

Interim Report January–March



2013

Stable underlying operating profit despite challenging market conditions

- Net sales rose 1.4% to SEK 49,659 million (48,994)
- The underlying operating profit¹ was stable and amounted to SEK 11,625 million (11,629)
- Profit for the period (after tax) was SEK 6,195 million (13,828).
The profit for the first quarter of 2012 includes a capital gain of approximately SEK 8.1 billion for the sale of Vattenfall's electricity distribution and heating business in Finland
- Electricity generation increased by 7.9% to 52.2 TWh (48.4)
- The nuclear power plants, Forsmark and Ringhals, achieved combined availability of a full 97.1% and generated a total of 14.5 TWh of electricity.

CEO's comments

"The market conditions during the first quarter of the year were challenging, but thanks to the solid efforts by our employees and a favourable generation mix, Vattenfall can report an underlying operating profit that is level with the first quarter of 2012. Higher electricity generation volumes and higher sales of gas and heat have compensated for lower electricity prices achieved and higher fuel costs. The market outlook remains weak, and we are therefore continuing to improve the efficiency of operations and reduce our costs. During the past quarter we announced the potential departure of approximately 2,500 employees from Vattenfall as the company works to lower costs by SEK 3 billion in 2013 and by another SEK 1.5 billion in 2014."

A handwritten signature in black ink, appearing to read "Øystein Løseth".

Øystein Løseth
President and CEO

¹ Operating profit excluding items affecting comparability (for specification of items affecting comparability, see page 5).

Vattenfall discloses the information provided in this interim report pursuant to the Swedish Securities Market Act.

Key data

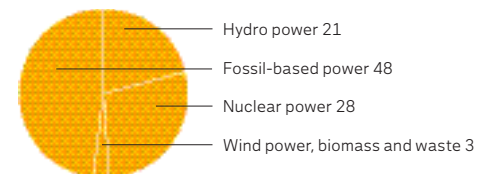
Amounts in SEK million unless indicated otherwise	Q1 2013	Q1 2012 ¹	Change, %	Full year 2012 ¹	Last 12 months
Net sales	49,659	48,994	1.4	167,313	167,978
Operating profit before depreciation and amortisation (EBITDA)	15,752	23,780	-33.8	54,271	46,243
Operating profit (EBIT)	10,806	18,910	-42.9	25,958	17,854
Underlying operating profit	11,625	11,629	—	27,530	27,526
Financial items, net	-2,406	-2,445	1.6	-7,840	-7,801
Profit before tax	8,400	16,465	-49.0	18,118	10,053
Profit for the period	6,195	13,828	-55.2	17,047	9,414
Funds from operations (FFO)	11,402	12,717	-10.3	34,419	33,104
Cash and cash equivalents plus short-term investments	38,976	45,710	-14.7	46,495	
Capital employed	310,913	317,430	-2.1	311,780	
Interest-bearing liabilities	147,559	166,545	-11.4	160,261	
Net debt	107,379	120,597	-11.0	111,907	
Adjusted net debt	152,106	155,389	-2.1	153,943	
Return on capital employed, %	5.7 ²	9.5 ²	—	8.3 ²	
Net debt/equity, %	70.4	80.0	—	74.9	
Funds from operations (FFO)/adjusted net debt, %	21.8 ²	25.0 ²	—	22.4 ²	
Adjusted net debt/operating profit before depreciation and amortisation (EBITDA), times	3.3 ²	2.5 ²	—	2.8 ²	
Electricity generation, TWh	52.2	48.4	7.9	178.9	182.7
Hydro power	11.2	11.7	-4.3	42.2	41.7
Nuclear power	14.5	12.5	16.0	48.9	50.9
Fossil-based power	25.0	22.7	10.1	81.7	84.0
Wind power	1.0	1.0	—	3.6	3.6
Biomass, waste	0.5	0.5	—	2.5	2.5
Sales of electricity, TWh	56.6	54.4	4.0	202.3	204.6
Sales of heat, TWh	12.9	11.0	17.3	30.3	32.2
Sales of gas, TWh	25.4	21.5	18.1	52.4	56.3
Number of employees, full-time equivalents	32,722	33,104	-1.2	32,794	

1) Certain amounts for 2012 have been recalculated compared with previously published information. See note 5, page 30.

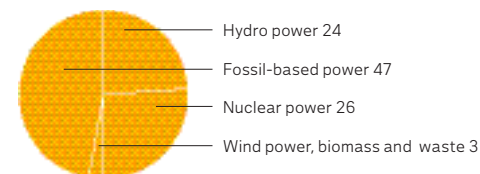
2) Last 12-month values.

See pages 33–34 for definitions and calculations of key ratios.

Electricity generation, Q1 2013, %



Electricity generation, Q1 2012, %



Important events during the first quarter

High availability of nuclear power

Vattenfall's nuclear power plants, Forsmark and Ringhals, achieved combined availability of a full 97.1% during the quarter and generated a total of 14.5 TWh of electricity.

Vattenfall studying possible divestments

Vattenfall is studying the opportunities to divest its 50% stake in the Lippendorf combined heat and power plant (1,840 MW) south of Leipzig, Germany, and the Danish combined heat and power plants (Nordjyllandsværket, Fynsværket and Amagerværket, totalling 1,388 MW).

Cost-cutting programme

During the quarter Vattenfall announced that the company, in addition to previously communicated cost savings of SEK 3 billion, plans to reduce costs by a further SEK 1.5 billion in 2014 by embodying a culture of continuous improvement. On 6 March Vattenfall announced that the number of employees is expected to be reduced by approximately 2,500 by year-end 2014, including approximately 1,500 in Germany, approximately 500 in the Netherlands and 400 in Sweden.

Other important events are described under the respective operating segments on pages 10–11.

Sales, profit and cash flow

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012	Last 12 months
Net sales	49,659	48,994	1.4	167,313	167,978

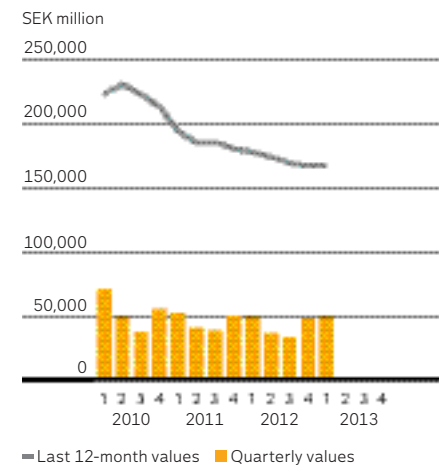
Comment: Consolidated net sales for the first quarter of 2013 increased by SEK 0.6 billion compared with the corresponding period in 2012, mainly due to higher sales volumes.

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012	Last 12 months
Operating profit (EBIT)	10,806	18,910	-42.9	25 958	17,854
Items affecting comparability	-819	7,281	—	-1,572	-9,672
Underlying operating profit	11,625	11,629	—	27,530	27,526

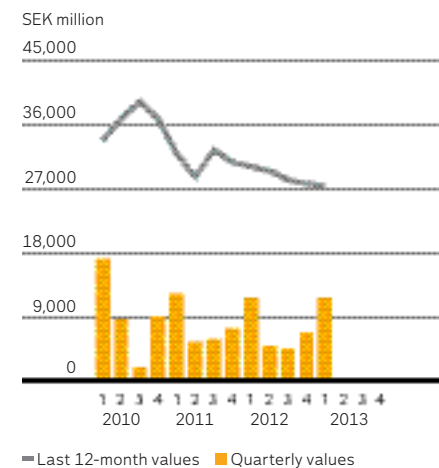
Comment: The underlying operating profit was stable and amounted to SEK 11.6 billion, attributable to:

- Negative price effects as a result of average lower prices achieved, mainly in Germany and the Netherlands (SEK -0.7 billion)
- Positive volume effects (SEK 1.7 billion) as a result of higher electricity generation
- Higher fuel costs stemming from greater purchases as a result of colder weather (SEK -1.4 billion)
- Lower costs for operations and maintenance, sales and administration, and research and development (SEK 0.1 billion, net)
- Other items, net (SEK 0.3 billion)

Net sales



Underlying operating profit



Sales, profit and cash flow, cont.

Amounts in SEK million	Q1 2013	Q1 2012	Full year 2012	Last 12 months
Items affecting comparability affecting operating profit (EBIT):				
Capital gains ¹	7	8,089	8,399	317
Capital losses	-7	-13	-389	-383
Impairment losses	-80	-35	-8,648	-8,693
Unrealised changes in the fair value of energy derivatives	322	-349	729	1,400
Unrealised changes in the fair value of inventories	-600	108	-395	-1,103
Restructuring costs	-461	-32	-824	-1,253
Other items affecting comparability	—	-487	-444	43
Total	-819	7,281	-1,572	-9,672

1) Capital gains during the first quarter of 2012 are attributable to the sale of Vattenfall's electricity distribution and heat business in Finland.

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012	Last 12 months
Profit for the period	6,195	13,828	-55.2	17,047	9,414

Comment: Profit for the period after tax amounted to SEK 6.2 billion. The high profit for the first quarter of 2012 is mainly attributable to a capital gain on the sale of Vattenfall's electricity distribution and heating business in Finland.

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012
Net financial items	-2,406	-2,445	1.6	-7,840
– of which, interest income	84	267	-68.5	812
– of which, interest expenses	-760	-1,263	-39.8	-5,244
– of which, impairment and provisions	-254	-814	-68.8	-1,090
– of which, other	-1,476	-644	129.2	-2,351
Interest received ¹	350	103	239.8	426
Interest paid ¹	-1,399	-1,444	-3.1	-3,798

1) Pertains to cash flows.

Comment: Net financial items for the first quarter of 2013 were level with the corresponding quarter in 2012. Interest expenses decreased as a result of a lower level of net debt and lower average interest rates on the debt. Impairment and provisions pertain to an impairment loss on Vattenfall's shareholding in the Polish energy company Enea S.A. The increase in the item "other" is largely attributable to final settlement in 2012 of Vattenfall's return from the Swedish Nuclear Waste Fund.

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012
Funds from operations (FFO)	11,402	12,717	-10.3	34,419
Cash flow from changes in operating assets and operating liabilities (working capital)	-6,647	-8,526	-22.0	-5,934
Cash flow from operating activities	4,755	4,191	13.5	28,485

Comment: Funds from operations (FFO) decreased by SEK 1.3 billion compared with the first quarter of 2012. The decrease is mainly attributable to average lower electricity prices achieved and higher fuel costs.

Cash flow from changes in working capital amounted to SEK -6.6 billion. This is mainly explained by higher operating receivables and lower operating liabilities, together totalling SEK -11.3 billion. Other changes, such as margin calls, changes in inventories and realised equity hedge items, had a positive impact on working capital for a combined amount of SEK 4.6 billion.

Financial position

Amounts in SEK million	31 March 2013	31 Dec. 2012	Change, %
Cash and cash equivalents, and short-term investments	38,976	46,495	-16.2
Receivable from Vattenfall's Swedish pension foundation	1,172	1,807	-35.1
Committed credit facilities (unutilised)	30,063	32,172	-12.1

Comment: The decrease in cash and cash equivalents, and short-term investments, is mainly attributable to repayment of SEK 9.8 billion in external loans. Vattenfall is currently dissolving its Swedish pension foundation, which during the first quarter of 2013 resulted in a receivable of SEK 1.2 billion from the foundation. This had a positive effect on cash flow in April 2013. During the fourth quarter of 2012, approximately SEK 4.6 billion was transferred from the foundation to Vattenfall. A total of approximately SEK 7 billion is being transferred from the foundation to Vattenfall AB and its subsidiaries.

Committed credit facilities consist of a EUR 2.55 billion Revolving Credit Facility that expires on 20 January 2016 and a 12-month EUR 1.3 billion revolving Multi Option Facility (unutilised amount EUR 1.0 billion), contracted in August 2011.

As per 31 March 2013, available liquid assets and/or committed credit facilities amounted to 39% of net sales. Vattenfall's target is to have no less than 10% of the Group's net sales, but at least the equivalent of the next 90 days' maturities, in the form of liquid assets or committed credit facilities.

Amounts in SEK million	31 March 2013	31 Dec. 2012	Change, %
Net debt	107,379	111,907	-4.0
Interest-bearing liabilities	147,559	160,261	-7.9
Adjusted net debt (see page 18)	152,106	153,943	-1.2
Average interest rate, % ¹	3.3	3.4	—
Duration, years ¹	3.1	3.3	—
Average time to maturity, years ¹	5.2	5.3	—

1) Including Hybrid Capital and loans from owners with non-controlling interests (minority owners) and associated companies.

Comment: Compared with 31 December 2012, net debt decreased by SEK 4.5 billion. The decrease is mainly attributable to exchange rate effects of the stronger Swedish krona (SEK 3.7 billion) and payment received from the ongoing dissolution of the Swedish pension foundation. A total of SEK 5.6 billion has been transferred to date from the pension foundation, during the fourth quarter of 2012 and first quarter of 2013. Approximately SEK 7 billion will be transferred in total.

Total interest-bearing liabilities decreased by SEK 12.7 billion, mainly as a result of exchange rate effects on loans in foreign currency (SEK 4.3 billion) and repayment of external loans (SEK 9.8 billion).

Adjusted net debt decreased by SEK 1.8 billion compared with 31 December 2012. The ongoing dissolution of the Swedish pension foundation has no impact on adjusted net debt.

Credit ratings

The current credit ratings for Vattenfall's long-term borrowing are A- (Standard & Poor's) and A2 (Moody's). Vattenfall's rating outlook is "stable" from Standard & Poor's and "negative" from Moody's. No changes were made in Vattenfall's ratings during the first quarter of 2013.

Investments and divestments

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012
Maintenance investments	2,010	2,150	-6.5	15,866
Growth investments	3,290	3,622	-9.2	13,715
– of which, shares	104	55	89.1	345
Total investments	5,300	5,772	-8.2	29,581
Divestments	41	21,017	-99.8	22,836
– of which, shares	4	20,945	—	20,969

Comment: Investments during the first quarter of 2013 were lower than the corresponding quarter in 2012. Vattenfall's investment plan for the coming five years (2013–2017) amounts to SEK 123 billion, which is a reduction of SEK 24 billion compared with the preceding five-year period (2012–2016).

Specification of investments

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012
Electricity generation				
Hydro power	163	222	-26.7	1,245
Nuclear power	601	487	23.4	3,011
Coal power	662	890	-25.6	4,511
Gas	678	1,391	-51.3	4,977
Wind power	897	704	27.5	2,716
Biomass, waste	1	9	-92.6	16
Other	500	417	19.9	1,170
Total electricity generation	3,502	4,120	-15.0	17,646
CHP/heat				
Fossil-based power	205	218	-6.0	2,264
Biomass, waste	18	10	67.6	334
Other	122	185	-33.8	1,003
Total CHP/heat	345	413	-16.5	3,601
Electricity networks				
Electricity networks	667	549	21.6	4,658
Total electricity networks	667	549	21.6	4,658
Purchases of shares	7	55	-87.4	345
Other, excl. purchases of shares	779	635	22.7	3,331
Total	5,300	5,772	-8.2	29,581

Comment: The investments in fossil-based electricity generation (coal-fired power and gas) pertain mainly to projects in Germany and the Netherlands that are nearing completion and that were decided on in 2006 and 2007.

Wholesale price trend

Electricity spot prices in the Nordic countries, Germany and the Netherlands, monthly averages

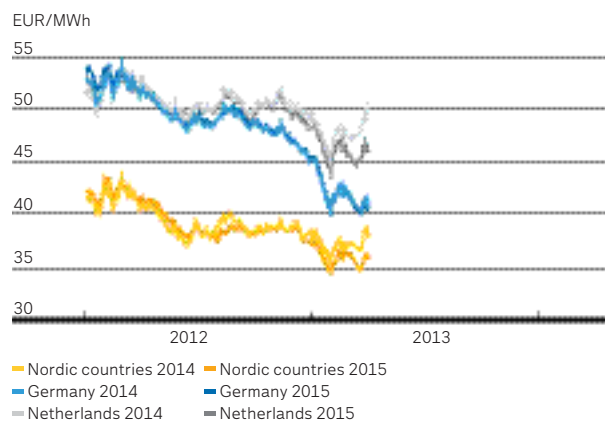


Average electricity spot prices in the Nordic market increased compared with the corresponding quarter a year ago. Especially in March, prices rose as a result of below-average temperatures and precipitation combined with a high level of hydro power generation.

In Germany, average spot prices were lower, despite the fact that production of electricity from solar energy was low and record-low temperatures for the month of March in Germany. The lower spot prices are attributable to lower commodity prices

Time period	Nord Pool Spot (Nordic countries)	EPEX (Germany)	APX (Netherlands)
Q1 2013	41.9	42.3	54.5
Q1 2012	38.4	45.3	48.5
Change (%)	9.1	-6.6	12.4

Electricity futures prices in the Nordic countries, Germany and the Netherlands

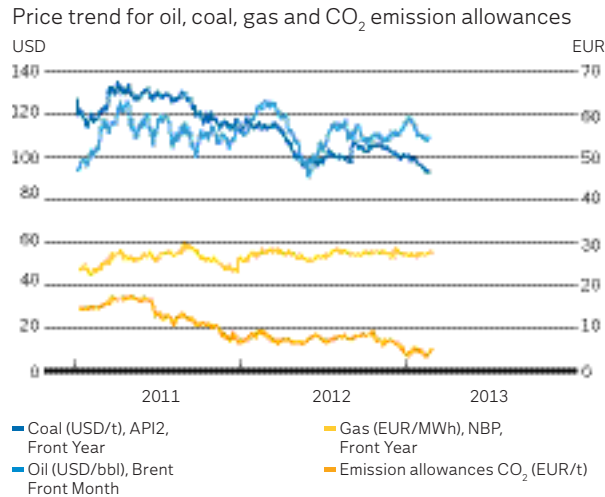


Electricity futures prices decreased by between 4% and 12%. This is mainly due to lower commodity prices (especially the price of coal) and considerably lower prices for CO₂ emission allowances. Compared with the first quarter of 2012, futures prices were between 8% and 21% lower.

Time period	Nordic countries		Germany		Netherlands	
	2014	2015	2014	2015	2014	2015
Q1 2013	37.2	35.9	42.1	42.1	47.7	46.1
Q4 2012	38.7	38.4	47.3	47.6	50.4	50.0
Change (%)	-3.9	-6.4	-11.0	-11.7	-5.2	-7.8

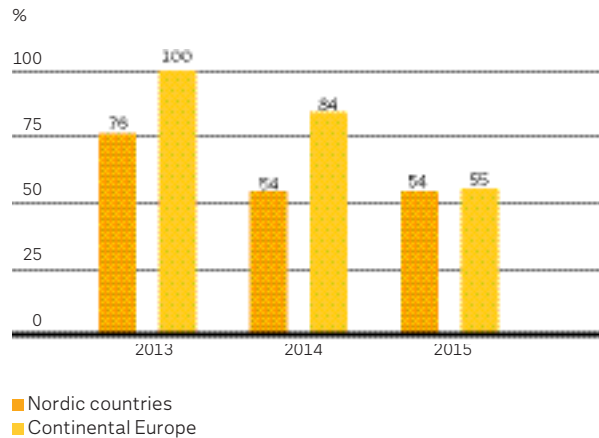
Sources: NASDAQ OMX Commodities, European Energy Exchange (EEX) and APX.

Wholesale price trend, cont.



Oil prices (Brent crude) rose slightly compared with the preceding quarter as a result of improved macroeconomic data, limited pipeline capacity and political unrest in Syria and Egypt. The price of coal fell compared with the preceding quarter. Despite lower temperatures in Europe, the price of coal did not rise, since coal inventories remain well-stocked and there is considered to be a surplus in the market. Futures prices for gas were relatively stable, however, gas spot prices rose as a result of the colder weather. The price of CO₂ emission allowances reached a record low level, averaging EUR 4.8/tonne.

Vattenfall's hedge ratios (%) as per 31 March 2013



Vattenfall's price hedging

Since Vattenfall continuously hedges its future electricity generation through sales in the forward and futures markets, spot prices have only a limited impact on Vattenfall's earnings in the near term.

The chart shows the share of planned electricity generation that Vattenfall has hedged in the Nordic countries and Continental Europe (Germany and the Netherlands). The figure for 2013 shows the remainder of the year.

Average price hedges as per 31 March 2013

EUR/MWh	2013	2014	2015
Nordic countries	46	43	42
Continental Europe	55	51	49

Compared with 31 December 2012, Vattenfall's price hedge ratios have increased for both markets for the period 2014–2015. Price hedges in EUR remained virtually unchanged.

Vattenfall's operating segments – Generation

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012	Last 12 months
Net sales	35,423	35,519	-0.3	118,956	118,860
External net sales ¹	17,356	17,137	1.3	61,159	61,378
Underlying operating profit	8,066	8,450	-4.5	20,484	20,100
Sales of heat, TWh	4.3	3.7	16.2	9.9	10.5
Electricity generation ² , TWh	48.3	44.5	8.5	167.9	171.7
– of which, hydro power	11.2	11.7	-4.3	42.2	41.8
– of which, nuclear power	14.5	12.5	16.0	48.9	51.0
– of which, fossil-based power	21.5	19.1	12.6	72.5	74.9
– of which, wind power	1.0	1.0	—	3.6	3.7
– of which, biomass, waste	0.1	0.2	-50.0	0.7	0.5
External sales of electricity, TWh	23.2	20.5	13.2	79.5	82.2
Number of employees, full-time equivalents	17,292	16,625	4.0	16,928	—

The Generation operating segment is Vattenfall's interface towards the wholesale market and includes BD Sustainable Energy Projects, BD Production, BD Asset Optimisation and Trading, and BD Nuclear Power. Operations during the first quarter of 2013 were conducted in Sweden, Denmark, Finland, Germany, the Netherlands and the UK.

1) Excluding intra-Group transactions.

2) Of electricity generation during the first quarter of 2013, Vattenfall disposed over 43.2 TWh (39.9 TWh), while the rest went to the minority part-owners or was deducted as replacement power.

Underlying operating profit Q1

The underlying operating profit decreased by SEK 0.4 billion. This is mainly attributable to average lower electricity prices achieved and higher fuel costs as a result of colder weather. Higher generation volumes and lower costs for operations and maintenance had a favourable impact on the underlying operating profit.

Electricity generation Q1

Hydro power generation decreased by 0.5 TWh to 11.2 TWh (11.7). Nordic reservoir storage levels were 29% (47%) at the end of the first quarter of 2013. Water supply in reservoirs was low during the quarter due to the colder weather.

Nuclear power generation increased by 16.0% to 14.5 TWh (12.5). The increase is mainly owing to the fact that reactor 2 at Ringhals was off line during the first quarter of 2012. Combined availability of Vattenfall's nuclear power plants during the first quarter was 97.1% (83.1%). Forsmark had availability of 99.2% (98.6%) and generated 6.8 TWh (6.8). Availability at Ringhals improved to 95.3% (69.9%), and generation increased to 7.7 TWh (5.7).

Fossil-based generation increased by 12.6% to 21.5 TWh (19.1). In Germany, generation increased to 15.3 TWh (14.1). Boxberg Unit R, which was commissioned at the end of 2012, contributed 1.2 TWh. Generation in the Netherlands increased to 4.4 TWh (3.6). In Denmark, fossil-based generation increased by 0.3 TWh to 1.7 TWh.

Wind power generation was unchanged at 1.0 TWh.

Important events Q1

- Construction was started of two new wind farms: Bajlum (15 MW) in Denmark and Hjuleberg (33 MW) in Sweden. Hjuleberg will be the largest land-based wind farm in southern Sweden. Both wind farms are expected to be commissioned in mid-2014.
- Work was begun on installing monopiles (foundations) for the 80 wind power turbines in the DanTysk offshore wind farm (total 288 MW) and is expected to be completed in August 2013. The wind farm is expected to be commissioned in late 2014.
- Capacity of reactor 2 at the Forsmark nuclear power plant was raised by 114 MW (12%) to 1,120 MW, thereby enabling Forsmark to generate roughly 1 TWh more electricity per year than previously. This corresponds to the annual electricity consumption for nearly 100,000 households.
- At the end of February, the first deliveries of electricity were made from the gas-fired Magnum power plant in Eemshaven, the Netherlands. The power plant has installed capacity of 1,311 MW and is expected to be fully operating by mid-2013.

Vattenfall's operating segments – Distribution and Sales

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012	Last 12 months
Net sales	40,162	40,193	-0.1	130,671	130,640
External net sales ¹	38,204	37,669	1.4	123,495	124,030
– of which, Distribution	4,150	3,935	5.5	14,216	14,431
– of which, Heat	5,327	4,975	7.1	14,785	15,137
Underlying operating profit	4,499	3,591	25.3	7 855	8,763
– of which, Distribution	1,802	1,769	1.9	5,428	5,461
– of which, Heat	1,957	1,865	4.9	2,727	2,819
Sales of gas, TWh	25.4	21.5	18.1	52.4	56.3
Sales of heat, TWh	8.6	7.3	17.8	20.4	21.7
Electricity generation ² , TWh	3.9	3.9	—	11.0	11.0
– of which, fossil-based power	3.5	3.6	-2.8	9.2	9.1
– of which, biomass, waste	0.4	0.3	33.3	1.8	1.9
External sales of electricity, TWh	33.4	33.9	-1.5	122.8	122.4
– of which, private customers	8.9	9.1	-2.2	29.5	29.3
– of which, resellers	6.0	6.0	—	22.0	22.0
– of which, business customers	18.5	18.7	-1.1	71.3	71.2
Transited volume, excl. production transiting	25.1	28.5	-11.9	99.9	96.5
Number of employees, full-time equivalents	10,957	11,522	-4.9	11,235	—

The Distribution and Sales operating segment and Business Division is responsible for Vattenfall's electricity sales and heat businesses, electricity distribution and other downstream businesses. The Division is responsible for all relationships with Vattenfall's end customers. Operations during the first quarter of 2013 were conducted in Sweden, Denmark, Finland, Norway, Germany, France and the Netherlands.

1) Excluding intra-Group transactions.

2) Of electricity generation during the first quarter of 2013, Vattenfall disposed over 3.9 TWh (3.9 TWh), while the rest went to the minority part-owners or was deducted as replacement power.

Underlying operating profit Q1

The underlying operating profit improved by SEK 0.9 billion. The improvement can be credited to an improved gross margin, mainly in the Consumer Sales business unit, associated with higher sales of gas. Lower selling and administrative expenses and higher earnings from associated companies also had a positive impact on the underlying operating profit.

Sales of electricity, gas and heat, and electricity generation Q1

Sales of electricity to private customers decreased by 0.2 TWh to 8.9 TWh (9.1). Sales to resellers were unchanged at 6.0 TWh. Sales to business customers decreased by 0.2 TWh to 18.5 TWh. Sales of gas to end customers increased to 25.4 TWh (21.5). The increase is mainly attributable to colder weather. Sales of heat increased to 8.6 TWh (7.3). The increase is mainly attributable to colder weather. Electricity generation was unchanged at 3.9 TWh.

Important events Q1

- Vattenfall now offers charging services including installation service for electric cars nationwide in Germany. Previously, the services were offered only in Hamburg and Berlin.
- In Sweden, Vattenfall introduced "Smart Plug", an innovation that allows customers to remotely control electric outlets, set timers and see their electricity consumption per appliance in real time using a smart phone.
- Vattenfall launched a new website, www.energieportal-hamburg.de, which allows consumers to view electricity generation and use in Hamburg in real time. It is also possible to see when production of renewable energy (wind and solar power) is expected to be highest in the next 24 hours. This gives climate-conscious customers the opportunity to steer their use towards these hours.

Other

Amounts in SEK million	Q1 2013	Q1 2012	Change, %	Full year 2012	Last 12 months
Net sales	1,246	1,481	-15.9	5,445	5,210
External net sales ¹	79	118	-33.1	245	206
Underlying operating profit	-940	-412	-128.2	-809	-1,337
Number of employees, full-time equivalents	4,472	4,957	-9.8	4,631	—

1) Excluding intra-Group transactions.

Comment: Costs for Staff Functions are partly allocated to the operating segments.

Other comprises all Staff Functions including Treasury activities and Shared Service Centres.

Consolidated income statement

Amounts in SEK million	Q1 2013	Q1 2012 ¹	Full year 2012 ¹	Last 12 months
Net sales	49,659	48,994	167,313	167,978
Cost of products sold ²	-35,243	-33,756	-131,698	-133,185
Gross profit	14,416	15,238	35,615	34,793
Selling expenses, administrative expenses and research and development costs ³	-4,290	-4,287	-18,501	-18,504
Other operating income and expenses, net	384	7,971	8,708	1,121
Participations in the results of associated companies	296	-12	136	444
Operating profit (EBIT)⁴	10,806	18,910	25 958	17,854
Financial income ^{5,7}	136	837	2,636	1,935
Financial expenses ^{6,7}	-2,542	-3,282	-10,476	-9,736
Profit before tax	8,400	16,465	18,118	10,053
Income tax expense	-2,205	-2,637	-1,071	-639
Profit for the period	6,195	13,828	17,047	9,414
Profit for the period attributable to:				
Owner of the Parent Company	6,241	13,696	16,759	9,304
Non-controlling interests (minority interests)	-46	132	288	110
Total	6,195	13,828	17,047	9,414
Earnings per share				
Number of shares in Vattenfall AB, thousands	131,700	131,700	131,700	131,700
Earnings per share, basic and diluted (SEK)	47.39	103.99	127.25	70.65
Supplementary information				
Operating profit before depreciation and amortisation (EBITDA)	15,752	23,780	54,271	46,243
Financial items, net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	-1,310	-1,834	-6,146	-5,622
Underlying operating profit (Operating profit (EBIT) excluding items affecting comparability)	11,625	11,629	27,530	27,526
1) Certain amounts for 2012 have been recalculated compared with previously published information. See Note 5.				
2) Of which, depreciation, amortisation and impairment losses related to intangible assets (non-current) and property, plant and equipment	-4,793	-4,744	-27,712	-27,761
3) Of which, depreciation, amortisation and impairment losses related to intangible assets (non-current) and property, plant and equipment	-153	-126	-601	-628
4) Including items affecting comparability attributable to:				
Capital gains/losses, net	—	8,076	8,010	-66
Impairment losses and impairment losses reversed, net, pertaining to intangible assets (non-current) and property, plant and equipment	-80	-35	-8,648	-8,693
Unrealised changes in the fair value of energy derivatives	322	-349	729	1,400
Unrealised changes in the fair value of inventories	-600	108	-395	-1,103
Restructuring costs	-461	-32	-824	-1,253
Other items affecting comparability	—	-487	-444	43
Total items affecting comparability in Operating profit which also constitute the difference between Operating profit and Underlying operating profit	-819	7,281	-1,572	-9,672
5) Including return from the Swedish Nuclear Waste Fund	-398	300	1,430	732
6) Including interest components related to pension costs	-275	-258	-1,012	-1,029
6) Including discounting effects attributable to provisions	-698	-911	-3,124	-2,911
7) Items affecting comparability recognised as financial income and expenses, net	-254	-804	-1,090	-540

Consolidated statement of comprehensive income

Amounts in SEK million	Q1 2013	Q1 2012 ¹	Full year 2012 ¹	Last 12 months
Profit for the period	6,195	13,828	17,047	9,414
Other comprehensive income:				
<i>Items that will be reclassified to profit or loss when specific conditions are met:</i>				
Cash flow hedges:				
Changes in fair value	1,863	4,329	7,025	4,559
Dissolved against the income statement	-1,729	-1,591	-2,476	-2,614
Transferred to cost of hedged item	-11	30	70	29
Tax attributable to cash flow hedges	-170	-700	-1,381	-851
Total cash flow hedges	-47	2,068	3,238	1,123
Hedging of net investments in foreign operations	2,688	1,174	4,035	5,549
Tax attributable to hedging of net investments in foreign operations	-591	-294	-1,049	-1,346
Total hedging of net investments in foreign operations	2,097	880	2,986	4,203
Translation differences	-5,401	-1,975	-7,242	-10,668
Translation differences and exchange rate effects net, divested companies	—	79	79	—
Revaluation of available-for-sale financial assets	—	-18	30	48
Transferred to the income statement, available-for-sale financial assets	-30	—	—	-30
Total	-3,381	1,034	-909	-5,324
<i>Items that will not be reclassified to profit or loss:</i>				
Remeasurement pertaining to defined benefit obligations	-12	-37	-3,953	-3,928
Tax attributable to remeasurement pertaining to defined benefit obligations	68	11	1,248	1,305
Total	56	-26	-2,705	-2,623
Total other comprehensive income, net after tax	-3,325	1,008	-3,614	-7,947
Total comprehensive income for the period	2,870	14,836	13,433	1,467
Total comprehensive income for the period attributable to:				
Owner of the Parent Company	2,814	14,728	13,349	1,435
Non-controlling interests (minority interests)	56	108	84	32
Total	2,870	14,836	13,433	1,467

1) Certain amounts for 2012 have been recalculated compared with previously published information. See Note 5.

Operating segments, Vattenfall Group

Amounts in SEK million	External net sales			Internal net sales			Total net sales		
	Q1 2013	Q1 2012	Full year 2012	Q1 2013	Q1 2012	Full year 2012	Q1 2013	Q1 2012	Full year 2012
Generation	17,356	17,137	61,159	18,067	18,382	57,797	35,423	35,519	118,956
Distribution and Sales	38,204	37,669	123,495	1,958	2,524	7,176	40,162	40,193	130,671
Other ¹	79	118	245	1,167	1,363	5,200	1,246	1,481	5,445
Eliminations ²	-5,980	-5,930	-17,586	-21,192	-22,269	-70,173	-27,172	-28,199	-87,759
Total	49,659	48,994	167,313	—	—	—	49,659	48,994	167,313

Amounts in SEK million	Profit			Underlying operating profit		
	Q1 2013	Q1 2012 ³	Full year 2012 ³	Q1 2013	Q1 2012 ³	Full year 2012 ³
Generation	7,632	7,736	11,011	8,066	8,450	20,484
Distribution and Sales	4,463	3,590	7,926	4,499	3,591	7,855
Other ¹	-1,289	7,584	7,021	-940	-412	-809
Operating profit (EBIT)	10,806	18,910	25,958	11,625	11,629	27,530
Financial income and expenses	-2,406	-2,445	-7,840			
Profit before tax	8,400	16,465	18,118			

1) Mainly includes all Staff Functions including Treasury activities and Shared Service Centres.

2) For external net sales, the elimination pertains to sales to the Nordic electricity exchange.

3) Certain amounts for 2012 have been recalculated compared with previously published information. See Note 5.

Vattenfall Group, information about geographical areas¹

Amounts in SEK million	External net sales			Internal net sales			Total net sales		
	Q1 2013	Q1 2012	Full year 2012	Q1 2013	Q1 2012	Full year 2012	Q1 2013	Q1 2012	Full year 2012
Sweden	13,762	13,510	49,483	1,129	2,734	6,940	14,891	16,244	56,423
Germany	22,110	21,773	77,205	11,317	6,344	38,061	33,427	28,117	115,266
Netherlands	11,735	11,576	33,537	10,922	7,080	35,323	22,657	18,656	68,860
Other countries	3,162	3,315	10,678	883	629	2,171	4,045	3,944	12,849
Eliminations	-1,110	-1,180	-3,590	-24,251	-16,787	-82,495	-25,361	-17,967	-86,085
Total	49,659	48,994	167,313	—	—	—	49,659	48,994	167,313

Amounts in SEK million	Operating profit (EBIT)			Underlying operating profit		
	Q1 2013	Q1 2012 ²	Full year 2012 ²	Q1 2013	Q1 2012 ²	Full year 2012 ²
Sweden	5,376	14,117	23,461	5,626	6,727	15,779
Germany	4,787	3,741	11,569	4,768	3,825	10,970
Netherlands	220	536	-9,999	818	591	-2
Other countries	423	516	927	413	486	783
Total	10,806	18,910	25,958	11,625	11,629	27,530

1) Pertains to consolidated financial information allocated to geographical areas.

2) Certain amounts for 2012 have been recalculated compared with previously published information. See Note 5.

Consolidated balance sheet

Amounts in SEK million	31 March 2013	31 March 2012 ¹	31 Dec. 2012 ¹	1 Jan. 2012 ¹	Amounts in SEK million	31 March 2013	31 March 2012 ¹	31 Dec. 2012 ¹	1 Jan. 2012 ¹
Assets					Equity and liabilities				
Non-current assets					Equity				
Intangible assets: non-current	37,624	45,343	39,045	46,229	Attributable to owner of the Parent Company	143,625	143,719	140,764	128,964
Property, plant and equipment	274,520	278,650	279,284	279,445	Attributable to non-controlling interests (minority interests)	8,902	6,992	8,608	6,827
Investment property	472	521	489	539	Total equity	152,527	150,711	149,372	135,791
Biological assets	11	7	11	8	Non-current liabilities				
Participations in associated companies and joint ventures	11,566	12,260	11,620	12,344	Hybrid Capital	8,321	8,793	8,543	8,883
Other shares and participations	2,691	3,226	2,980	3,235	Other interest-bearing liabilities	108,263	139,562	112,524	149,602
Share in the Swedish Nuclear Waste Fund	29,673	28,785	29,954	28,430	Pension provisions	31,027	22,764	30,584	22,904
Derivative assets	23,161	20,005	23,756	20,691	Other interest-bearing provisions	66,684	65,672	67,640	65,632
Current tax assets, non-current	795	990	807	990	Derivative liabilities	14,128	13,495	15,193	12,590
Prepaid expenses	219	184	168	188	Deferred tax liabilities	32,622	34,825	32,537	34,510
Deferred tax assets	1,589	979	1,018	1,303	Other noninterest-bearing liabilities	7,274	8,066	7,534	8,238
Other non-current receivables	5,138	5,690	5,249	5,732	Total non-current liabilities	268,319	293,177	274,555	302,359
Total non-current assets	387,459	396,640	394,381	399,134	Current liabilities				
Current assets					Trade payables and other liabilities	28,289	29,063	35,219	35,108
Inventories	20,961	18,544	19,463	18,564	Advance payments received	3,905	469	2,138	1,142
Biological assets	3	1	3	1	Derivative liabilities	5,255	8,140	5,612	9,864
Intangible assets: current	2,510	5,575	6,083	5,627	Accrued expenses and deferred income	16,441	17,789	15,812	18,489
Trade receivables and other receivables	36,668	34,468	34,409	41,880	Current tax liabilities	2,637	1,268	854	844
Advance payments paid	3,869	4,214	5,396	6,368	Interest-bearing liabilities	30,975	18,190	39,194	11,865
Derivative assets	11,595	10,160	12,498	9,408	Interest-bearing provisions	5,838	7,696	5,608	7,237
Prepaid expenses and accrued income	10,671	9,543	7,806	6,450	Liabilities associated with assets held for sale	—	—	—	1,859
Current tax assets	1,474	1,648	1,830	1,853	Total current liabilities	93,340	82,615	104,437	86,408
Short-term investments	21,820	28,254	28,450	17,417	Total equity and liabilities	514,186	526,503	528,364	524,558
Cash and cash equivalents	17,156	17,456	18,045	11,268	Collateral	8,692	137	6,672	
Assets held for sale	—	—	—	6,588	Contingent liabilities	1,789	3,061	1,905	
Total current assets	126,727	129,863	133,983	125,424					
Total assets	514,186	526,503	528,364	524,558					

1) Certain amounts for 2012 have been recalculated compared with previously published information. See Note 5.

Consolidated balance sheet, cont.

Amounts in SEK million	31 March 2013	31 March 2012	31 Dec. 2012
Supplementary information			
Capital employed	310,913	317,430	311,780
Capital employed, average	314 171	320,109	314,604
Net debt			
Hybrid Capital	-8,321	-8,793	-8,543
Bond issues, commercial paper and liabilities to credit institutions	-84,072	-99,129	-94,254
Present value of liabilities pertaining to acquisitions of Group companies	-26,477	-30,277	-27,080
Liabilities to associated companies	-9,185	-10,017	-9,308
Liabilities to owners of non-controlling interests (minority owners)	-12,275	-10,747	-11,876
Other liabilities	-7,229	-7,582	-9,200
Total interest-bearing liabilities	-147,559	-166,545	-160,261
Cash and cash equivalents	17,156	17,456	18,045
Short-term investments	21,820	28,254	28,450
Receivable from Vattenfall's pension foundation	1,172	—	1,807
Loans to owners of non-controlling interests (minority owners) in foreign Group companies	32	238	52
Net debt	-107,379	-120,597	-111,907

Amounts in SEK million	31 March 2013	31 March 2012	31 Dec. 2012
Adjusted gross debt and net debt			
Total interest-bearing liabilities	-147,559	-166,545	-160,261
50% of Hybrid Capital	4,161	4,397	4,272
Present value of pension obligations	-31,027	-22,167	-30,192
Provisions for mining, gas and wind operations and other environment-related provisions	-11,972	-12,406	-12,229
Provisions for nuclear power (net)	-18,219	-18,454	-18,463
Currency derivatives for hedging of debt in foreign currency	1,750	2,986	3,027
Margin calls received	5,209	6,216	7,170
Liabilities to owners of non-controlling interests (minority owners) due to consortium agreements	10,858	10,307	10,495
Adjusted gross debt	-186,799	-195,666	-196,181
Reported cash and cash equivalents and short-term investments	38,976	45,710	46,495
Receivable from Vattenfall's pension foundation	1,172	—	1,807
Unavailable liquidity	-5,455	-5,433	-6,064
Adjusted cash and cash equivalents and short-term investments	34,693	40,277	42,238
Adjusted net debt	-152,106	-155,389	-153,943

Consolidated statement of cash flows

Amounts in SEK million	Q1 2013	Q1 2012	Full year 2012	Last 12 months
Operating activities				
Profit before tax	8,400	16,465 ¹	18,118 ¹	10,053
Reversal of depreciation, amortisation and impairment losses	5,200	4,870	28,624	28,954
Tax paid	-1,019	-2,185	-3,545	-2,379
Capital gains/losses, net	—	-8,086	-8,031	55
Other, incl. non-cash items	-1,179	1,653 ¹	-747 ¹	-3,579
Funds from operations (FFO)	11,402	12,717	34,419	33,104
Changes in inventories	1,388	41	-1,657	-310
Changes in operating receivables	-8,012	-5,541	-6,348	-8,819
Changes in operating liabilities	-3,292	-5,711	2,505	4,924
Other changes	3,269	2,685	-434	150
Cash flow from changes in operating assets and operating liabilities	-6,647	-8,526	-5,934	-4,055
Cash flow from operating activities	4,755	4,191	28,485	29,049
Investing activities				
Investments in associated companies and other shares and participations	-7	-55	-345	-297
Other investments in non-current assets	-5,293	-5,717	-29,236	-28,812
Total investments	-5,300	-5,772	-29,581	-29,109
Divestments	41	21,017	22,836	1,860
Cash and cash equivalents in divested companies	-4	-150	-145	1
Cash flow from investing activities	-5,263	15,095	-6,890	-27,248
Cash flow before financing activities	-508	19,286	21,595	1,801
Financing activities				
Changes in short-term investments	6,136	-10,989	-11,830	5,295
Changes in loans to owners of non-controlling interests (minority owners) in foreign Group companies	16	333	510	193
Loans raised ²	1,571	816	1,427	2,182
Amortisation of debt pertaining to acquisitions of Group companies	—	—	-2,738	-2,738
Amortisation of other debt	-9,815	-3,348	-5,265	-11,732
Divestment of shares in Group companies to owners of non-controlling interests (minority owners)	—	—	4,113	4,113
Payment from Vattenfall's pension foundation	53	—	2,800	2,853
Settlement of receivable from Vattenfall's pension foundation	1,574	—	—	1,574
Dividends paid to owners	—	-11	-4,500	-4,489
Contribution from owners of non-controlling interests (minority interests)	241	65	737	913
Cash flow from financing activities	-224	-13,134	-14,746	-1,836
Cash flow for the period	-732	6,152	6,849	-35

1) The amount for 2012 has been recalculated compared with previously published information. See Note 5.

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

Consolidated statement of cash flows, cont.

Amounts in SEK million	Q1 2013	Q1 2012	Full year 2012	Last 12 months
Cash and cash equivalents				
Cash and cash equivalents at start of period	18,045	11,268	11,268	17,456
Cash flow for the period	-732	6,152	6,849	-35
Translation differences	-157	36	-72	-265
Cash and cash equivalents at end of period	17,156	17,456	18,045	17,156
Supplementary information				
Cash flow before financing activities	-508	19,286	21,595	1,801
Financing activities				
Dividends paid to owners	—	-11	-4,500	-4,489
Payment from Vattenfall's pension foundation	53	—	2,800	2,853
Divestment of shares in Group companies to owners of non-controlling interests (minority owners)	—	—	4,113	4,113
Contribution from owners of non-controlling interests (minority interests)	241	65	737	913
Cash flow after dividend	-214	19,340	24,745	5,191
Analysis of change in net debt				
Net debt at start of period	-111,907	-141,089	-141,089	-120,597
Changed calculation of net debt				
Cash flow after dividend	-214	19,340	24,745	5,191
Changes as a result of valuation at fair value	303	471	316	148
Changes in interest-bearing liabilities for leasing	13	-741	-621	133
Interest-bearing liabilities/short-term investments acquired/divested	—	344	344	—
Cash and cash equivalents included in assets held for sale	-67	-110	-520	-477
Withdrawal from/receivable from Vattenfall's pension foundation	904	—	1,807	2,711
Interest-bearing liability for future dividend	—	—	-984	-984
Interest-bearing liabilities associated with assets held for sale	—	-344	-344	—
Translation differences on net debt	3,589	1,532	4,439	9,496
Net debt at end of period	-107,379	-120,597	-111,907	-104,379
Free cash flow	2,745	2,041	12,619	13,323

Consolidated statement of changes in equity

Amounts in SEK million	31 March 2013			31 March 2012 ¹			31 Dec. 2012 ¹		
	Attributable to owner of the Parent Company	Attributable to non-controlling interests (minority interests)	Total equity	Attributable to owner of the Parent Company	Attributable to non-controlling interests (minority interests)	Total equity	Attributable to owner of the Parent Company	Attributable to non-controlling interests (minority interests)	Total equity
Balance brought forward	140,764	8,608	149,372	131,988	6,943	138,931	131,988	6,943	138,931
Transitional effect of adoption of new accounting rules (IAS 19)	—	—	—	-3,024	-116	-3,140	-3,024	-116	-3,140
Dividends paid to owners	—	—	—	—	-11	-11	-4,433	-67	-4,500
Group contributions from(+)/to(-) owners of non-controlling interests (minority interests), net after tax	—	—	—	—	—	—	—	532	532
Changes in ownership in Group companies on divestment of shares to owners of non-controlling interests (minority owners)	—	—	—	—	—	—	2,642	572	3,214
Other changes in ownership	—	238	238	—	68	68	—	726	726
Cash flow hedges:									
Changes in fair value	1,865	-2	1,863	4,334	-5	4,329	7,031	-6	7,025
Dissolved against income statement	-1,729	—	-1,729	-1,593	2	-1,591	-2,478	2	-2,476
Transferred to cost of hedged item	-11	—	-11	25	5	30	58	12	70
Tax attributable to cash flow hedges	-170	—	-170	-700	—	-700	-1,378	-3	-1,381
Total cash flow hedges	-45	-2	-47	2,066	2	2,068	3,233	5	3,238
Hedging of net investments in foreign operations	2,688	—	2,688	1,174	—	1,174	4,035	—	4,035
Tax attributable to hedging of net investments in foreign operations	-591	—	-591	-294	—	-294	-1,049	—	-1,049
Total hedging of net investments in foreign operations	2,097	—	2,097	880	—	880	2,986	—	2,986
Translation differences	-5,457	103	-5,354	-1,922	-26	-1,948	-6,857	-209	-7,066
Translation differences and exchange rate effects net, divested companies	—	—	—	79	—	79	79	—	79
Revaluation of available-for-sale financial assets	—	—	—	-18	—	-18	30	—	30
Transferred to the income statement, available-for-sale financial assets	-30	—	-30	—	—	—	—	—	—
Total	-3,435	101	-3,334	1,085	-24	1,061	-529	-204	-733
Remeasurement pertaining to defined benefit obligations	-13	1	-12	-37	—	-37	-3,887	-66	-3,953
Tax attributable to remeasurement pertaining to defined benefit obligations	68	—	68	11	—	11	1,248	—	1,248
Total	55	1	56	-26	—	-26	-2,639	-66	-2,705
Total other comprehensive income for the period	-3,380	102	-3,278	1,059	—	1,035	-3,168	-270	-3,438
Profit for the period	6,241	-46	6,195	13,696	132	13,828	16,759	288	17,047
Total comprehensive income for the period	2,861	56	2,917	14,755	108	14,863	13,591	18	13,609
Balance carried forward	143,625²	8,902²	152,527²	143,719²	6,992²	150,711²	140,764²	8,608²	149,372²
1) Certain amounts for 2012 have been recalculated compared with previously published information. See Note 5.									
2) Of which, Reserve for cash flow hedges	3,433	-50	3,383	2,311	-52	2,259	3,478	-48	3,430

Key ratios, Vattenfall Group (definitions and calculations of key ratios on pages 33–34)

In % unless otherwise stated. (x) means times	Q1 2013	Q1 2012 ¹	Full year 2012 ¹	Last 12 months
Operating margin	21.8	38.6	15.5	10.6
Operating margin ²	23.4	23.7	16.5	16.4
Pre-tax profit margin	16.9	33.6	10.8	6.0
Pre-tax profit margin ²	19.1	20.4	12.4	12.1
Return on equity	6.8 ³	13.4 ³	12.3	6.8
Return on capital employed	5.7 ³	9.5 ³	8.3	5.7
Return on capital employed ²	8.8 ³	9.4 ³	8.8	8.8
EBIT interest cover, (x)	2.8 ³	3.2 ³	3.7	2.8
EBIT interest cover, (x) ²	4.2 ³	3.1 ³	3.9	4.2
FFO interest cover, (x)	5.9 ³	4.8 ³	5.7	5.9
FFO interest cover, net, (x)	6.9 ³	5.7 ³	6.6	6.9
Cash flow interest cover after maintenance investments, (x)	3.3 ³	2.6 ³	3.0	3.3
FFO/gross debt	22.4 ³	23.3 ³	21.5	22.4
FFO/net debt	30.8 ³	32.2 ³	30.8	30.8
FFO/adjusted net debt	21.8 ³	25.0 ³	22.4	21.8
EBITDA/net financial items, (x)	12.0	13.0	8.8	8.2
EBITDA/net financial items, (x) ²	12.6	9.0	9.1	9.9
Equity/total assets	29.7	28.6	28.3	29.7
Gross debt/equity	96.7	110.5	107.3	96.7
Net debt/equity	70.4	80.0	74.9	70.4
Gross debt/gross debt plus equity	49.2	52.5	51.8	49.2
Net debt/net debt plus equity	41.3	44.5	42.8	41.3
Net debt/EBITDA, (x)	2.3 ³	2.0 ²	2.1	2.3
Adjusted net debt/EBITDA, (x)	3.3 ³	2.5 ²	2.8	3.3

1) Certain amounts for 2012 have been recalculated compared with previously published information. See Note 5.

2) Based on Underlying operating profit.

3) Last 12-month values.

Quarterly information, Vattenfall Group

Amounts in SEK million	Q1 2013	Q4 2012 ¹	Q3 2012 ¹	Q2 2012 ¹	Q1 2012 ¹
Income statement					
Net sales	49,659	47,937	33,679	36,703	48,994
Cost of products sold	-35,243	-37,519	-32,946	-27,477	-33,756
Other operating income and expenses, net	-3,906	-5,303	-3,555	-4,619	3,684
Participations in the results of associated companies	296	-18	44	122	-12
Operating profit before depreciation and amortisation (EBITDA)	15,752	10,286	10,521	9,684	23,780
Operating profit (EBIT)	10,806	5,097	-2,778	4,729	18,910
Underlying operating profit	11,625	6,655	4,474	4,772	11,629
Financial items, net	-2,406	-1,373	-827	-3,195	-2,445
Profit before tax	8,400	3,724	-3,605	1,534	16,465
Profit for the period	6,195	6,342	-3,975	852	13,828
– of which, attributable to owner of the Parent Company	6,241	6,405	-4,216	874	13,696
– of which, attributable to non-controlling interests (minority interests)	-46	-63	241	-22	132
Balance sheet					
Non-current assets	387,459	394,381	386,637	398,651	396,640
Short-term investments	21,820	28,450	32,103	25,767	28,254
Cash and cash equivalents	17,156	18,045	14,863	16,547	17,456
Other current assets	87,751	87,488	65,933	72,668	84,153
Total assets	514,186	528,364	499,536	513,633	526,503
Equity	152,527	149,372	139,840	147,752	150,711
– of which, attributable to owner of the Parent Company	143,625	140,764	132,039	140,394	143,719
– of which, attributable to non-controlling interests (minority interests)	8,902	8,608	7,801	7,358	6,992
Hybrid Capital	8,321	8,543	8,408	8,725	8,793
Other interest-bearing liabilities	139,238	151,718	152,889	157,014	157,752
Pension provisions	31,027	30,584	22,099	22,676	22,764
Other interest-bearing provisions	72,522	73,248	70,401	71,870	73,368
Deferred tax liabilities	32,622	32,537	34,047	34,842	34,825
Other noninterest-bearing liabilities	77,929	82,362	71,852	70,754	78,290
Total equity and liabilities	514,186	528,364	499,536	513,633	526,503
Capital employed	310,913	311,780	294,939	315,448	317,430
Net debt	-107,379	-111,907	-114,143	-123,207	-120,597

1) Certain amounts for 2012 have been recalculated compared with previously published information. See Note 5.

Quarterly information, Vattenfall Group, cont.

Amounts in SEK million	Q1 2013	Q4 2012 ¹	Q3 2012 ¹	Q2 2012 ¹	Q1 2012 ¹
Cash flow					
Funds from operations (FFO)	11,402	11,583	6,172	3,947	12,717
Cash flow from changes in operating assets and operating liabilities	-6,647	-6,320	4,471	4,441	-8,526
Cash flow from operating activities	4,755	5,263	10,643	8,388	4,191
Cash flow from investing activities	-5,263	-9,913	-6,372	-5,700	15,095
Cash flow before financing activities	-508	-4,650	4,271	2,688	19,286
Changes in short-term investments	6,136	4,055	-7,196	2,300	-10,989
Loans raised/Amortisation of debt, net, etc.	-6,360	3,681	1,033	-996	-2,134
Dividends paid to owners	—	1	-1	-4,489	-11
Cash flow from financing activities	-224	7,737	-6,164	-3,185	-13,134
Cash flow for the period	-732	3,087	-1,893	-497	6,152
Free cash flow	2,745	-1,893	7,928	4,543	2,041
Key ratios (definitions and calculations of key ratios on pages 33–34)					
In % unless otherwise stated. (x) means times					
Return on equity ²	6.8	12.3	11.8	15.8	13.4
Return on capital employed ²	5.7	8.3	10.2	12.0	9.5
Return on capital employed ^{2,3}	8.8	8.8	9.3	9.2	9.4
EBIT interest cover, (x) ²	2.8	3.7	3.7	3.6	3.2
EBIT interest cover, (x) ^{2,3}	4.2	3.9	3.4	2.8	3.1
FFO/gross debt ²	22.4	21.5	20.4	22.1	23.3
FFO/net debt ²	30.8	30.8	28.9	29.7	32.2
FFO/adjusted net debt ²	21.8	22.4	22.8	23.4	25.0
Equity/assets ratio	29.7	28.3	28.0	28.8	28.6
Gross debt/equity	96.7	107.3	115.3	112.2	110.5
Net debt/equity	70.4	74.9	81.6	83.4	80.0
Net debt/net debt plus equity	41.3	42.8	44.9	45.5	44.5
Net debt/EBITDA, (x) ²	2.3	2.1	1.9	2.1	2.0
Adjusted net debt/EBITDA, (x) ²	3.3	2.8	2.4	2.7	2.5

1) Certain amounts for 2012 have been recalculated compared with previously published information. See Note 5.

2) Last 12-month values.

3) Based on Underlying operating profit.

Note 1 Accounting policies, risks and uncertainties

Accounting policies

The consolidated accounts for the first quarter of 2013 have been prepared, as for the 2012 year-end accounts, in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Commission for application within 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 policies and calculation methods applied in this interim report are the same as those described in Vattenfall's 2012 Annual Report (Note 3 to the consolidated accounts), except for the amended IFRSs endorsed by the EU and described below, which are effective as of the 2013 financial year.

Amendments in IFRS 7 – *Financial Instruments: Disclosures*. The amendment entails that further disclosures are to be provided about financial instruments that are recognised net in accordance with the rules of IAS 32 as well as about financial assets and liabilities covered by master netting agreements and similar, regardless of whether these have been offset or not. Vattenfall has identified which financial instruments are to be covered by the new disclosure requirements, which are reported in Note 3, Offsetting financial assets and financial liabilities, in this interim report.

IFRS 13 – *Fair Value Measurement*. The standard includes uniform rules for measuring fair value where another IFRS requires fair value measurements or disclosures about fair value measurements. New types of disclosures are to be made in order to clarify which valuation techniques are used and which inputs are used. The new standard is not expected to affect Vattenfall's financial statements to any significant degree, but leads to more detailed disclosures. The disclosures required by IFRS 13 are provided in this interim report in Note 4, Financial instruments by category and related effects on income.

Amendments in IAS 1 – *Presentation of Financial Statements*. The amendment entails a change in the presentation of transactions that are reported in other comprehensive income. Items that are to be reclassified (or "recycled") to profit or loss are to be reported separately. The proposal does not affect the actual content of other comprehensive income, but only the presentation format. As shown in the consolidated statement of comprehensive income, two new sub-headings have been

added: Items that will be reclassified to profit or loss when specific conditions are met, and Items that will not be reclassified to profit or loss, respectively.

Amendments in IAS 19 – *Employee Benefits*. Significant changes mainly pertaining to the reporting of defined benefit pension plans, where the opportunity to defer actuarial gains and losses over time as part of the so-called corridor rule may no longer be applied; instead, these are to be reported immediately in other comprehensive income. The current year's service cost of defined benefit pensions, gains and losses that arise from settlement of a pension liability, and financial items pertaining to the defined benefit plan, are reported through profit or loss. Amendments in IAS 19 entail that the Group's financial statements for 2012 have been recalculated, and the recalculation effects are reported in Note 5 of this interim report, Adjustments of 2012 financial statements as an effect of amendments in IAS 19.

"Improvements to IFRSs" (issued in May 2012) aim to streamline and clarify the accounting standards concerning presentation, recognition and measurement including changes in terminology or amendments of an editorial nature. The changes are to be applied for the 2013 financial year, but have not had any significant impact on Vattenfall's financial statements.

IFRIC 20 – *Stripping Costs in the Production Phase of a Surface Mine*. The interpretation addresses how costs for stripping the surface layer of an open cast (surface) mine are to be determined and reported, initially and on a continuous basis, during the production phase. Vattenfall already applies the valuation and reporting stipulated in IFRIC 20.

Risks and uncertainties

For a description of risks, uncertainties and risk management, please refer to Vattenfall's 2012 Annual Report, pages 45–50. No other material changes have taken place since publication of the 2012 Annual Report.

Other

Significant related-party transactions are described in Note 55 to the consolidated accounts in Vattenfall's 2012 Annual Report. No material changes have taken place in relations or transactions with related parties compared with the description in the 2012 Annual Report.

Note 2 Exchange rates

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

	Q1 2013	Q1 2012	Full year 2012		31 March 2013	31 March 2012	31 Dec. 2012
Average rate				Balance sheet date rate			
EUR	8.5043	8.8728	8.7036	EUR	8.3553	8.8455	8.5820
DKK	1.1402	1.1934	1.1692	DKK	1.1207	1.1889	1.1503
NOK	1.1424	1.1649	1.1627	NOK	1.1123	1.1633	1.1679
PLN	2.0495	2.1010	2.0797	PLN	1.9987	2.1303	2.1065
GBP	10.0645	10.5948	10.6954	GBP	9.8809	10.6074	10.5159
USD	6.4587	6.7119	6.7343	USD	6.5250	6.6229	6.5045

Note 3 Offsetting financial assets and financial liabilities

Financial assets and liabilities that are subject to enforceable master netting arrangements and similar agreements.

Assets 31 March 2013	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off on the balance sheet	Net amounts of financial assets presented on the balance sheet	Related amounts not set off on the balance sheet		
				Financial liabilities, not intended to be settled net	Cash collateral received	Net amount
Amounts in SEK million						
Derivatives, financial operations	16,629	—	16,629	10,898	4,532	1,199
Derivatives, commodity contracts	48,350	31,890	16,460	—	3,852	12,608
Total	64,979	31,890	33,089	10,898	8,384	13,807
Derivatives, not subject to offsetting	1,667	—	1,667	—	—	1,667
Total derivative assets			34,756			15,474

Assets 31 March 2012

Amounts in SEK million						
Derivatives, financial operations	15,383	—	15,383	8,723	5,506	1,154
Derivatives, commodity contracts	52,081	40,257	11,824	—	344	11,480
Total	67,464	40,257	27,207	8,723	5,850	12,634
Derivatives, not subject to offsetting	2,958	—	2,958	—	—	2,958
Total derivative assets			30,165			15,592

Assets 31 December 2012

Amounts in SEK million						
Derivatives, financial operations	19,295	—	19,295	12,506	5,957	832
Derivatives, commodity contracts	39,979	26,802	13,177	—	1,740	11,437
Total	59,274	26,802	32,472	12,506	7,697	12,269
Derivatives, not subject to offsetting	3,782	—	3,782	—	—	3,782
Total derivative assets			36,254			16,051

Liabilities 31 March 2013	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off on the balance sheet	Net amounts of financial liabilities presented on the balance sheet	Related amounts not set off on the balance sheet		
				Financial assets not intended to be settled net	Cash collateral pledged	Net amount
Amounts in SEK million						
Derivatives, financial operations	10,944	—	10,944	10,920	7	17
Derivatives, commodity contracts	29,620	21,882	7,738	—	2,886	4,852
Total	40,564	21,882	18,682	10,920	2,893	4,869
Derivatives, not subject to offsetting	701	—	701	—	—	701
Total derivative liabilities			19,383			5,570

Liabilities 31 March 2012

Amounts in SEK million						
Derivatives, financial operations	8,789	—	8,789	8,723	—	66
Derivatives, commodity contracts	53,309	41,789	11,520	—	3,698	7,822
Total	62,098	41,789	20,309	8,723	3,698	7,888
Derivatives, not subject to offsetting	1,326	—	1,326	—	—	1,326
Total derivative liabilities			21,635			9,214

Liabilities 31 December 2012

Amounts in SEK million						
Derivatives, financial operations	12,813	—	12,813	12,506	86	221
Derivatives, commodity contracts	26,371	19,140	7,231	—	1,354	5,877
Total	39,184	19,140	20,044	12,506	1,440	6,098
Derivatives, not subject to offsetting	761	—	761	—	—	761
Total derivative liabilities			20,805			6,859

For derivatives in the financial operations and commodity contracts, CSAs (Credit Support Annex) may be entered into as an annex to the respective master agreements, and are recognised as cash collateral received or cash collateral pledged. Under the CSA, the parties agree to provide each other with eligible credit support, which is calculated based on a daily exposure under the specific agreement.

Note 4 Financial instruments by category and related effects on income

Financial instruments by category: Carrying amount and fair value

Amounts in SEK million	31 March 2013		31 December 2012	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value through profit or loss				
Derivative assets	20,402	20,402	23,179	23,179
Short-term investments	21,092	21,092	27,192	27,192
Cash equivalents	742	742	181	181
Total	42,236	42,236	50,552	50,552
Derivative assets for hedging purposes for:				
Fair value hedges	4,363	4,363	5,463	5,463
Cash flow hedges	9,991	9,991	7,612	7,612
Total	14,354	14,354	13,075	13,075
Loans and receivables				
Share in the Swedish Nuclear Waste Fund	29,673	30,724	29,954	30,736
Other non-current receivables	5,138	5,138	5,249	5,249
Trade receivables and other receivables	36,668	36,668	34,409	34,409
Advance payments paid	3,595	3,595	5,172	5,172
Short-term investments	728	697	1,258	1,201
Cash and bank balances	16,415	16,415	17,864	17,864
Total	92,217	93,237	93,906	94,631
Available-for-sale financial assets				
Other shares and participations carried at fair value	2,446	2,446	2,730	2,730
Other shares and participations carried at cost	246	246	250	250
Total	2,692	2,692	2,980	2,980
Financial liabilities at fair value through profit or loss				
Derivative liabilities	14,026	14,026	18,866	18,866
Total	14,026	14,026	18,866	18,866
Derivative liabilities for hedging purposes for:				
Fair value hedges	99	99	71	71
Cash flow hedges	5,259	5,259	1,868	1,868
Total	5,358	5,358	1,939	1,939
Other financial liabilities				
Hybrid Capital	8,321	9,233	8,543	9,606
Other non-current interest-bearing liabilities	108,263	113,545	112,524	118,509
Other non-current noninterest-bearing liabilities	7,273	7,273	7,534	7,534
Current interest-bearing liabilities	30,975	31,287	39,194	39,421
Trade payables and other liabilities	26,042	26,042	32,581	32,581
Advance payments received	3,904	3,904	1,929	1,929
Total	184,778	191,284	202,305	209,580

For assets and liabilities with a remaining maturity of less than three months (e.g., cash and bank balances, trade receivables and other receivables, and trade payables and other payables) fair value is considered to be equal to the carrying amount. For other shares and participations carried at cost, in the absence of fair value, this is considered to be equal to the carrying amount.

Financial instruments that are measured at fair value on the balance sheet are described below according to the fair value hierarchy (levels), which in IFRS 7 and IFRS 13 are defined as:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). In Level 2 Vattenfall reports mainly commodity derivatives and interest rate swaps.

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Note 4, cont.

Financial assets and liabilities that are measured at fair value on the balance sheet at 31 March 2013

Amounts in SEK million	Level 1	Level 2	Level 3	Total
Assets				
Derivative assets	—	33,646	1,110	34,756
Short-term investments and cash equivalents	13,282	8,552	—	21,834
Other shares and participations	2,446	—	—	2,446
Total assets	15,728	42,198	1,110	59,036
Liabilities				
Derivative liabilities	—	18,872	512	19,384
Total liabilities	—	18,872	512	19,384

Financial assets and liabilities that are measured at fair value on the balance sheet at 31 December 2012

Amounts in SEK million	Level 1	Level 2	Level 3	Total
Assets				
Derivative assets	—	34,125	2,129	36,254
Short-term investments and cash equivalents	12,980	14,393	—	27,373
Other shares and participations	2,730	—	—	2,730
Total assets	15,710	48,518	2,129	66,357
Liabilities				
Derivative liabilities	—	18,539	2,266	20,805
Total liabilities	—	18,539	2,266	20,805

Changes in level 3 financial instruments

Amounts in SEK million	Financial instruments at fair value through profit or loss			
	Derivative assets		Derivative liabilities	
	31 March 2013	31 Dec. 2012	31 March 2013	31 Dec. 2012
Balance brought forward	2,129	2,832	2,266	2,925
Transfers from level 3 to level 2	-547	—	-1,544	—
Revaluations recognised in operating profit (EBIT)	-437	-626	-180	-549
Translation differences	-35	-77	-30	-110
Balance carried forward	1,110	2,129	512	2,266
Total revaluations for the period included in operating profit (EBIT) for assets and liabilities held on the balance sheet date	968	1,965	-265	-1,884

Sensitivity analysis for Level 3 contracts

TGSA: (Troll¹ Gas Sales Agreement) is a large gas supply agreement (coal price-indexed) that extends further ahead in time than liquid trading in the gas market. Valuation of the agreement is against the market price, as long as a market price can be observed. For deliveries beyond the market horizon, modelled prices are used for the relevant commodities. TGSA is hedged with OTC forward trades of underlying products. These trades are also marked against the same market and modelled prices. The modelled prices are benchmarked against reliable financial information obtained from the company Markit; this information is well-known and is used by many energy companies, which entails a fair valuation of the portion of the TGSA that cannot be valued against market prices. TGSA is also hedged with OTC forward trades of underlying products. Starting in 2013, all OTC forward contracts have been transferred from level 3 into level 2 since, starting in 2013, the market price inputs can be observed and derived from the market.

The net value as per 31 March 2013 has been calculated at SEK 653 million (31 December 2012: -153). The price of the coal price index used in the model (API#2) has a large impact on the modelled price. A change in this index of +/- 5% would affect the total value by approximately SEK +/- 31 million (31 December 2012: +/- 16).

CDM: Clean Development Mechanism (CDM) is a Kyoto Protocol initiative under which projects set up in developing countries to reduce atmospheric carbon generate tradable carbon credits called CERs (Certified Emission Reductions). CERs can be used by industrialised nations to offset carbon emissions at home and meet their Kyoto Protocol reduction targets. Valuation of CERs is derived from so-called Risk Adjustment Factors (RAFs). These factors are calculated using the Carbon Valuation Tool developed by Point Carbon to quantify the risk and calculate the fair value of CDM projects or contracts. The tool is based on Point Carbon's valuation methodology, which was developed by several experienced market players. The valuation methodology is strictly empirical, and all risk parameters are extracted from Point Carbon's proprietary databases of CDM project data, which entails a correct valuation of the contracts even where market prices are not listed.

The net value as per 31 March 2013 has been calculated at SEK -59 million (31 December 2012: -414). A change in the modelled price of CERs of +/- 5% would affect the total value by approximately SEK +/- 3 million (31 December 2012: +/- 5).

Long-term electricity contracts: Vattenfall has long-term electricity contracts with a customer extending until 2019 that include embedded derivatives in which the electricity price for the customer is coupled to the price development of aluminium and exchange rate movements of the Norwegian krone (NOK) in relation to the US dollar (USD). Reliable market quotations for aluminium are available for a period of 27 months forward in time. Vattenfall has estimated that the use of modelled prices provides reliable values for valuation of the period beyond 27 months, that is, the time horizon during which market quotations are not available until the contracts' expiration date.

The value as per 31 March 2013 has been calculated at SEK -4 million (31 December 2012: +430). The price of aluminium is the factor that has the greatest bearing on the modelled price. A change in the price of aluminium of +/- 5% would affect the total value by approximately SEK +/- 118 million (31 December 2012: +/- 148).

1) Troll is a gas field in the North Sea west of Norway.

Note 4, cont.

Financial instruments: Effects on income by category

Net gains(+)/losses(-) and interest income and expenses for financial instruments recognised in the income statement:

Amounts in SEK million	31 March 2013			31 December 2012		
	Net gains/ losses ¹	Interest income	Interest expenses	Net gains/ losses ¹	Interest income	Interest expenses
Derivative assets and derivative liabilities	-1,661	86	-400	5,120	489	-124
Available-for-sale financial assets	-249	—	—	-208	—	—
Loans and receivables	34	-16	-398	675	1,379	—
Financial liabilities measured at amortised cost	1,811	—	-352	109	—	-5,571
Total	-65	70	-1,150	5,696	1,868	-5,695

1) Exchange rate gains and losses are included in net gains/losses.

Note 5 Adjustments of 2012 financial statements as an effect of amendments in IAS 19

As described in Note 1, Accounting policies, risks and uncertainties, new accounting rules apply as of 2013 according to IAS 19 — *Employee Benefits*, with respect to provisions for pensions and other personnel-related provisions. The reported effect due to the elimination of the corridor rule and other effects of the amended IAS 19 have affected Vattenfall's financial statements as follows:

Amounts in SEK million	31 December 2011/1 January 2012			1 January–31 March 2012			1 January–30 June 2012			1 January–30 September 2012			1 January–31 December 2012		
	As reported previously	Adjustments	After adjustments	As reported previously	Adjustments	After adjustments	As reported previously	Adjustments	After adjustments	As reported previously	Adjustments	After adjustments	As reported previously	Adjustments	After adjustments
Balance sheet:															
Pension provisions	17,995	4,909	22,904	17,853	4,911	22,764	17,763	4,913	22,676	17,183	4,916	22,099	21,890	8,694	30,584
Personnel-related provisions for non-pension purposes	3,975	-855	3,120	4,027	-820	3,207	3,338	-786	2,552	3,192	-757	2,435	3,141	-687	2,454
Deferred tax liabilities	35,406	-896	34,510	35,732	-907	34,825	35,759	-917	34,842	34,973	-926	34,047	34,681	-2,144	32,537
Accrued expenses ¹	18,507	-18	18,489	17,807	-18	17,789	11,299	-18	11,281	13,286	-18	13,268	15,830	-18	15,812
<i>Equity attributable to owner of the Parent Company</i>															
Equity excl. Profit for the year	121,572	-3,024	118,548	132,914	-3,023	129,891	128,738	-3,024	125,714	124,358	-3,024	121,334	129,204	-5,487	123,717
Profit for the year	10,416	—	10,416	13,855	-27	13,828	14,732	-52	14,680	10,781	-76	10,705	17,224	-177	17,047
<i>Equity attributable to non-controlling interests (minority interests)</i>															
Equity	6,943	-116	6,827	7,108	-116	6,992	7,474	-116	7,358	7,917	-116	7,801	8,790	-182	8,608
Balance sheet total	524,558	—	524,558	526,503	—	526,503	513,633	—	513,633	499,536	—	499,536	528,364	—	528,364
Income statement:															
Operating profit (EBIT)				18,956	-46	18,910	23,731	-92	23,639	20,996	-135	20,861	26,175	-217	25,958
Financial expenses ²				-3,291	9	-3,282	-6,668	18	-6,650	-8,375	26	-8,349	-10,510	34	-10,476
Income tax expense				-2,647	10	-2,637	-3,341	22	-3,319	-3,722	33	-3,689	-1,077	6	-1,071
Profit for the year				13,855	-27	13,828	14,732	-52	14,680	10,781	-76	10,705	17,224	-177	17,047
Comprehensive income:															
Remeasurement pertaining to defined benefit obligations				—	-37	-37	—	-73	-73	—	-105	-105	—	-3,953	-3,953
Tax attributable to remeasurement pertaining to defined benefit obligations				—	11	11	—	21	21	—	30	30	—	1,248	1,248
Profit for the year				13,855	-27	13,828	14,732	-52	14,680	10,781	-76	10,705	17,224	-177	17,047
Total comprehensive income				14,889	-53	14,836	15,447	-104	15,343	7,220	-151	7,069	16,315	-2,882	13,433
Statement of cash flows:															
Profit before tax				16,502	-37	16,465	18,073	-73	18,000	14,503	-109	14,394	18,301	-183	18,118
Other, incl. non-cash items				1,616	37	1,653	9	73	82	-2,749	109	-2,640	-930	183	-747
Funds from operations (FFO)				12,717	—	12,717	16,664	—	16,664	22,386	—	22,386	34,419	—	34,419

1) Change pertaining to recognition of special employer's payroll tax.

2) Including changed interest rate used to calculate the return on plan assets.

The Parent Company Vattenfall AB

Accounting policies

The Parent Company Vattenfall AB's accounts are prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2 – *Accounting for Legal Entities*, issued by the Swedish Financial Reporting Board.

The accounting policies used in this report are the same as those described in Vattenfall's 2012 Annual Report (Note 2 to the Parent Company accounts).

First quarter 2013

A condensed income statement and balance sheet for the Parent Company are presented below.

Sales amounted to SEK 10,797 million (11,940).

Profit before appropriations and tax was SEK 15,921 million (13,066).

Profit includes a dividend of SEK 10,908 million from the subsidiary Vattenfall GmbH. During the first quarter, Vattenfall AB recognised an impairment loss of SEK 254 million for the value of shares in Enea S.A.

The balance sheet total was SEK 310,849 million (31 December 2012: 314,473).

Investments during the period amounted to SEK 33 million (1,564).

Cash and cash equivalents and short-term investments amounted to SEK 29,239 million (31 December 2012: 37,193).

Risks and uncertainties

For a description of risks, uncertainties and risk management, please refer to Vattenfall's 2012 Annual Report, pages 45–50. No material changes have taken place since publication of the 2012 Annual Report.

Other

Significant related-party transactions are described in Note 39 to the Parent Company accounts in Vattenfall's 2012 Annual Report. No material changes have taken place in relations or transactions with related parties compared with the description in the 2012 Annual Report.

Parent Company income statement

Amounts in SEK million	Q1 2013	Q1 2012	Full year 2012
Net sales	10,797	11,940	38,250
Cost of products sold	-5,954	-6,114	-24,126
Gross profit	4,843	5,826	14,124
Selling expenses, administrative expenses and research and development costs	-917	-1,013	-3,395
Other operating income and expenses, net	-135	-273	253
Operating profit (EBIT)	3,791	4,540	10,982
Result from participations in subsidiaries	10,908	8,725	-4,041
Result from participations in associated companies	—	—	1
Result from other shares and participations	-254	10	66
Other financial income	2,901	1,289	5,496
Other financial expenses	-1,425	-1,498	-5,742
Profit before appropriations and tax	15,921	13,066	6,762
Appropriations	411	592	-7,680
Profit before tax	16,332	13,658	-918
Income tax expense	-1,300	-1,489	-1,122
Profit for the period	15,032	12,169	-2,040

Parent Company statement of comprehensive income

Amounts in SEK million	Q1 2013	Q1 2012	Full year 2012
Profit for the period	15,032	12,169	-2,040
Total other comprehensive income	—	—	—
Total comprehensive income for the period	15,032	12,169	-2,040

Parent Company balance sheet

Amounts in SEK million	31 March 2013	31 March 2012	31 Dec. 2012
Assets			
Non-current assets			
Intangible assets: non-current	239	197	262
Property, plant and equipment	4,258	4,016	4,339
Shares and participations	162,702	179,335	162,956
Other non-current assets	88,437	78,838	79,859
Total non-current assets	255,636	262,386	247,416
Current assets			
Inventories	324	323	453
Intangible assets: current	551	649	249
Current receivables	25,099	26,905	29,160
Current tax assets	—	137	2
Short-term investments	18,683	23,310	24,535
Cash and cash equivalents	10,556	11,873	12,658
Total current assets	55,213	63,197	67,057
Total assets	310,849	325,583	314,473
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	73,196	79,644	75,236
Profit for the period	15,032	12,169	-2,040
Total equity	96,099	99,684	81,067
Untaxed reserves	14,775	9,763	15,185
Provisions	3,068	332	2,832
Non-current liabilities			
Hybrid Capital	8,321	8,793	8,543
Other interest-bearing liabilities	95,678	127,173	97,716
Deferred tax liabilities	537	940	799
Other noninterest-bearing liabilities	6,476	5,873	6,541
Total non-current liabilities	111,012	142,779	113,599
Current liabilities			
Interest-bearing liabilities	56,364	46,859	72,410
Current tax liabilities	891	—	—
Other noninterest-bearing liabilities	28,640	26,166	29,380
Total current liabilities	85,895	73,025	101,790
Total equity and liabilities	310,849	325,583	314,473

Definitions and calculations of key ratios

Figures for the Group in 2013. Amounts in SEK million unless indicated otherwise.

EBIT	=	Earnings Before Interest and Tax (Operating profit).
EBITDA	=	Earnings Before Interest, Tax, Depreciation and Amortisation.
Items affecting comparability	=	Capital gains and capital losses from shares and other non-current assets, impairment losses and impairment losses reversed pertaining to non-current assets, and other non-recurring items. Also included here are unrealised changes in the fair value of energy derivatives, which according to IAS 39 cannot be recognised using hedge accounting, and unrealised changes in the fair value of inventories.
Underlying operating profit	=	Operating profit (EBIT) excluding items affecting comparability.
FFO	=	Funds From Operations.
Free cash flow	=	Cash flow from operating activities less maintenance investments.
Hybrid Capital	=	Perpetual subordinated securities, junior to all Vattenfall's unsubordinated debt instruments. Reported as interest-bearing non-current liabilities.
Capital employed	=	Balance sheet total less financial assets and noninterest-bearing liabilities
Net debt	=	Interest-bearing liabilities less loans to owners of non-controlling interests (minority owners) in foreign subsidiaries, cash and cash equivalents, short-term investments.
Adjusted net debt	=	For calculation, see page 18.

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

Key ratios based on last 12-month values April 2012–March 2013:

Operating margin, %	= 100 x	$\frac{\text{Operating profit (EBIT)}}{\text{Net sales}}$	$\frac{17,854}{167,978}$	=	10.6
Operating margin excl. items affecting comparability, %	= 100 x	$\frac{\text{Underlying operating profit}}{\text{Net sales}}$	$\frac{27,526}{167,978}$	=	16.4
Pre-tax profit margin, %	= 100 x	$\frac{\text{Profit before tax}}{\text{Net sales}}$	$\frac{10,053}{167,978}$	=	6.0
Pre-tax profit margin excl. items affecting comparability, %	= 100 x	$\frac{\text{Profit before tax excl. items affecting comparability}}{\text{Net sales}}$	$\frac{20,265}{167,978}$	=	12.1
Return on equity, %	= 100 x	$\frac{\text{Profit for the period attributable to owner of the Parent Company}}{\text{Average equity for the period attributable to owner of the Parent Company excl. the Reserve for cash flow hedges}}$	$\frac{9,304}{136,291}$	=	6.8
Return on capital employed, %	= 100 x	$\frac{\text{Operating profit (EBIT)}}{\text{Capital employed, average}}$	$\frac{17,854}{314,171}$	=	5.7
Return on capital employed excl. items affecting comparability, %	= 100 x	$\frac{\text{Underlying operating profit}}{\text{Capital employed, average}}$	$\frac{27,526}{314,171}$	=	8.8
EBIT interest cover, (x)	=	$\frac{\text{Operating profit (EBIT) + financial income excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund}}{\text{Financial expenses excl. discounting effects attributable to provisions}}$	$\frac{19,057}{6,825}$	=	2.8

Definitions and calculations of key ratios (cont.)

EBIT interest cover excl. items affecting comparability, (x) =	Underlying operating profit + financial income excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	28,729	=	4.2
	Financial expenses excl. discounting effects attributable to provisions	6,825	=	
FFO interest cover, (x) =	Funds from operations (FFO) + financial expenses excl. discounting effects attributable to provisions	39,929	=	5.9
	Financial expenses excl. discounting effects attributable to provisions	6,825	=	
FFO interest cover, net, (x) =	Funds from operations (FFO) + financial items excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	38,726	=	6.9
	Financial items excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	5,622	=	
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	19,119	=	3.3
	Financial expenses excl. discounting effects attributable to provisions and interest components related to pension costs	5,796	=	
FFO/gross debt, % = 100 x	Funds from operations (FFO)	33,104	=	22.4
	Interest-bearing liabilities	147,559	=	
FFO/net debt, % = 100 x	Funds from operations (FFO)	33,104	=	30.8
	Net debt	107,379	=	
FFO/adjusted net debt, % = 100 x	Funds from operations (FFO)	33,104	=	21.8
	Adjusted net debt	152,106	=	
EBITDA/net financial items, (x) =	Operating profit before depreciation and amortisation (EBITDA)	46,243	=	8.2
	Financial items excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	5,622	=	
EBITDA excl. items affecting comparability/net financial items, (x) =	Operating profit before depreciation and amortisation (EBITDA) excl. items affecting comparability	55,915	=	9.9
	Financial items excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	5,622	=	
Key ratios based on the balance sheet per 31 March 2013:				
Equity/total assets, % = 100 x	Equity	152,527	=	29.7
	Balance sheet total	514,186	=	
Gross debt/equity, % = 100 x	Interest-bearing liabilities	147,559	=	96.7
	Equity	152,527	=	
Net debt/equity, % = 100 x	Net debt	107,379	=	70.4
	Equity	152,527	=	
Gross debt/gross debt plus equity, % = 100 x	Interest-bearing liabilities	147,559	=	49.2
	Interest-bearing liabilities + equity	300,086	=	
Net debt/net debt plus equity, % = 100 x	Net debt	107,379	=	41.3
	Net debt + equity	259,906	=	
Net debt/EBITDA, (x) =	Net debt	107,379	=	2.3
	Operating profit before depreciation and amortisation (EBITDA)	46,243	=	
Adjusted net debt/EBITDA, (x) =	Adjusted net debt	152,106	=	3.3
	Operating profit before depreciation and amortisation (EBITDA)	46,243	=	

Interim report signature

Stockholm, 3 May 2013

Øystein Løseth
President and Chief Executive Officer

This interim report has not been reviewed by the company's auditor.

Financial calendar

Interim report January–June: 23 July 2013

Interim report January–September: 29 October 2013

Year-end report 2013: 4 February 2014

Contact information

Vattenfall AB (publ)
SE-169 92 Stockholm
Corporate identity
number 556036-2138
tel +46-8-739 50 00
www.vattenfall.com
www.vattenfall.se

Øystein Løseth,
President and CEO
tel +46-8-739 50 05
Ingrid Bonde,
CFO
tel +46-8-739 60 06

Klaus Aurich,
Head of Investor Relations
tel +46-8-739 65 14 or
+46-70-539 65 14