interest-bearing liabilities less loans to minority owners in foreign subsidiaries, cash and cash equivalents, short-term investments.

The key ratios are presented as percentages (%) or times (x).

Key ratios based on last 12-month values (July 2008–June 2009):

Operating margin, %	=	100 x $\frac{\text{Operating profit (EBIT)}}{\text{Net sales}}$	=	$\frac{30,894}{178,542}$	=	17.3
Operating margin excl. items affecting comparability, %	=	100 x $\frac{\text{Operating profit (EBIT) excl. items affecting comparability}}{\text{Net sales}}$	=	$\frac{30,798}{178,542}$	=	17.2
Pre-tax profit margin, %	=	100 x $\frac{\text{Profit before tax}}{\text{Net sales}}$	=	$\frac{22,184}{178,542}$	=	12.4
Pre-tax profit margin excl. items affecting comparability, %	=	100 x $\frac{\text{Profit for the period attributable to owners of the Parent Company}}{\text{Net sales}}$	=	$\frac{22,071}{178,542}$	=	12.4
Return on equity, %	=	100 x $\frac{\text{Profit for the period attributable to owners of the Parent Company}}{\text{Average equity for the period attributable to owners of the Parent Company excl. the Reserve for cash flow hedges}}$	=	$\frac{16,685}{133,817}$	=	12.5
Return on equity excl. items affecting comparability, %	=	100 x $\frac{\text{Profit for the period attributable to owners of the Parent Company excl. items affecting comparability}}{\text{Average equity for the period attributable to owners of the Parent Company excl. the Reserve for cash flow hedges}}$	=	$\frac{16,598}{133,817}$	=	12.4
Return on net assets, %	=	100 x $\frac{\text{Operating profit (EBIT) + discounting effects attributable to provisions}}{\text{Weighted average of net assets for the period}}$	=	$\frac{27,730}{200,168}$	=	13.9
Return on net assets excl. items affecting comparability, %	=	100 x $\frac{\text{Operating profit (EBIT) excl. items affecting comparability + discounting effects attributable to provisions}}{\text{Weighted average of net assets for the period}}$	=	$\frac{27,634}{200,168}$	=	13.8
EBIT interest cover, (x)	=	$\frac{\text{Operating profit (EBIT) + financial income excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund}}{\text{Financial expenses excl. discounting effects attributable to provisions}}$	=	$\frac{32,728}{8,606}$	=	3.8

EBIT interest cover excl. items affecting comparability, (x) =	Operating profit (EBIT) excl. items affecting comparability + financial income excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	32,632	=	3.8
	Financial expenses excl. discounting effects attributable to provisions	8,606		
FFO interest cover, (x) =	Funds from operations (FFO) + financial expenses excl. discounting effects attributable to provisions	49,507	=	5.8
	Financial expenses excl. discounting effects attributable to provisions	8,606		
FFO interest cover, net, (x) =	Funds from operations (FFO) + net financial items excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	47,673	=	7.0
	Financial items excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	6,772		
Cash flow interest cover after maintenance investments, (x) =	Cash flow from operating activities less maintenance investments + financial expenses excl. discounting effects attributable to provisions and interest components related to pension costs	35,407	=	4.7
	Financial expenses excl. discounting effects attributable to provisions and interest components related to pension costs	7,496		
FFO/gross debt, % = 100 x	Funds from operations (FFO)	40,901	=	24.5
	Interest-bearing liabilities	166,903		
FFO/net debt, % = 100 x	Funds from operations (FFO)	40,901	=	64.4
	Net debt	63,478		
EBITDA/net financial items, (x) =	Operating profit before depreciation and amortisation (EBITDA)	47,973	=	7.1
	Financial items excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	6,772		
EBITDA excl. items affecting comparability/net financial items, (x) =	Operating profit before depreciation and amortisation (EBITDA) excl. items affecting comparability	47,877	=	7.1
	Financial items excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	6,772		
Key ratios based on the balance sheet per 30 June, 2009:				
Equity/total assets, % = 100 x	Equity	145,060	=	29.0
	Balance sheet total	500,621		
Gross debt/equity, % = 100 x	Interest-bearing liabilities	166,903	=	115.1
	Equity	145,060		
Net debt/equity, % = 100 x	Net debt	63,478	=	43.8
	Equity	145,060		
Gross debt/gross debt plus equity, % = 100 x	Interest-bearing liabilities	166,903	=	53.5
	Interest-bearing liabilities + equity	311,963		
Net debt/net debt plus equity, % = 100 x	Net debt	63,478	=	30.4
	Net debt + equity	208,538		
Net debt/EBITDA, (x) =	Net debt	63,478	=	1.3
	Operating profit before depreciation and amortisation (EBITDA)	47,973		

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