

# Interim report January–September 2021

## Business highlights, July–September 2021

- Higher electricity prices owing to a lower hydrological balance, lower wind speeds, and higher prices for fuel and CO<sub>2</sub> emission allowances
- Significant one-off effects had a positive impact on the profit for the period. Higher electricity and gas prices resulted in temporary high cash inflows due to increased margin calls received
- Sale of Stromnetz Berlin completed on 1 July. The purchase price was EUR 2.1 billion
- Inauguration of Scandinavia's largest wind farm, Kriegers Flak in Denmark
- Strong increase in producers and customers wanting to connect to the electricity grid
- Customer growth and expansion in e-vehicle charging solutions in Germany and the Netherlands
- Continued steps to enable the expansion of district heating networks in Amsterdam and London

## Financial highlights, January–September 2021

- Net sales increased by 2% (5% excluding currency effects) to SEK 116,590 million (114,815)
- Underlying operating profit<sup>1</sup> of SEK 22,090 million (17,802)
- Operating profit<sup>1</sup> of SEK 52,521 million (10,030)
- Profit for the period of SEK 41,912 million (1,989)

## Financial highlights, July–September 2021

- Net sales increased by 2% (4% excluding currency effects) to SEK 36,125 million (35,375)
- Underlying operating profit<sup>1</sup> of SEK 4,782 million (4,818)
- Operating profit<sup>1</sup> of SEK 22,926 million (4,743)
- Profit for the period of SEK 18,277 million (3,583)

## KEY DATA

Amounts in SEK million unless indicated otherwise	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Net sales	116 590	114 815	36 125	35 375	158 847	160 622
Operating profit before depreciation, amortisation and impairment losses (EBITDA) <sup>1</sup>	65 565	34 387	27 293	9 235	46 507	77 685
Operating profit (EBIT) <sup>1</sup>	52 521	10 030	22 926	4 743	15 276	57 767
Underlying EBIT <sup>1</sup>	22 090	17 802	4 782	4 818	25 790	30 078
Profit for the period	41 912	1 989	18 277	3 583	7 716	47 639
Electricity generation, TWh	80.6	82.2	21.8	25.0	112.8	111.2
Sales of electricity, TWh <sup>2</sup>	123.2	120.1	37.8	37.9	164.1	167.2
- of which, customer sales	88.5	86.6	28.2	26.9	118.2	120.1
Sales of heat, TWh	10.5	9.3	1.3	1.4	13.8	15.0
Sales of gas, TWh	39.8	37.9	5.3	5.9	56.8	58.7
Return on capital employed, % <sup>1</sup>	22.4 <sup>3</sup>	4.7 <sup>3</sup>	22.4 <sup>3</sup>	4.7 <sup>3</sup>	5.8	22.4
FFO/adjusted net debt, % <sup>1</sup>	182.7 <sup>3</sup>	27.9 <sup>3</sup>	182.7 <sup>3</sup>	27.9 <sup>3</sup>	28.8	182.7

1) See Definitions and calculations of key ratios for definitions of Alternative Performance Measures.

2) Sales of electricity also include sales to Nord Pool Spot and deliveries to minority shareholders.

3) Last 12-month values.

# Stable result in turbulent market

The market situation after the summer has been turbulent, and several European markets have seen exceptional fluctuations in electricity and gas prices with significant consequences for many customers. Vattenfall follows the development closely and is actively working with the company's risk management. Our underlying operations remain stable, we continue to deliver on our strategy and during the quarter we concluded several important projects and transactions. At the same time, one-off effects had a large impact on profit for the period.

### Unusually high prices and record-high volatility dampened by price hedges

The situation in Europe's electricity markets recently has been dramatic, to say the least, with high prices and historically high volatility. This is a problematic development for many of our customers. In the Nordic countries, low precipitation especially in Norway and lower wind speeds have pushed up prices. On the Continent, significantly higher costs for CO<sub>2</sub> emission allowances and fuel prices have led to record-high prices in several markets. For example, the price of natural gas has grown five-fold compared with a year ago. Despite the strong recovery from last year's very low price levels, Vattenfall's achieved price in the Nordic countries was lower than the corresponding period a year ago. This can be credited to the price hedges we have taken out to stabilise earnings and to effects from growing differences between price areas in Sweden, where northern Sweden has considerably lower price levels than the southern areas due to transmission bottlenecks.

### Significant one-off effects

Profit totalled SEK 41.9 billion for the nine-month period and SEK 18.3 billion for the third quarter. The sale of Stromnetz Berlin had a positive effect on profit for the quarter of SEK 8.4 billion before tax, and on top of this the value of our energy derivatives grew by SEK 10.5 billion as a result of the sharp upturn in the market.

Operating activities are showing stable performance. Underlying operating profit increased by SEK 4.3 billion to SEK 22.1 billion for the period January–September but was essentially unchanged compared with the same quarter a year ago. The high electricity and fuel prices benefited our power generation and trading businesses, but at the same time contributed to lower earnings in heat and electricity distribution.

The market situation is also having a large effect on our adjusted net debt, which has decreased by SEK 100 billion since the start of the year. This is mainly due to the net change in margin calls received following the sharp price increases for gas and electricity on the Continent. Excluding this effect, the key ratio FFO/adjusted net debt was 36.1%.

The sale of 49.5% of Hollandse Kust Zuid to BASF was completed in September. The transaction did not affect profit for the period, but contributed to a further strengthening of our balance sheet. The strengthening of our financial position is a conscious decision we have made to prepare ourselves ahead of the coming years' ambitious investment plan to be able to contribute to the energy transition.

### Step towards a fossil-free future

In early September I attended the inauguration of Kriegers Flak, the largest wind farm in Scandinavia, together with the Crown Prince of Denmark and the Danish Minister for Industry, Business and Financial Affairs. The project was completed ahead of schedule despite the pandemic and will boost Denmark's wind power generation by 16%.

Recently we raised our emissions target to be in line with the 1.5°C target set in the Paris Agreement and to achieve net zero emissions by 2040. Our new target is approved in accordance with the Science Based Targets Initiative. Next week the world's focus will be directed to COP26, which will be held in Glasgow. It is my strong hope that the world can unite on accelerating the pace of the transition and that more countries will embrace the 1.5°C goal. We have only seen the beginning of a record-large transition that is not only necessary; it is also full of opportunities for those that choose to embrace it and want to play a part in leading development.



**Anna Borg**  
President and CEO

**Profit for the period**  
First nine months of 2021

**41.9**  
SEK billion  
(2.0)

**Underlying operating profit**  
First nine months of 2021

**22.1**  
SEK billion  
(17.8)

**FFO/adjusted net debt**  
Last 12 months

**182.7%**  
(27.9)

**Return on capital employed**  
Last 12 months

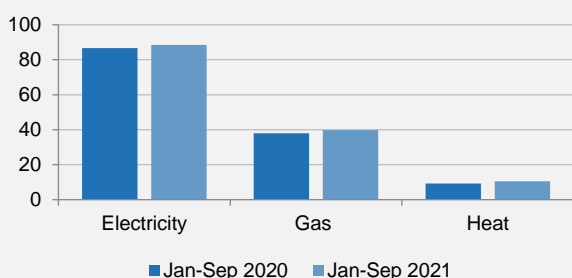
**22.4%**  
(4.7)

# Group overview

## Customer sales development

Sales of electricity, excluding sales to Nord Pool Spot and deliveries to minority shareholders, increased by 1.9 TWh to 88.5 TWh (86.6), owing to higher volumes in the Nordic countries and Germany. Lower sales in the B2B segment in France had a countering effect. Sales of gas increased by 1.9 TWh to 39.8 TWh (37.9), mainly owing to colder weather in the Netherlands and Germany. Sales of heat increased by 1.2 TWh to 10.5 TWh (9.3).

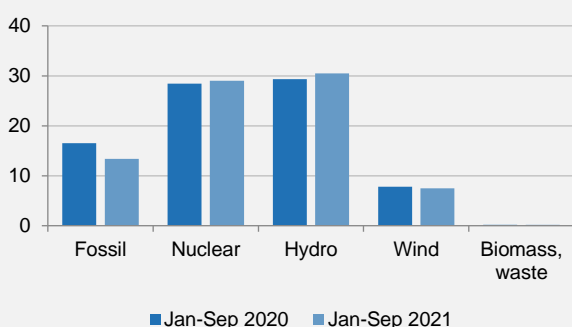
### CUSTOMER SALES (TWh)



## Generation development

Total electricity generation decreased by 1.6 TWh to 80.6 TWh (82.2) during the period January–September 2021. Lower fossil-based (-3.1 TWh) and wind (-0.3 TWh) power generation was countered by higher hydro (+1.2 TWh) and nuclear (+0.6 TWh) power generation.

### ELECTRICITY GENERATION (TWh)



## Price development

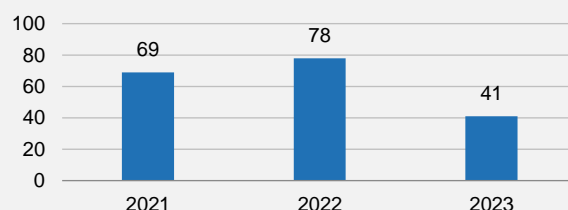
Average Nordic electricity spot prices were 669% higher, at EUR 68.3/MWh (8.9), during the third quarter of 2021 compared with the corresponding period in 2020, mainly owing to a lower hydrological balance, lower wind speeds and annual inspection outages at nuclear power plants. Spot prices in Germany were 169% higher, at EUR 97.1/MWh (36.1), and prices in the Netherlands increased by 188% to EUR 101.5/MWh (35.3). Electricity prices in Germany and the Netherlands were mainly affected by higher prices for fuel and CO<sub>2</sub> emission allowances, and lower wind speeds. Electricity futures prices for delivery in 2021 and 2022 were 21%–102% higher than in the third quarter of 2020.

Compared with the third quarter of 2020, the average spot price for gas was 514% higher, at EUR 47.3/MWh (7.8). The spot price for coal was 206% higher, at USD 154.7/t (50.6). The futures price for gas was 126% higher, at EUR 32.7/MWh (14.5), and the futures price for coal was 72% higher, at USD 108.2/t (62.9). The price of CO<sub>2</sub> emission allowances was 108% higher, at EUR 57.0/t (27.3).

### AVERAGE INDICATIVE NORDIC HEDGE PRICES (SE, DK, FI) AS PER 30 SEPTEMBER 2021, EUR/MWh

EUR/MWh	2021	2022	2023
	28	29	28

### VATTENFALL'S ESTIMATED NORDIC HEDGE RATIO (SE, DK, FI) AS PER 30 SEPTEMBER 2021 (%)



### ACHIEVED NORDIC ELECTRICITY PRICES (SE, DK, FI)<sup>1</sup> EUR/MWh

Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
30	31	28	38	31	30

### SENSITIVITY ANALYSIS – CONTINENTAL PORTFOLIO (DE, NL, UK)<sup>2</sup>

+/-10% price impact on future profit before tax, SEK million<sup>3</sup>

Market-quoted	2022	2023	2024	Observed yearly volatility <sup>4</sup>
Electricity	+/- 606	+/- 1,382	+/- 1,252	19%-25%
Coal	-/+ 33	-/+ 43	-/+ 30	21%-22%
Gas	-/+ 39	-/+ 1,238	-/+ 972	16%-33%
CO <sub>2</sub>	-/+ 34	-/+ 440	-/+ 446	38%-39%

- 1) Achieved prices from the spot market and hedges. Includes Nordic hydro, nuclear and wind power generation
- 2) Vattenfall's continental portfolio is mainly exposed to clean spark spreads. Vattenfall hedges these production margins, which in turn affects reported sensitivity figures for electricity, gas and CO<sub>2</sub> emission allowances
- 3) The denotation +/- entails that a higher price affects operating profit favourably, and -/+ vice versa
- 4) Observed yearly volatility for daily price movements for each commodity, based on forward contracts. Volatility normally decreases the further ahead in time the contracts pertain to.

## Net sales

**January–September:** Consolidated net sales increased by SEK 1.8 billion (including negative currency effects of SEK 3.4 billion). The increase is mainly attributable to higher electricity prices and higher sales volume in the Nordic countries and Germany. Lower sales in the B2B segment in France had a countering effect.

**July–September:** Consolidated net sales increased by SEK 0.8 billion (including negative currency effects of SEK 0.6 billion). The increase is mainly attributable to higher electricity prices in customer sales.

## Earnings

**January–September:** The underlying operating profit increased by SEK 4.3 billion, which is explained by:

- A higher earnings contribution from the Power Generation operating segment (SEK +3.7 billion), mainly owing to a higher realised earnings contribution from the trading business and higher nuclear and hydro power generation, which was countered by lower prices achieved in the Nordic countries
- A higher earnings contribution from the Wind operating segment (SEK +0.9 billion), mainly owing to higher market prices and new capacity, which was partly countered by lower wind speeds
- Other items, net (SEK -0.3 billion)

Items affecting comparability amounted to SEK 30.4 billion (-7.8), of which most pertains to compensation for the closure of nuclear power operations in Germany (SEK 12.5 billion), unrealised changes in market value for energy derivatives and inventories (SEK 12.3 billion), and the capital gain from the sale of Stromnetz Berlin (SEK 8.4 billion). Profit for the period totalled SEK 41.9 billion (2.0) and was affected by – in addition to items affecting comparability – a higher tax cost and higher net financial items resulting from a higher return from the Swedish Nuclear Waste Fund.

**July–September:** Underlying operating profit was unchanged compared with the same period a year ago. The Wind operating

segment made a positive contribution (SEK 0.9 billion), mainly owing to higher electricity prices and new capacity. The Power Generation operating segment also made a positive contribution (SEK 0.3 billion), mainly owing to a higher realised trading result. The Distribution and Heat operating segments made negative contributions (SEK -0.7 billion and SEK -0.5 billion, respectively). Earnings for Distribution were partly affected by the sale of Stromnetz Berlin. Items affecting comparability amounted to SEK 18.1 billion (-0.1), of which most pertains to unrealised changes in market value for energy derivatives and inventories (SEK 9.4 billion) and the capital gain from the sale of Stromnetz Berlin (SEK 8.4 billion). Profit for the period totalled SEK 18.3 billion (3.6), where the positive effect of items affecting comparability was countered by a higher tax cost associated with higher profit before tax.

## Cash flow

**January–September:** Funds from operations (FFO) increased by SEK 3.8 billion, mainly owing to a higher operating profit before depreciation, amortisation and impairment losses (EBITDA). Compensation for the closure of nuclear power operations in Germany is not included in FFO (reported as an adjustment of the item “Other, incl. non-cash items”). Cash flow from changes in working capital amounted to SEK 68.5 billion. The largest contributing factors were changes related to the net change in margin calls received (SEK 78.9 billion), an increase in inventories (SEK -4.0 billion), and CO<sub>2</sub> emission allowances (SEK -2.2 billion).

**July–September:** Funds from operations (FFO) decreased by SEK 0.9 billion, mainly owing to a lower operating profit before depreciation, amortisation and impairment losses (EBITDA). Cash flow from changes in working capital amounted to SEK 54.8 billion, which is mainly explained by the net change in margin calls (SEK 4.4 billion), which is mainly explained by the net change in margin calls received (SEK 55.3 billion).

## KEY FIGURES – GROUP OVERVIEW

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Net sales	116 590	114 815	36 125	35 375	158 847	160 622
Operating profit before depreciation, amortisation and impairment losses (EBITDA) <sup>1</sup>	65 565	34 387	27 293	9 235	46 507	77 685
Operating profit (EBIT) <sup>1</sup>	52 521	10 030	22 926	4 743	15 276	57 767
Underlying operating profit <sup>1</sup>	22 090	17 802	4 782	4 818	25 790	30 078
Items affecting comparability <sup>1</sup>	30 431	- 7 772	18 144	- 75	- 10 514	27 689
Profit for the period	41 912	1 989	18 277	3 583	7 716	47 639
Funds from operations (FFO) <sup>1</sup>	27 480	23 656	6 054	7 000	35 024	38 848
Cash flow from changes in operating assets and operating liabilities (working capital)	68 522	3 182	54 782	12 447	6 668	72 008
Cash flow from operating activities	96 002	26 838	60 836	19 447	41 692	110 856

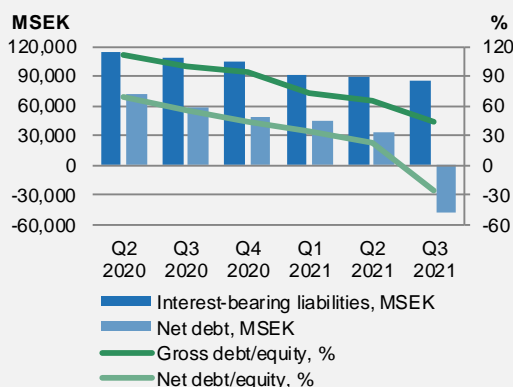
1) See Definitions and calculations of key ratios for definitions of Alternative Performance Measures.

## Capital structure

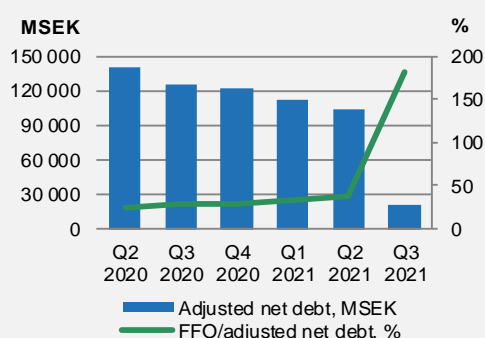
Cash and cash equivalents, and short-term investments increased by SEK 75.2 billion compared with the level at 31 December 2020. Committed credit facilities consist of a EUR 2.0 billion Revolving Credit Facility that expires in November 2023. As per 30 September 2021 available liquid assets and/or committed credit facilities amounted to 92.1% of net sales. Vattenfall's target is to maintain a level of no less than 10% of consolidated net sales, but at least the equivalent of the next 90 days' maturities.

Net debt and adjusted net debt decreased by SEK 95.5 billion to SEK -47.3 billion and by SEK 100.2 billion to SEK 21.3 billion, respectively, compared with the levels at 31 December 2020. These decreases are mainly attributable to a positive cash flow after investments (SEK 97.5 billion), which is largely explained by the change in working capital (SEK 68.5 billion). Significantly increased electricity and gas prices resulted in higher margin calls received but also an increased credit risk for Vattenfall. These risks are handled within the company's risk management framework. In addition, adjusted net debt was affected by lower pension provisions (SEK 4.6 billion). Currency effects increased net debt by SEK 1.0 billion. The key ratio FFO/adjusted net debt increased to 182.7%, which is mainly due to the effects of the net change in margin calls received. Excluding this, the key ratio was 36.1%.

### NET DEBT



### ADJUSTED NET DEBT

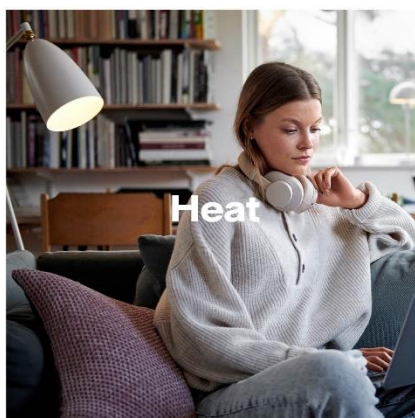
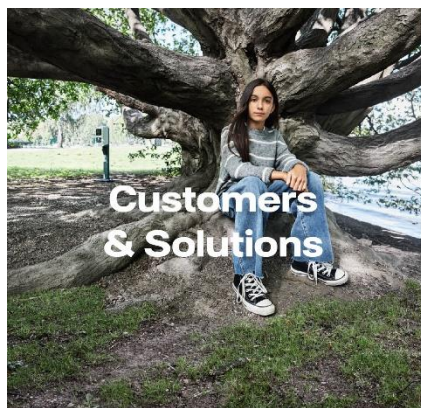


## Strategic focus areas and targets for 2025

Strategic focus area	Targets for 2020	Q3 2021	Outcome 2020
Driving decarbonisation with our customers & partners	1. Customer engagement, absolute Net Promoter Score (NPS): <sup>1</sup> <b>+18</b>	-	<b>+7</b>
Securing a fossil-free energy supply	2. CO <sub>2</sub> emissions intensity: <sup>2</sup> <b>≤86 gCO<sub>2</sub>e/kWh</b>	<b>78</b>	<b>97</b>
Delivering high-performing operations	3. Funds from operations (FFO)/adjusted net debt: <b>22%–27%</b>	<b>182.7%</b>	<b>28.8%</b>
	4. Return On Capital Employed (ROCE), last 12 months: <b>≥8%</b>	<b>22.4%</b>	<b>5.8%</b>
Empowering our people	5. Lost Time Injury Frequency (LTIF) <sup>3</sup> : <b>≤1.0</b>	<b>1.7</b>	<b>1.8</b>
	6. Employee Engagement Index <sup>4</sup> : <b>≥75%</b>	-	<b>72%</b>

- 1) Absolute NPS is weighted 80% from Customers & Solutions and 20% from Heat, which corresponds to our customer composition. Reported on an annual basis
- 2) Includes CO<sub>2</sub> and other greenhouse gases, such as N<sub>2</sub>O and SF<sub>6</sub>. Consolidated value. The target for 2025 is to be on track to achieving the 1.5°C target by 2030, in accordance with SBT
- 3) Rolling 12-month values. LTIF (Lost Time Injury Frequency) is expressed in terms of the number of lost time work injuries per 1 million hours worked. The metric pertains only to Vattenfall employees
- 4) Documentation for measurement of target achievement is derived from the results of an employee survey, which is conducted yearly

# Operating segments



Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
<b>Underlying EBIT</b>						
Customers & Solutions	2 245	1 759	353	351	2 146	2 632
Power Generation	14 398	10 729	4 117	3 847	14 670	18 339
- of which, realised trading result	4 106	2 126	1 339	377	2 757	4 737
Wind	3 188	2 255	1 110	253	3 970	4 903
Heat	638	192	- 906	- 396	978	1 424
Distribution	2 693	3 870	240	953	5 325	4 148
- of which, Distribution Germany	666	824	1	356	1 093	935
- of which, Distribution Sweden	2 032	3 048	236	598	4 225	3 209
Other <sup>1</sup>	- 913	- 891	- 125	- 143	- 1 290	- 1 312
Eliminations	- 159	- 112	- 7	- 47	- 9	- 56
<b>Underlying operating profit</b>	<b>22 090</b>	<b>17 802</b>	<b>4 782</b>	<b>4 818</b>	<b>25 790</b>	<b>30 078</b>

1) "Other" pertains mainly to all Staff functions, including Treasury and Shared Service Centres.

## Customers & Solutions

The Customers & Solutions Business Area is responsible for sales of electricity, gas and energy services in all of Vattenfall's markets.

### Increased customer base and new partnerships in e-vehicle charging solutions

- Growing customer base and colder weather had positive effects on earnings
- Continued expansion in e-vehicle charging solutions



**Q1–Q3:** Net sales increased by 13% compared with the same period in 2020. Underlying operating profit increased by 27%, mainly owing to customer growth and lower average temperatures in the Netherlands and Germany. Several of our markets had colder weather during the first half of the year. This had a positive effect on sales of electricity, mainly in the Nordic countries, while it contributed to higher sales of gas in the Netherlands and Germany. Compared with year-end 2020, the total customer base grew by 1.7% to 10.3 million contracts.

**Q3:** Net sales increased by 27%, mainly owing to higher electricity prices in the Nordic countries. Underlying operating profit increased by 1% compared with 2020. Sales of electricity increased as a result of colder weather in the Nordic countries, which was countered by lower volumes in the B2B segment in France.

Expansion of e-vehicle charging solutions continued with numerous new initiatives and partnerships. In Germany, partnerships were entered into with the car dealership Bader

Mainzl, the hotel group b'mine, and with e-mobility specialist chargecloud. In addition, Vattenfall has introduced a new customer offering that includes a charging box coupled with a renewable electricity contract. In the Netherlands, in cooperation with the City of Amsterdam and the construction company Heijmans, Vattenfall has installed a battery that boosts available capacity of a charging hub and enables faster charging during peak demand hours.

Vattenfall has continued to digitalise its customer offerings. In Germany, through an automated sales process business customers can now directly obtain a price for their electricity consumption online, which is already standard in the private customers market. In the Netherlands, in cooperation with the environmental consultancy Greenhouse Marketeers, Vattenfall offers a new CO2 digital scanning service. The solution is designed for greenhouse operators and allows them to calculate the impact of their operations on their overall carbon footprint. This enables them to quickly determine what measures are most effective for reducing their carbon footprint.

### KEY FIGURES – CUSTOMERS & SOLUTIONS

Amounts in SEK million unless indicated otherwise	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Net sales	70 738	62 367	22 694	17 853	86 298	94 669
External net sales	68 192	61 191	21 666	17 427	84 661	91 662
Underlying EBITDA	2 913	2 471	575	613	3 083	3 525
Underlying EBIT	2 245	1 759	353	351	2 146	2 632
Sales of electricity, TWh	70.6	70.0	21.9	21.7	95.8	96.4
- of which, private customers	19.3	18.9	5.2	5.1	26.3	26.7
- of which, resellers	5.3	5.4	1.8	1.5	8.0	7.9
- of which, business customers	46.0	45.7	14.9	15.1	61.5	61.8
Sales of gas, TWh	39.1	34.5	5.2	4.9	52.1	56.7
Number of employees, full-time equivalents	3 194	2 965	3 194	2 965	2 971	

## Power Generation

Power Generation comprises the Generation and Markets Business Areas. The segment includes Vattenfall's hydro and nuclear power operations, maintenance services business, and optimisation and trading operations including certain large business customers.

### Greater hydro power generation, higher availability in nuclear power and higher electricity prices

- Higher electricity prices countered by price hedges
- New power purchase agreement for offshore wind and agreement on flexible regulation capacity



**Q1–Q3:** Net sales increased by 13%. Underlying operating profit increased by 34%, mainly owing to a higher realised trading result and higher hydro (1.2 TWh) and nuclear (0.6 TWh) power generation, which was countered by lower achieved prices in the Nordic countries, partly affected by large price differences between electricity areas in Sweden. The average hedging price was EUR 6/MWh lower and was partly affected by the spot price, which was EUR 30/MWh higher following the recent sharp rise in electricity prices.

Combined availability of Vattenfall's nuclear power plants during the period January–September 2021 was 82.1% (74.6%). Higher availability and higher generation in 2021 as well as down-regulations due to low price levels in 2020 compensated for lower volume resulting from the closure of Ringhals 1 at year-end 2020.

Nordic reservoir levels were at 71% (87%) of capacity as per 30 September, which is 6 percentage points below the normal level.

**Q3:** Net sales increased by 19%. Underlying operating profit increased by 7%, mainly owing to a higher realised trading result. This was offset by lower achieved prices in the Nordic

countries. The average hedging price was EUR 5/MWh lower and was partly offset by the spot price, which was EUR 43/MWh higher. A high market volatility has also affected Vattenfall's credit risk exposure, which is handled within the company's risk management framework.

During the quarter Vattenfall entered into an agreement with the chemicals company Nobian to use its plant in Rotterdam to help balance the electricity grid. Nobian can quickly adjust its chlorine production at the plant depending on how much renewable electricity is available. The adjustment is fully automated, and through this Nobian can add up to 40 MW of flexible capacity to the grid. At present, most regulating capacity in the Netherlands comes from fossil-fired power plants. By using the flexibility of industrial production facilities, less fossil energy is needed to stabilise the grid.

In Germany Vattenfall is one of the largest actors in managing renewable capacity for third parties through power purchase agreements (PPAs). During the third quarter a new PPA was entered into for the Arcadis Ost 1 (250 MW) offshore wind farm in the Baltic Sea. The wind farm, which is owned by Parkwind, is expected to begin delivering electricity to the German grid towards the end of 2022.

### KEY FIGURES – POWER GENERATION

Amounts in SEK million unless indicated otherwise	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Net sales	73 669	65 307	24 942	20 896	90 133	98 495
External net sales	23 350	27 026	8 682	10 766	36 597	32 921
Underlying EBITDA	17 641	13 800	5 230	4 894	18 796	22 637
Underlying EBIT	14 398	10 729	4 117	3 847	14 670	18 339
- of which, realised trading result	4 106	2 126 <sup>1</sup>	1 339	377 <sup>1</sup>	2 757	4 737
Electricity generation, TWh	59.5	57.7	16.6	17.3	79.0	80.8
- of which, hydro power	30.5	29.3	9.2	9.0	39.7	40.9
- of which, nuclear power	29.0	28.4	7.4	8.3	39.3	39.9
Sales of electricity, TWh	16.3	14.8	5.8	4.7	20.0	21.5
- of which, resellers	15.5	13.2	5.5	4.1	17.9	20.2
- of which, business customers	0.8	1.6	0.3	0.6	2.1	1.3
Sales of gas, TWh	0.7	3.4	0.1	1.0	4.7	2.0
Number of employees, full-time equivalents	7 307	7 447	7 307	7 447	7 474	

1) The value has been adjusted compared with information previously published in Vattenfall's financial reports.

## Wind

*The Wind Business Area is responsible for development, construction and operation of Vattenfall's wind farms as well as large-scale and decentralised solar power and batteries.*

### Strong earnings performance as a result of new capacity and higher electricity prices

- Inauguration of Scandinavia's largest wind farm
- Participation in tender for floating offshore wind farms in France



**Q1–Q3:** Net sales increased by 11% compared with the same period in 2020. Underlying operating profit increased by 41% as a result of higher electricity prices, especially in the UK, and new capacity mainly attributable to the Princess Ariane onshore wind farm in the Netherlands and the Kriegers Flak offshore wind farm in Denmark. This was partly countered by lower wind speeds. Electricity generation decreased by 4% as a result of lower wind speeds, which were partly countered by new capacity.

**Q3:** Net sales increased by 34%. Underlying operating profit increased by 339% owing to new capacity and higher electricity prices, which were partly countered by lower wind speeds. Electricity generation increased by 9% as a result of new capacity, mainly from the Princess Ariane onshore wind farm in the Netherlands and the Kriegers Flak offshore wind farm in Denmark, which was largely countered by lower wind speeds.

In early September Vattenfall inaugurated the Kriegers Flak offshore wind farm in Denmark. Kriegers Flak is the largest wind farm in Scandinavia and will increase Danish wind power generation by 16%. The wind farm has 72 turbines and total capacity of 605 MW, corresponding to the annual electricity consumption of approximately 600,000 Danish households.

Together with its partners wpd and BlueFloat Energy, Vattenfall prequalified for participation in the first tender for 250 MW of floating offshore wind farms off the coast of South Brittany in France. Floating wind farms make it possible to build wind power in deeper waters, and France is among the leading countries in the development of commercial floating offshore wind in Europe.

Following approval from the relevant authorities, the sale of 49.5% of Vattenfall's offshore wind farm Hollandse Kust Zuid in the Netherlands to BASF was completed. The deal was thereby completed earlier than planned.

In September Vattenfall made the final investment decision for the Blauw onshore wind farm in the Netherlands. Vattenfall's share of the project corresponds to capacity of 77 MW, and construction of the 14 turbines is planned to begin in early 2022, with full commissioning in September 2023.

During the quarter, Vattenfall made the final investment decision for a 20 MW battery storage system at the Ray wind farm in the UK. A 15-year capacity agreement has been signed, and the battery will also deliver balancing and ancillary services to the grid operator.

### KEY FIGURES – WIND

Amounts in SEK million unless indicated otherwise	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Net sales	10 615	9 606	3 559	2 656	13 565	14 574
External net sales	3 641	4 855	1 022	1 303	6 901	5 687
Underlying EBITDA	7 332	6 443	2 566	1 663	9 426	10 315
Underlying EBIT	3 188	2 255	1 110	253	3 970	4 903
Electricity generation - wind power TWh	7.5	7.8	2.3	2.1	10.8	10.5
Sales of electricity, TWh	0.7	0.9	0.2	0.2	1.2	1.0
Number of employees, full-time equivalents	1 250	1 105	1 250	1 105	1 104	

## Heat

The Heat Business Area comprises Vattenfall's heat business (district heating and decentralised solutions) and gas-fired condensing plants.

### Continued steps toward expansion of district heating networks

- Capacity increase of district heating network in Amsterdam
- New cooperation agreement enables expansion of district heating network in London
- Third quarter earnings negatively affected by lower clean spark spreads

**Q1–Q3:** Net sales increased by 22%, and underlying operating profit increased by 232% compared with the first nine months of 2020. The end of commercial operation of the Moorborg power plant in December 2020 had a positive effect on underlying operating profit by SEK 0.9 billion, mainly owing to lower operating costs and lower depreciation. Sales of heat increased as a result of lower temperatures and a growing customer base, which also had a positive effect. Compared with year-end 2020, the number of customers increased by 1.4% to the equivalent of 1.8 million households.

**Q3:** Net sales increased by 13% compared with the third quarter of 2020. Underlying operating profit decreased by 128% compared with the same period a year ago, mainly owing to higher gas prices, which led to lower clean spark spreads and lower electricity generation from condensing power plants in the Netherlands. This was partly countered by lower operating costs and lower depreciation, mainly associated with the end of commercial operation of Moorborg in December 2020.

In the Netherlands, Vattenfall will increase the transfer capacity between AEB's waste incineration plant in Amsterdam and the partly owned district heating network Westpoort Warmte (WPW). Capacity for the transfer of renewable heat will increase from 115 MW to 255 MW. This is a step in supporting



Carpe Futurum biofuel-fired heat plant in Uppsala, Sweden

Amsterdam's strategy to phase out gas and increase the number of connections to the district heating network from the equivalent of 40,000 at present to 155,000 by 2041.

During the quarter Vattenfall entered into a cooperation agreement with Cory Environmental, one of the leading waste management companies in the UK. The agreement ensures access to 60 MW heat in southeast London and is part of an effort to enable development of a large-scale district heating network for 30,000 local households as well as for an additional 60,000 homes in surrounding boroughs further ahead in time.

Together with the data centre company Cloud & Heat, Vattenfall started a pilot project for the supply of fossil-free and reliable data capacity. A new data centre has been established at Vattenfall's biofuel-fired plant in Jordbro. Surplus heat from the data centre has been integrated in Vattenfall's district heating network.

In August the first district heat from the Carpe Futurum biofuel-fired plant (112 MW heat) in Uppsala was delivered. Tests have been conducted to fire wood chips as well as recycled wood. The new plant is expected to be fully operational during the first half of 2022.

### KEY FIGURES – HEAT

Amounts in SEK million unless indicated otherwise	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Net sales	19 640	16 049	5 170	4 594	23 328	26 919
External net sales	9 836	9 373	2 433	2 141	13 538	14 001
Underlying EBITDA	2 827	2 881	- 179	388	4 462	4 408
Underlying EBIT	638	192	- 906	- 396	978	1 424
Electricity generation - TWh	13.6	16.7	2.9	5.6	23.0	19.9
- of which, fossil-based power	13.4	16.5	2.8	5.6	22.7	19.6
- of which, biomass, waste	0.2	0.2	0.1	0.0	0.3	0.3
Sales of electricity business customers, TWh	0.9	0.9	0.3	0.3	1.2	1.2
Sales of heat, TWh	10.5	9.3	1.3	1.4	13.8	15.0
Number of employees, full-time equivalents	3 165	3 217	3 165	3 217	3 213	

## Distribution

*The Distribution Business Area comprises Vattenfall's electricity distribution operations in Sweden as well as operations in the UK focused on owning and operating new networks*

### Lower earnings as a result of price reductions and higher costs for the transmission network

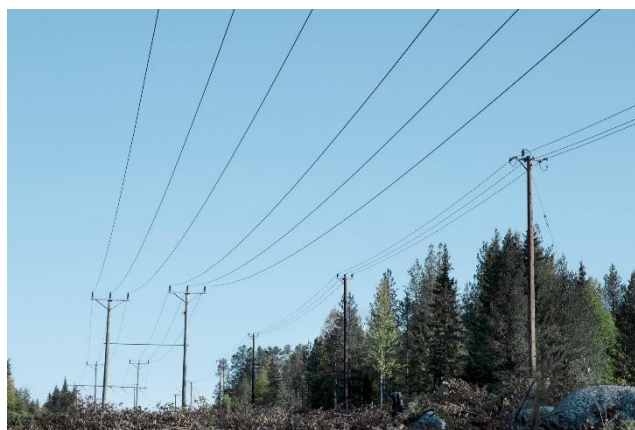
- Strong increase in number of producers and customers that want to connect to the electricity grid
- Earnings comparison affected by the sale of Stromnetz Berlin on 1 July 2021
- Ruling by European Court of Justice strengthens position for Swedish electricity distribution companies in ongoing legal process

**Q1–Q3:** Net sales decreased by 12%, and underlying operating profit decreased by 30% compared with the same period in 2020. The sale of Stromnetz Berlin on 1 July 2021 negatively affected the net sales comparison by SEK 2.4 billion and underlying operating profit by SEK 0.2 billion. In addition, underlying operating profit was affected by a lower gross margin in the Swedish operations, mainly owing to price reductions in the local grid, higher costs for the transmission network as well as an increase in network losses caused by higher electricity prices. This was partly countered by higher distributed volume in connection with colder weather.

**Q3:** Net sales decreased by 51% compared with the same period in 2020, and underlying operating profit decreased by 75%. The sale of Stromnetz Berlin negatively affected the net sales comparison by SEK 2.4 billion and underlying operating profit by SEK 0.4 billion. In addition, underlying operating profit was affected by a lower gross margin in the Swedish operations, mainly owing to price reductions in the local grid, higher costs for the transmission network as well as an increase in network losses caused by higher electricity prices.

Despite the pandemic, there was a continued high inflow of connection requests, both for the local and the regional grid. Connection requests for the local grid regarding production, consisting mainly of solar panel systems, increased by more than 200% during the period 2017–2020. By August 2021 the volume of requests had already reached the same level as the full year 2020 (approximately 4,500).

A major project that began in 2018 to connect Microsoft's first fossil-free data center in Gävleborg County has passed a milestone when three transformer stations have been built according to schedule, the last transformer was put into



operation in September. The entire power infrastructure project will be completed during 2024.

In 2018 a new system of regulated revenue was decided on via a government regulation. The electricity distribution companies position is that the decision on the revenue frames is in violation of the Electricity Act as well as the EU Electricity Market Directive. The industry organisation Swedenergy (Energiföretagen Sverige) subsequently filed a complaint about the Swedish government with the European Commission. In September, in a separate legal dispute between the European Commission and the German government, the European Court of Justice ruled in favour of all of the Commission's remarks. It is now clear that national regulatory authorities are to have an unfringed right to decide on tariff structures. The ruling strengthens the position of the Swedish electricity distribution companies in the ongoing litigation on the revenue frames for the period 2020–2023

An increase in electrification requires faster and more efficient permitting processes in order for the electricity grid to be able to be expanded in pace with society's expectations. In connection with the budget bill in mid-September the Swedish government presented a number of initiatives to accelerate the permitting processes, including an increase in funding for pertinent authorities.

In August a second pilot was concluded to verify the technology, systems and processes ahead of the major roll-out of new electricity meters for Vattenfall's some 900,000 electricity grid customers, which will continue until 2025. The new meters will allow customers to see their electricity consumption on a quarterly basis. The meters are also capable of metering own-generated electricity and will contribute to reliable and efficient grid operation.

### KEY FIGURES – DISTRIBUTION

Amounts in SEK million unless indicated otherwise	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Net sales	13 833	15 662	2 308	4 734	21 644	19 815
External net sales	11 338	12 233	2 140	3 701	16 970	16 075
Underlying EBITDA	4 811	6 396	838	1 792	8 725	7 140
Underlying EBIT	2 693	3 870	240	953	5 325	4 148
Number of employees, full-time equivalents	1 161	2 357	1 161	2 357	2 366	

## Other

*Other pertains mainly to all Staff functions, including Treasury and Shared Service Centres.*

Net sales consist primarily of revenues attributable to Vattenfall's service organisations such as Shared Services, IT and Vattenfall Insurance.

### KEY FIGURES – OTHER

Amounts in SEK million unless indicated otherwise	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Net sales	4 455	4 255	1 426	1 405	5 917	6 117
External net sales	233	137	182	37	180	276
Underlying EBITDA	- 231	- 253	126	75	- 442	- 420
Underlying EBIT	- 913	- 891	- 125	- 143	- 1 290	- 1 312
Number of employees, full-time equivalents	2 806	2 682	2 806	2 682	2 731	

# Consolidated income statement

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Net sales	116 590	114 815	36 125	35 375	158 847	160 622
Cost of purchases	- 44 402	- 55 981	- 10 286	- 17 980	- 76 225	- 64 646
Other external expenses	- 13 386	- 12 625	- 3 447	- 3 762	- 20 732	- 21 493
Personnel expenses	- 14 807	- 14 748	- 4 306	- 4 478	- 19 535	- 19 594
Other operating income and expenses, net	21 613	2 804	9 292	163	3 882	22 691
Participations in the results of associated companies	- 43	122	- 85	- 83	270	105
<b>Operating profit before depreciation, amortisation and impairment losses (EBITDA)</b>	<b>65 565</b>	<b>34 387</b>	<b>27 293</b>	<b>9 235</b>	<b>46 507</b>	<b>77 685</b>
Depreciation, amortisation and impairments	- 13 044	- 24 357	- 4 367	- 4 492	- 31 231	- 19 918
<b>Operating profit (EBIT)<sup>1</sup></b>	<b>52 521</b>	<b>10 030</b>	<b>22 926</b>	<b>4 743</b>	<b>15 276</b>	<b>57 767</b>
Financial income <sup>3</sup>	557	482	310	69	558	633
Financial expenses <sup>1,2,3</sup>	- 4 191	- 4 483	- 1 621	- 1 421	- 5 886	- 5 594
Return from the Swedish Nuclear Waste Fund	3 330	1 424	567	1 134	2 058	3 964
<b>Profit before income taxes</b>	<b>52 217</b>	<b>7 453</b>	<b>22 182</b>	<b>4 525</b>	<b>12 006</b>	<b>56 770</b>
Income taxes	- 10 305	- 5 464	- 3 905	- 942	- 4 290	- 9 131
<b>Profit for the period</b>	<b>41 912</b>	<b>1 989</b>	<b>18 277</b>	<b>3 583</b>	<b>7 716</b>	<b>47 639</b>
Attributable to owner of the Parent Company	41 054	1 357	18 178	3 595	6 489	46 186
Attributable to non-controlling interests	858	632	99	- 12	1 227	1 453
<b>Supplementary information</b>						
Underlying EBITDA <sup>4</sup>	35 134	31 626	9 149	9 378	44 041	47 549
Underlying EBIT <sup>4</sup>	22 090	17 802	4 782	4 818	25 790	30 078
Financial items, net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	- 2 106	- 2 389	- 802	- 824	- 3 163	- 2 880
1) Including interest components related to pension costs	- 328	- 406	- 110	- 134	- 538	- 460
2) Including discounting effects attributable to provisions	- 1 528	- 1 612	- 509	- 528	- 2 165	- 2 081
3) Items affecting comparability recognised as financial income and expenses, net	- 6	—	—	—	- 1	- 7
4) See note 5 for information on items affecting comparability						

# Consolidated statement of comprehensive income

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
<b>Profit for the period</b>	<b>41 912</b>	<b>1 989</b>	<b>18 277</b>	<b>3 583</b>	<b>7 716</b>	<b>47 639</b>
<b>Other comprehensive income</b>						
<b>Items that will be reclassified to profit or loss when specific conditions are met</b>						
Cash flow hedges - changes in fair value	61 824	- 264	45 462	203	3 023	65 111
Cash flow hedges - dissolved against income statement	- 8 675	4 043	- 5 653	740	4 310	- 8 408
Cash flow hedges - transferred to cost of hedged item	11	- 55	2	- 2	- 43	23
Hedging of net investments in foreign operations	- 977	- 56	- 405	- 276	1 808	887
Translation differences, divested companies	689	- 5	643	- 1	- 5	689
Translation differences	1 870	167	538	588	- 4 084	- 2 381
Income taxes related to items that will be reclassified	- 16 347	- 911	- 12 093	- 244	- 2 587	- 18 023
<b>Total items that will be reclassified to profit or loss when specific conditions are met</b>	<b>38 395</b>	<b>2 919</b>	<b>28 494</b>	<b>1 008</b>	<b>2 422</b>	<b>37 898</b>
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurement pertaining to defined benefit obligations	426	719	- 2	- 14	- 1 505	- 1 798
Income taxes related to items that will not be reclassified	- 5	- 275	—	5	392	662
<b>Total items that will not be reclassified to profit or loss</b>	<b>421</b>	<b>444</b>	<b>- 2</b>	<b>- 9</b>	<b>- 1 113</b>	<b>- 1 136</b>
<b>Total other comprehensive income, net after income taxes</b>	<b>38 816</b>	<b>3 363</b>	<b>28 492</b>	<b>999</b>	<b>1 309</b>	<b>36 762</b>
<b>Total comprehensive income for the period</b>	<b>80 728</b>	<b>5 352</b>	<b>46 769</b>	<b>4 582</b>	<b>9 025</b>	<b>84 401</b>
Attributable to owner of the Parent Company	79 727	4 697	46 646	4 545	8 260	83 290
Attributable to non-controlling interests	1 001	655	123	37	765	1 111

# Operating segments, Vattenfall Group

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
<b>External net sales</b>						
Customers & Solutions	68 192	61 191	21 666	17 427	84 661	91 662
Power Generation	23 350	27 026	8 682	10 766	36 597	32 921
Wind	3 641	4 855	1 022	1 303	6 901	5 687
Heat	9 836	9 373	2 433	2 141	13 538	14 001
Distribution	11 338	12 233	2 140	3 701	16 970	16 075
- of which, Distribution Germany	3 202	4 124	4	1 482	5 464	4 542
- of which, Distribution Sweden	8 042	8 019	2 105	2 189	11 377	11 400
Other <sup>1</sup>	233	137	182	37	180	276
<b>Total</b>	<b>116 590</b>	<b>114 815</b>	<b>36 125</b>	<b>35 375</b>	<b>158 847</b>	<b>160 622</b>
<b>Internal net sales</b>						
Customers & Solutions	2 546	1 176	1 028	426	1 637	3 007
Power Generation	50 319	38 281	16 260	10 130	53 536	65 574
Wind	6 974	4 751	2 537	1 353	6 664	8 887
Heat	9 804	6 676	2 737	2 453	9 790	12 918
Distribution	2 495	3 429	168	1 033	4 674	3 740
- of which, Distribution Germany	2 062	2 999	2	875	4 107	3 170
- of which, Distribution Sweden	447	455	170	166	597	589
Other <sup>1</sup>	4 222	4 118	1 244	1 368	5 737	5 841
Eliminations	- 76 360	- 58 431	- 23 974	- 16 763	- 82 038	- 99 967
<b>Total</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total net sales</b>						
Customers & Solutions	70 738	62 367	22 694	17 853	86 298	94 669
Power Generation	73 669	65 307	24 942	20 896	90 133	98 495
Wind	10 615	9 606	3 559	2 656	13 565	14 574
Heat	19 640	16 049	5 170	4 594	23 328	26 919
Distribution	13 833	15 662	2 308	4 734	21 644	19 815
- of which, Distribution Germany	5 264	7 123	6	2 357	9 571	7 712
- of which, Distribution Sweden	8 489	8 474	2 275	2 355	11 974	11 989
Other <sup>1</sup>	4 455	4 255	1 426	1 405	5 917	6 117
Eliminations	- 76 360	- 58 431	- 23 974	- 16 763	- 82 038	- 99 967
<b>Total</b>	<b>116 590</b>	<b>114 815</b>	<b>36 125</b>	<b>35 375</b>	<b>158 847</b>	<b>160 622</b>

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
<b>Operating profit before depreciation, amortisation and impairment losses (EBITDA)</b>						
Customers & Solutions	2 923	2 377	585	593	2 832	3 378
Power Generation	39 445	16 562	14 641	4 811	23 144	46 027
Wind	7 407	6 437	2 640	1 657	9 482	10 452
Heat	2 854	2 831	- 187	370	2 644	2 667
Distribution	4 810	6 387	838	1 789	8 713	7 136
- of which, Distribution Germany	1 008	1 623	1	613	2 162	1 547
- of which, Distribution Sweden	3 764	4 739	818	1 168	6 505	5 530
Other <sup>1</sup>	8 285	- 95	8 783	62	- 299	8 081
Eliminations	- 159	- 112	- 7	- 47	- 9	- 56
<b>Total</b>	<b>65 565</b>	<b>34 387</b>	<b>27 293</b>	<b>9 235</b>	<b>46 507</b>	<b>77 685</b>
<b>Underlying EBITDA</b>						
Customers & Solutions	2 913	2 471	575	613	3 083	3 525
Power Generation	17 641	13 800	5 230	4 894	18 796	22 637
Wind	7 332	6 443	2 566	1 663	9 426	10 315
Heat	2 827	2 881	- 179	388	4 462	4 408
Distribution	4 811	6 396	838	1 792	8 725	7 140
- of which, Distribution Germany	1 009	1 633	1	616	2 174	1 550
- of which, Distribution Sweden	3 764	4 738	818	1 168	6 505	5 531
Other <sup>1</sup>	- 231	- 253	126	75	- 442	- 420
Eliminations	- 159	- 112	- 7	- 47	- 9	- 56
<b>Total</b>	<b>35 134</b>	<b>31 626</b>	<b>9 149</b>	<b>9 378</b>	<b>44 041</b>	<b>47 549</b>

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
<b>Operating profit (EBIT)</b>						
Customers & Solutions	2 255	1 651	362	331	1 882	2 486
Power Generation	36 201	13 492	13 530	3 762	18 984	41 693
Wind	3 264	762	1 185	246	2 401	4 903
Heat	665	- 8 892	- 914	- 347	- 12 149	- 2 592
Distribution	2 692	3 861	240	951	5 313	4 144
- of which, Distribution Germany	665	815	1	353	1 081	931
- of which, Distribution Sweden	2 032	3 048	236	599	4 225	3 209
Other <sup>1</sup>	7 603	- 732	8 530	- 153	- 1 146	7 189
Eliminations	- 159	- 112	- 7	- 47	- 9	- 56
<b>Operating profit (EBIT)</b>	<b>52 521</b>	<b>10 030</b>	<b>22 926</b>	<b>4 743</b>	<b>15 276</b>	<b>57 767</b>
Operating profit (EBIT)	52 521	10 030	22 926	4 743	15 276	57 767
Financial net	- 304	- 2 577	- 744	- 218	- 3 270	- 997
<b>Profit before tax</b>	<b>52 217</b>	<b>7 453</b>	<b>22 182</b>	<b>4 525</b>	<b>12 006</b>	<b>56 770</b>
<b>Underlying EBIT</b>						
Customers & Solutions	2 245	1 759	353	351	2 146	2 632
Power Generation	14 398	10 729	4 117	3 847	14 670	18 339
Wind	3 188	2 255	1 110	253	3 970	4 903
Heat	638	192	- 906	- 396	978	1 424
Distribution	2 693	3 870	240	953	5 325	4 148
- of which, Distribution Germany	666	824	1	356	1 093	935
- of which, Distribution Sweden	2 032	3 048	236	598	4 225	3 209
Other <sup>1</sup>	- 913	- 891	- 125	- 143	- 1 290	- 1 312
Eliminations	- 159	- 112	- 7	- 47	- 9	- 56
<b>Underlying EBIT</b>	<b>22 090</b>	<b>17 802</b>	<b>4 782</b>	<b>4 818</b>	<b>25 790</b>	<b>30 078</b>

1) "Other" pertains mainly to all Staff functions, including Treasury, Shared Service Centres and material capital gains and -losses.

# Consolidated balance sheet

Amounts in SEK million	30 Sep 2021	30 Sep 2020	31 Dec 2020
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets: non-current	16 853	18 645	16 524
Property, plant and equipment	243 329	251 447	249 120
Participations in associated companies and joint arrangements	4 864	4 424	4 347
Other shares and participations	311	333	304
Share in the Swedish Nuclear Waste Fund	51 364	47 321	48 270
Derivative assets	29 459	9 725	9 449
Deferred tax assets	8 258	11 815	13 824
Other non-current receivables	6 454	5 548	5 529
<b>Total non-current assets</b>	<b>360 892</b>	<b>349 258</b>	<b>347 367</b>
<b>Current assets</b>			
Inventories	22 391	12 250	16 828
Intangible assets: current	42	160	192
Trade receivables and other receivables	46 951	21 417	23 812
Contract assets	452	351	416
Advance payments paid	5 443	4 024	1 046
Derivative assets	111 648	7 094	9 962
Prepaid expenses and accrued income	7 045	4 556	6 935
Current tax assets	1 361	1 016	280
Short-term investments	63 803	29 041	30 148
Cash and cash equivalents	67 644	20 180	26 074
Assets held for sale	38	308	188
<b>Total current assets</b>	<b>326 818</b>	<b>100 397</b>	<b>115 881</b>
<b>Total assets</b>	<b>687 710</b>	<b>449 655</b>	<b>463 248</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Attributable to owner of the Parent Company	176 034	94 705	97 724
Attributable to non-controlling interests	15 100	13 157	13 468
<b>Total equity</b>	<b>191 134</b>	<b>107 862</b>	<b>111 192</b>
<b>Non-current liabilities</b>			
Hybrid Capital	20 135	20 182	19 304
Other interest-bearing liabilities	50 517	53 314	49 091
Pension provisions	39 247	43 246	43 824
Other interest-bearing provisions	113 113	104 907	108 665
Derivative liabilities	24 025	8 761	7 924
Deferred tax liabilities	35 463	16 359	17 617
Contract liabilities	8 062	8 800	8 752
Other noninterest-bearing liabilities	1 945	2 082	1 994
<b>Total non-current liabilities</b>	<b>292 507</b>	<b>257 651</b>	<b>257 171</b>
<b>Current liabilities</b>			
Trade payables and other liabilities	34 725	23 688	24 912
Advance payments received	54 979	1 614	5 794
Derivative liabilities	83 505	8 097	8 901
Accrued expenses and deferred income	11 143	11 452	14 558
Current tax liabilities	2 797	962	838
Other interest-bearing liabilities	13 776	35 033	36 380
Interest-bearing provisions	3 144	3 286	3 462
Liabilities associated with assets held for sale	—	10	40
<b>Total current liabilities</b>	<b>204 069</b>	<b>84 142</b>	<b>94 885</b>
<b>Total equity and liabilities</b>	<b>687 710</b>	<b>449 655</b>	<b>463 248</b>

## SUPPLEMENTARY INFORMATION

Amounts in SEK million	30 Sep 2021	30 Sep 2020	31 Dec 2020
<b>Calculation of capital employed</b>			
Intangible assets: current and non-current	16 895	18 805	16 716
Property, plant and equipment	243 329	251 447	249 120
Participations in associated companies and joint arrangements	4 864	4 424	4 347
Deferred and current tax assets	9 619	12 831	14 104
Non-current noninterest-bearing receivables	3 443	3 781	3 853
Contract assets	452	351	416
Inventories	22 391	12 250	16 828
Trade receivables and other receivables	46 951	21 417	23 812
Prepaid expenses and accrued income	7 045	4 556	6 935
Unavailable liquidity	3 854	4 361	5 374
Other	339	504	483
<b>Total assets excl. financial assets</b>	<b>359 182</b>	<b>334 727</b>	<b>341 988</b>
Deferred and current tax liabilities	- 38 260	- 17 321	- 18 455
Other noninterest-bearing liabilities	- 1 945	- 2 082	- 1 994
Contract liabilities	- 8 062	- 8 800	- 8 752
Trade payable and other liabilities	- 34 725	- 23 688	- 24 912
Accrued expenses and deferred income	- 11 143	- 11 452	- 14 558
Other	- 422	- 225	- 232
<b>Total noninterest-bearing liabilities</b>	<b>- 94 557</b>	<b>- 63 568</b>	<b>- 68 903</b>
Other interest-bearing provisions not related to adjusted net debt <sup>1</sup>	- 9 441	- 10 238	- 10 619
<b>Capital employed<sup>2</sup></b>	<b>255 184</b>	<b>260 921</b>	<b>262 466</b>
<b>Capital employed, average</b>	<b>258 053</b>	<b>263 156</b>	<b>265 639</b>
<b>Calculation of net debt</b>			
Hybrid Capital	- 20 135	- 20 182	- 19 304
Bond issues and liabilities to credit institutions	- 41 231	- 52 763	- 49 642
Short-term debt, commercial papers and repo	- 1 548	- 12 343	- 13 268
Liabilities to associated companies	- 1 103	- 1 030	- 688
Liabilities to owners of non-controlling interests	- 10 883	- 11 145	- 10 931
Other liabilities	- 9 528	- 11 066	- 10 942
<b>Total interest-bearing liabilities</b>	<b>- 84 428</b>	<b>- 108 529</b>	<b>- 104 775</b>
Cash and cash equivalents	67 644	20 180	26 074
Short-term investments	63 803	29 041	30 148
Loans to owners of non-controlling interests in foreign Group companies	329	450	375
<b>Net debt<sup>2</sup></b>	<b>47 348</b>	<b>- 58 858</b>	<b>- 48 178</b>
<b>Calculation of adjusted gross debt and net debt</b>			
Total interest-bearing liabilities	- 84 428	- 108 529	- 104 775
50% of Hybrid Capital <sup>3</sup>	10 068	10 091	9 652
Present value of pension obligations	- 39 247	- 43 246	- 43 824
Provisions for gas and wind operations and other environment-related provisions	- 11 188	- 8 894	- 10 599
Provisions for nuclear power (net) <sup>4</sup>	- 37 869	- 36 495	- 37 794
Margin calls received	2 919	4 769	4 081
Liabilities to owners of non-controlling interests due to consortium agreements	10 883	11 145	10 931
<b>Adjusted gross debt</b>	<b>- 148 863</b>	<b>- 171 159</b>	<b>- 172 328</b>
Reported cash and cash equivalents and short-term investments	131 447	49 221	56 222
Unavailable liquidity	- 3 854	- 4 361	- 5 374
<b>Adjusted cash and cash equivalents and short-term investments</b>	<b>127 593</b>	<b>44 860</b>	<b>50 848</b>
<b>Adjusted net debt<sup>2</sup></b>	<b>- 21 270</b>	<b>- 126 299</b>	<b>- 121 480</b>

1) Includes personnel-related provisions for non-pension purposes, provisions for tax and legal disputes and certain other provisions.

2) See Definitions and calculations of key ratios for definitions of Alternative Performance Measures.

3) 50% of Hybrid Capital is treated as equity by the rating agencies, which thereby reduces adjusted net debt.

4) The calculation is based on Vattenfall's share of ownership in the respective nuclear power plants, less Vattenfall's share in the Swedish Nuclear Waste Fund and liabilities to associated companies. Vattenfall has the following ownership interests in the respective plants: Forsmark 66%, Ringhals 70.4%, Brokdorf 20%, Brunsbüttel 66.7%, Krümmel 50% and Stade 33.3%. (According to a special agreement, Vattenfall is responsible for 100% of the provisions for Ringhals.)

# Consolidated statement of cash flows

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
<b>Operating activities</b>						
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	65 565	34 387	27 293	9 235	46 507	77 685
Tax paid	- 2 721	- 2 299	- 1 008	- 947	- 2 719	- 3 141
Capital gains/losses, net	- 8 636	- 164	- 8 737	11	- 62	- 8 534
Interest received	353	111	177	- 16	183	425
Interest paid	- 2 571	- 2 390	- 252	- 147	- 2 808	- 2 989
Other, incl. non-cash items	- 24 510	- 5 989	- 11 419	- 1 136	- 6 077	- 24 598
<b>Funds from operations (FFO)</b>	<b>27 480</b>	<b>23 656</b>	<b>6 054</b>	<b>7 000</b>	<b>35 024</b>	<b>38 848</b>
Changes in inventories	- 3 955	1 268	- 1 072	2 213	- 1 315	- 6 538
Changes in operating receivables	- 11 556	4 750	- 2 466	5 164	- 1 344	- 17 650
Changes in operating liabilities	7 399	- 6 469	5 099	771	- 3 726	10 142
Margin calls	78 870	3 350	55 290	4 317	12 542	88 062
Other changes	- 2 236	283	- 2 069	- 18	511	- 2 008
<b>Cash flow from changes in operating assets and operating liabilities</b>	<b>68 522</b>	<b>3 182</b>	<b>54 782</b>	<b>12 447</b>	<b>6 668</b>	<b>72 008</b>
<b>Cash flow from operating activities</b>	<b>96 002</b>	<b>26 838</b>	<b>60 836</b>	<b>19 447</b>	<b>41 692</b>	<b>110 856</b>
<b>Investing activities</b>						
Acquisitions in Group companies	- 56	- 67	- 53	—	- 86	- 75
Investments in associated companies and other shares and participations	- 177	145	- 260	61	223	- 99
Other investments in non-current assets	- 17 571	- 15 774	- 6 790	- 5 569	- 21 484	- 23 281
<b>Total investments</b>	<b>- 17 804</b>	<b>- 15 696</b>	<b>- 7 103</b>	<b>- 5 508</b>	<b>- 21 347</b>	<b>- 23 455</b>
Divestments	21 730	680	21 739	60	1 237	22 287
Cash and cash equivalents in acquired companies	—	—	—	—	20	20
Cash and cash equivalents in divested companies	- 2 434	- 84	- 2 419	- 1	- 80	- 2 430
<b>Cash flow from investing activities</b>	<b>1 492</b>	<b>- 15 100</b>	<b>12 217</b>	<b>- 5 449</b>	<b>- 20 170</b>	<b>- 3 578</b>
<b>Cash flow before financing activities</b>	<b>97 494</b>	<b>11 738</b>	<b>73 053</b>	<b>13 998</b>	<b>21 522</b>	<b>107 278</b>
<b>Financing activities</b>						
Changes in short-term investments	- 33 123	- 6 267	- 27 068	- 6 059	- 8 926	- 35 782
Changes in loans to owners of non-controlling interests in foreign Group companies	51	- 242	118	76	- 185	108
Loans raised <sup>1</sup>	6 536	20 926	670	- 3 587	21 471	7 081
Amortisation of debt pertaining to acquisitions of Group companies	—	- 27	—	- 27	- 27	—
Amortisation of other debt	- 32 132	- 11 098	- 6 419	- 3 492	- 12 156	- 33 190
Divestment of shares in Group companies to owners of non-controlling interests	4 016	—	4 016	—	—	4 016
Redemption of Hybrid Capital	- 2 941	—	- 104	—	—	- 2 941
Issue of Hybrid Capital	6 481	—	—	—	—	6 481
Dividends paid to owners	- 5 189	- 5 023	- 65	- 561	- 5 298	- 5 464
Contribution to/from owners of non-controlling interests	316	- 465	533	3	- 829	- 48
<b>Cash flow from financing activities</b>	<b>- 55 985</b>	<b>- 2 196</b>	<b>- 28 319</b>	<b>- 13 647</b>	<b>- 5 950</b>	<b>- 59 739</b>
<b>Cash flow for the period</b>	<b>41 509</b>	<b>9 542</b>	<b>44 734</b>	<b>351</b>	<b>15 572</b>	<b>47 539</b>

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
<b>Cash and cash equivalents</b>						
Cash and cash equivalents at start of period	26 074	10 604	20 463	19 813	10 604	20 180
Cash and cash equivalents included in assets held for sale	—	—	2 400	—	—	—
Cash flow for the period	41 509	9 542	44 734	351	15 572	47 539
Translation differences	61	34	47	16	- 102	- 75
<b>Cash and cash equivalents at end of period</b>	<b>67 644</b>	<b>20 180</b>	<b>67 644</b>	<b>20 180</b>	<b>26 074</b>	<b>67 644</b>

## SUPPLEMENTARY INFORMATION

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
<b>Cash flow before financing activities</b>	<b>97 494</b>	<b>11 738</b>	<b>73 053</b>	<b>13 998</b>	<b>21 522</b>	<b>107 278</b>
<b>Financing activities</b>						
Divestment of shares in Group companies to owners of non-controlling interests	4 016	—	4 016	—	—	4 016
Dividends paid to owners	- 5 189	- 5 023	- 65	- 561	- 5 298	- 5 464
Contribution to/from owners of non-controlling interests	316	- 465	533	3	- 829	- 48
<b>Cash flow after dividend</b>	<b>96 637</b>	<b>6 250</b>	<b>77 537</b>	<b>13 440</b>	<b>15 395</b>	<b>105 782</b>
<b>Analysis of change in net debt</b>						
Net debt at start of period	- 48 178	- 64 266	- 32 328	- 71 613	- 64 266	- 58 858
Cash flow after dividend	96 637	6 250	77 537	13 440	15 395	105 782
Changes as a result of valuation at fair value	803	- 312	195	85	- 171	944
Changes in interest-bearing liabilities for leasing	- 997	- 1 125	- 390	- 662	- 2 837	- 2 709
Interest-bearing liabilities/short-term investments acquired/divested	- 2	24	- 2	- 1	24	- 2
Cash and cash equivalents included in assets held for sale	—	—	2 400	—	—	—
Interest-bearing liabilities associated with assets held for sale	—	—	- 106	—	—	—
Translation differences on net debt	- 915	571	42	- 107	3 677	2 191
<b>Net debt at end of period</b>	<b>47 348</b>	<b>- 58 858</b>	<b>47 348</b>	<b>- 58 858</b>	<b>- 48 178</b>	<b>47 348</b>
Cash flow from operating activities	96 002	26 838	60 836	19 447	41 692	110 856
Maintenance/replacement investments	- 7 216	- 7 884	- 3 527	- 2 286	- 12 539	- 11 871
<b>Free cash flow<sup>2</sup></b>	<b>88 786</b>	<b>18 954</b>	<b>57 309</b>	<b>17 161</b>	<b>29 153</b>	<b>98 985</b>

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

2) See Definitions and calculations of key ratios for definitions of Alternative Performance Measures.

## INVESTMENTS

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
<b>Electricity generation</b>						
Hydro power	481	571	169	206	920	830
Nuclear power	843	1 378	289	353	1 877	1 342
Coal power	—	7	—	4	22	15
Gas	43	159	21	3	192	76
Wind power and solar PV	9 182	5 141	2 686	2 798	7 709	11 750
Biomass, waste	71	224	32	128	295	142
<b>Total electricity generation</b>	<b>10 620</b>	<b>7 480</b>	<b>3 197</b>	<b>3 492</b>	<b>11 015</b>	<b>14 155</b>
<b>CHP/heat</b>						
Fossil-based power	516	865	252	195	1 261	912
Heat networks	901	802	326	280	1 400	1 499
Other	161	515	55	293	933	579
<b>Total CHP/heat</b>	<b>1 578</b>	<b>2 182</b>	<b>633</b>	<b>768</b>	<b>3 594</b>	<b>2 990</b>
<b>Electricity networks</b>						
Electricity networks	3 839	4 924	953	1 563	7 435	6 350
<b>Total electricity networks</b>	<b>3 839</b>	<b>4 924</b>	<b>953</b>	<b>1 563</b>	<b>7 435</b>	<b>6 350</b>
Purchases of shares, shareholder contributions	233	- 78	313	- 61	- 137	174
Other	983	1 178	344	384	1 690	1 495
<b>Total investments</b>	<b>17 253</b>	<b>15 686</b>	<b>5 440</b>	<b>6 146</b>	<b>23 597</b>	<b>25 164</b>
Accrued investments, unpaid invoices (-)/ release of accrued investments (+)	551	10	1 663	- 638	- 2 250	- 1 709
<b>Total investments with cash flow effect</b>	<b>17 804</b>	<b>15 696</b>	<b>7 103</b>	<b>5 508</b>	<b>21 347</b>	<b>23 455</b>

# Consolidated statement of changes in equity

Amounts in SEK million	30 Sep 2021			30 Sep 2020			31 Dec 2020		
	Attributable to owner of the Parent Company	Attributable to non-controlling interests	Total equity	Attributable to owner of the Parent Company	Attributable to non-controlling interests	Total equity	Attributable to owner of the Parent Company	Attributable to non-controlling interests	Total equity
<b>Balance brought forward</b>	<b>97 724</b>	<b>13 468</b>	<b>111 192</b>	<b>93 631</b>	<b>14 891</b>	<b>108 522</b>	<b>93 631</b>	<b>14 891</b>	<b>108 522</b>
<b>Profit for the period</b>	<b>41 054</b>	<b>858</b>	<b>41 912</b>	<b>1 357</b>	<b>632</b>	<b>1 989</b>	<b>6 489</b>	<b>1 227</b>	<b>7 716</b>
Cash flow hedges - changes in fair value	61 824	—	<b>61 824</b>	- 264	—	<b>- 264</b>	3 023	—	<b>3 023</b>
Cash flow hedges - dissolved against income statement	- 8 691	16	<b>- 8 675</b>	4 064	- 21	<b>4 043</b>	4 344	- 34	<b>4 310</b>
Cash flow hedges - transferred to cost of hedged item	11	—	<b>11</b>	- 55	—	<b>- 55</b>	- 43	—	<b>- 43</b>
Hedging of net investments in foreign operations	- 977	—	<b>- 977</b>	- 56	—	<b>- 56</b>	1 808	—	<b>1 808</b>
Translation differences - divested companies	689	—	<b>689</b>	- 5	—	<b>- 5</b>	- 5	—	<b>- 5</b>
Translation differences - foreign operations	1 740	130	<b>1 870</b>	124	43	<b>167</b>	- 3 684	- 400	<b>- 4 084</b>
Remeasurement pertaining to defined benefit obligations	426	—	<b>426</b>	722	- 3	<b>719</b>	- 1 465	- 40	<b>- 1 505</b>
Income taxes related to other comprehensive income	- 16 349	- 3	<b>- 16 352</b>	- 1 190	4	<b>- 1 186</b>	- 2 207	12	<b>- 2 195</b>
<b>Total other comprehensive income for the period</b>	<b>38 673</b>	<b>143</b>	<b>38 816</b>	<b>3 340</b>	<b>23</b>	<b>3 363</b>	<b>1 771</b>	<b>- 462</b>	<b>1 309</b>
<b>Total comprehensive income for the period</b>	<b>79 727</b>	<b>1 001</b>	<b>80 728</b>	<b>4 697</b>	<b>655</b>	<b>5 352</b>	<b>8 260</b>	<b>765</b>	<b>9 025</b>
Dividends paid to owners	- 4 000	- 1 189	<b>- 5 189</b>	- 3 623	- 1 689	<b>- 5 312</b>	- 3 623	- 1 675	<b>- 5 298</b>
Group contributions from(+)/to(-) owners of non-controlling interests	—	—	<b>—</b>	—	—	<b>—</b>	—	- 1	<b>- 1</b>
Changes in ownership in Group companies on divestments of shares to owners of non-controlling interests	2 532	1 504	<b>4 036</b>	—	—	<b>—</b>	—	—	<b>—</b>
Contribution to/from owners of non-controlling interests	—	316	<b>316</b>	—	- 465	<b>- 465</b>	—	- 829	<b>- 829</b>
Other changes in ownership	51	—	<b>51</b>	—	- 235	<b>- 235</b>	—	- 227	<b>- 227</b>
Other changes	—	—	<b>—</b>	—	—	<b>—</b>	- 544	544	<b>—</b>
<b>Total transactions with equity holders</b>	<b>- 1 417</b>	<b>631</b>	<b>- 786</b>	<b>- 3 623</b>	<b>- 2 389</b>	<b>- 6 012</b>	<b>- 4 167</b>	<b>- 2 188</b>	<b>- 6 355</b>
<b>Balance carried forward</b>	<b>176 034</b>	<b>15 100</b>	<b>191 134</b>	<b>94 705</b>	<b>13 157</b>	<b>107 862</b>	<b>97 724</b>	<b>13 468</b>	<b>111 192</b>
- Of which, Reserve for hedges	38 569	8	<b>38 577</b>	- 330	6	<b>- 324</b>	1 970	- 5	<b>1 965</b>

# Key ratios, Vattenfall Group

In % unless otherwise stated. (x) means times <sup>1</sup>	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Operating margin	45.0	8.7	63.5	13.4	9.6	36.0
Operating margin <sup>2</sup>	18.9	15.5	13.2	13.6	16.2	18.7
Pre-tax profit margin	44.8	6.5	61.4	12.8	7.6	35.3
Pre-tax profit margin <sup>2</sup>	18.7	13.3	11.2	13.0	14.2	18.1
Return on equity	40.2 <sup>3</sup>	1.5 <sup>3</sup>	40.2 <sup>3</sup>	1.5 <sup>3</sup>	6.7	40.2
Return on capital employed	22.4 <sup>3</sup>	4.7 <sup>3</sup>	22.4 <sup>3</sup>	4.7 <sup>3</sup>	5.8	22.4
Return on capital employed <sup>2</sup>	11.7 <sup>3</sup>	9.9 <sup>3</sup>	11.7 <sup>3</sup>	9.9 <sup>3</sup>	9.7	11.7
EBIT interest cover, (x)	16.6 <sup>3</sup>	3.3 <sup>3</sup>	16.6 <sup>3</sup>	3.3 <sup>3</sup>	4.3	16.6
EBIT interest cover, (x) <sup>2</sup>	8.7 <sup>3</sup>	6.8 <sup>3</sup>	8.7 <sup>3</sup>	6.8 <sup>3</sup>	7.1	8.7
FFO interest cover, (x)	12.1 <sup>3</sup>	10.0 <sup>3</sup>	12.1 <sup>3</sup>	10.0 <sup>3</sup>	10.4	12.1
FFO interest cover, net, (x)	14.5 <sup>3</sup>	11.3 <sup>3</sup>	14.5 <sup>3</sup>	11.3 <sup>3</sup>	12.1	14.5
Cash flow interest cover after maintenance investments, (x)	33.4 <sup>3</sup>	6.4 <sup>3</sup>	33.4 <sup>3</sup>	6.4 <sup>3</sup>	10.2	33.4
FFO/gross debt	46.0 <sup>3</sup>	32.4 <sup>3</sup>	46.0 <sup>3</sup>	32.4 <sup>3</sup>	33.4	46.0
FFO/net debt	- 82.0 <sup>3</sup>	59.8 <sup>3</sup>	- 82.0 <sup>3</sup>	59.8 <sup>3</sup>	72.7	- 82.0
FFO/adjusted net debt	182.7 <sup>3</sup>	27.9 <sup>3</sup>	182.7 <sup>3</sup>	27.9 <sup>3</sup>	28.8	182.7
EBITDA/net financial items, (x)	31.1	14.4	34.0	11.2	14.7	27.0
EBITDA/net financial items, (x) <sup>2</sup>	16.7	13.2	11.4	11.4	13.9	16.5
Equity/Total assets	27.8	24.0	27.8	24.0	24.0	27.8
Gross debt/equity	44.2	100.6	44.2	100.6	94.2	44.2
Net debt/equity	- 24.8	54.6	- 24.8	54.6	43.3	- 24.8
Gross debt/gross debt plus equity	30.6	50.2	30.6	50.2	48.5	30.6
Net debt/net debt plus equity	- 32.9	35.3	- 32.9	35.3	30.2	- 32.9
Net debt/EBITDA, (x)	- 0.6 <sup>3</sup>	1.4 <sup>3</sup>	- 0.6 <sup>3</sup>	1.4 <sup>3</sup>	1.0	- 0.6
Adjusted net debt/EBITDA, (x)	0.3 <sup>3</sup>	2.9 <sup>3</sup>	0.3 <sup>3</sup>	2.9 <sup>3</sup>	2.6	0.3

1) See Definitions and calculations of key ratios for definitions of Alternative Performance Measures.

2) Based on Underlying operating profit.

3) Last 12-month values.

# Quarterly information, Vattenfall Group

	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
<b>Amounts in SEK million</b>							
<b>Income statement</b>							
Net sales	36 125	34 554	45 911	44 032	35 375	31 280	48 160
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	27 293	20 531	17 740	12 121	9 235	8 251	16 900
Underlying EBITDA	9 149	9 577	16 408	12 415	9 378	7 471	14 773
Operating profit (EBIT)	22 926	16 210	13 385	5 246	4 743	- 7 027	12 313
Underlying EBIT	4 782	5 256	12 053	7 987	4 818	2 792	10 187
Profit before income taxes	567	16 778	13 257	4 553	4 525	- 5 969	8 895
Profit for the period	18 277	13 212	10 423	5 727	3 583	- 8 495	6 900
- of which, attributable to owner of the Parent Company	18 178	13 002	9 875	5 132	3 595	- 8 826	6 587
- of which, attributable to non-controlling interests	99	210	548	595	- 12	331	313
<b>Balance sheet</b>							
Capital employed	255 184	280 855	271 110	262 466	260 921	266 641	287 567
Net debt	47 348	- 32 328	- 43 865	- 48 178	- 58 858	- 71 613	- 81 579
<b>Cash flow</b>							
Funds from operations (FFO)	6 054	7 439	13 987	11 368	7 000	4 420	12 235
Cash flow from operating activities	60 836	24 041	11 124	14 854	19 447	15 924	- 8 533
Cash flow from investing activities	12 217	- 5 264	- 5 460	- 5 070	- 5 449	- 5 100	- 4 552
Cash flow from financing activities	- 28 319	- 14 040	- 13 625	- 3 753	- 13 647	195	11 256
<b>Cash flow for the period</b>	<b>44 734</b>	<b>4 737</b>	<b>- 7 961</b>	<b>6 031</b>	<b>351</b>	<b>11 019</b>	<b>- 1 829</b>
<b>Free cash flow</b>	<b>57 309</b>	<b>22 629</b>	<b>8 847</b>	<b>10 199</b>	<b>17 161</b>	<b>12 656</b>	<b>- 10 865</b>

	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
<b>In % unless otherwise stated. (x) means times<sup>1</sup></b>							
<b>Key ratios</b>							
Return on equity	40.2	30.3	10.0	6.7	1.5	4.4	14.4
Return on capital employed <sup>2</sup>	22.4	14.5	5.9	5.8	4.7	6.1	9.4
Return on capital employed <sup>2,3</sup>	11.7	11.0	9.9	9.7	9.9	9.2	9.2
EBIT interest cover, (x) <sup>2</sup>	16.6	12.1	5.1	4.3	3.3	3.2	4.5
EBIT interest cover, (x) <sup>2,3</sup>	8.7	9.3	8.6	7.1	6.8	6.1	4.4
FFO/gross debt <sup>2</sup>	46.0	44.3	40.0	33.4	32.4	31.2	32.8
FFO/net debt <sup>2</sup>	- 82.0	123.1	83.8	72.7	59.8	49.9	45.8
FFO/adjusted net debt	182.7	38.1	32.8	28.8	27.9	25.5	25.2
Equity/assets ratio	27.8	25.8	26.8	24.0	24.0	22.8	24.8
Gross debt/equity	44.2	64.2	72.0	94.2	100.6	111.0	93.1
Net debt/equity	- 24.8	23.1	34.4	43.3	54.6	69.3	66.7
Net debt/net debt plus equity	- 32.9	18.8	25.6	30.2	35.3	40.9	40.0
Net debt/EBITDA, (x) <sup>2</sup>	- 0.6	0.5	0.9	1.0	1.4	1.5	1.7
Adjusted net debt/EBITDA, (x) <sup>2</sup>	0.3	1.8	2.4	2.6	2.9	3.0	3.2

1) See Definitions and calculations of key ratios for definitions of Alternative Performance Measures.

2) Last 12-month values.

3) Based on Underlying operating profit.

## NOTE 1 | Accounting policies, risks and uncertainties

### Accounting policies

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 2020 Annual and Sustainability Report in Note 3 to the consolidated accounts, Accounting policies. Amended IFRSs endorsed by the EU for application in the 2021 financial year have no significant effect on Vattenfall's financial statements.

### Risks and uncertainties

A historical high price volatility for electricity and fuels in 2021 has led to increased credit risks. Vattenfall has a framework to manage, monitor

and report these. For a description of risks, uncertainties and risk management, please refer to Vattenfall's 2020 Annual and Sustainability Report, pages 64-73. Apart from the information provided under “Business highlights” in this report and under “Business highlights” in previously published interim reports in 2021, no other material changes have taken place since the publication

### Other

Significant related-party transactions are described in Note 44 to the consolidated accounts in Vattenfall's 2020 Annual and Sustainability Report. No material changes have taken place in relations or transactions with related parties since the publication.

## NOTE 2 | Exchange rates

### KEY EXCHANGE RATES APPLIED IN THE ACCOUNTS OF THE VATTENFALL GROUP

	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020
<b>Average rate</b>					
EUR	10.1436	10.5648	10.1572	10.4096	10.4789
DKK	1.3639	1.4165	1.3658	1.3979	1.4056
GBP	11.7130	11.9855	11.8497	11.4977	11.8334
USD	8.4757	9.3700	8.6110	8.9244	9.1718
			<b>30 Sep 2021</b>	<b>30 Sep 2020</b>	<b>31 Dec 2020</b>
<b>Balance sheet date rate</b>					
EUR			10.1683	10.5713	10.0343
DKK			1.3674	1.4197	1.3485
GBP			11.8163	11.5869	11.1613
USD			8.7817	9.0291	8.1773

## NOTE 3 | Financial instruments by measurement category and related effects on income

For assets and liabilities with a remaining maturity 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 the fair value is approximated by using cost.

The carrying amounts of financial assets do not differ significantly from their fair values. The difference between carrying amounts and fair values for financial liabilities amounts to SEK 6,754 million (31 December 2020: 8,509).

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 13 is 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, currency-forward contracts and interest rate swaps.

**Level 3:** Inputs for the asset or liability that are not based on observable market data.

### FINANCIAL ASSETS AND LIABILITIES THAT ARE MEASURED AT FAIR VALUE ON THE BALANCE SHEET AT 30 SEPTEMBER 2021

Amounts in SEK million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Share in the Swedish Nuclear Waste Fund	51 364	—	—	51 364
Derivative assets	—	138 309	2 797	141 106
Short-term investments, cash equivalents and other shares and participations	74 219	20 831	—	95 050
<b>Total assets</b>	<b>125 583</b>	<b>159 140</b>	<b>2 797</b>	<b>287 520</b>
<b>Liabilities</b>				
Derivative liabilities	—	107 530	—	107 530
<b>Total liabilities</b>	<b>—</b>	<b>107 530</b>	<b>—</b>	<b>107 530</b>

### FINANCIAL ASSETS AND LIABILITIES THAT ARE MEASURED AT FAIR VALUE ON THE BALANCE SHEET AT 31 DECEMBER 2020

Amounts in SEK million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Share in the Swedish Nuclear Waste Fund	48 270	—	—	48 270
Derivative assets	—	18 911	500	19 411
Short-term investments, cash equivalents and other shares and participations	29 900	8 011	—	37 911
<b>Total assets</b>	<b>78 170</b>	<b>26 922</b>	<b>500</b>	<b>105 592</b>
<b>Liabilities</b>				
Derivative liabilities	—	16 825	—	16 825
<b>Total liabilities</b>	<b>—</b>	<b>16 825</b>	<b>—</b>	<b>16 825</b>

## **NOTE 4 | Acquired and divested operations**

### **Acquired operations**

On 1 July 2021 Vattenfall acquired the remaining shares in Enwell AB, and as a result, as from that date the company has changed over from being reported as an associated company to being reported as a subsidiary. The total purchase price for all of the shares was SEK 130 million, and the value of total assets acquired is SEK 328 million, of which SEK 205 million consists of intangible non-current assets

### **Divested operations**

On 1 July 2021 the sale of the electricity distribution company Stromnetz to the City of Berlin was completed. The consideration received amounts to SEK 21 242 million and the capital gain to SEK 8 411 million. In addition to this a number small companies within business area Wind have been sold during the period, total consideration received amounts to SEK 124 million and the capital gain to SEK 3 million.

## NOTE 5 | Items affecting comparability

Items affecting comparability include capital gains and capital losses from sale of shares and other non-current assets, impairment losses and reversed impairment losses and other material items that are of an infrequent nature. Also included here are, for trading activities, unrealised changes in the fair value of energy derivatives, which according to IFRS 9 cannot be recognised using hedge accounting and unrealised changes in the fair value of inventories.

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
1) Including items affecting comparability	30 431	- 7 772	18 144	- 75	- 10 514	27 689
- of which, capital gains	8 803	215	8 762	—	301	8 889
- of which, capital losses	- 167	- 57	- 25	- 17	- 241	- 351
- of which, impairment losses	—	- 10 533	—	68	- 12 980	- 2 447
- of which, provisions	- 2 453	- 684	- 1	84	- 3 488	- 5 257
- of which, unrealised changes in the fair value of energy derivatives	10 537	2 786	7 792	- 201	4 753	12 504
- of which, unrealised changes in the fair value of inventories	1 801	58	1 645	335	476	2 219
- of which, restructuring costs	—	- 145	—	- 50	- 854	- 709
- of which, other non-recurring items affecting comparability	11 910	588	- 29	- 294	1 519	12 841

Items affecting comparability during January-September 2021 amounted to SEK 30.4 billion, most of which pertains to compensation for closure of nuclear power in Germany and sales of related production rights (SEK 12.5 billion, reported in other non-recurring items affecting comparability), and unrealised changes in market value for energy derivatives and inventories (SEK 12.3 billion). The increase in provisions pertains to the nuclear operations (SEK -2.5 billion). Capital gains pertains mainly to the sale of Stromnetz Berlin (SEK 8.4 billion).

Items affecting comparability during January-September 2020 amounted to SEK -7.8 billion. Most pertains to impairment losses for coal-fired power in Germany (SEK -10.5 billion) and unrealised changes in market value for energy derivatives and inventories (SEK 2.8 billion). The increase in provisions pertains to the nuclear operations (SEK -0.7 billion). Other items affecting comparability pertain to the sale of nuclear power production rights in Germany (SEK 0.6 billion).

# 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 interim report are the same as those described in Vattenfall's 2020 Annual and Sustainability Report, Note 3 to the Parent Company accounts, Accounting policies. New accounting policies applicable from 1 January 2021 has had no significant effect on the Parent Company's financial statements.

## January – September 2021

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

- Net sales amounted to SEK 28,315 million (33,705).
- Profit before appropriations and income taxes was SEK -1,332 million (10,827).
- The lower operating profit are attributable to unrealized changes in market value for energy derivatives.
- The improved net financial items refers to dividends from group companies, mainly from Vattenfall N.V.
- The balance sheet total was SEK 385,548 million (31 December 2020: 305,916).

- Investments during the period amounted to SEK 5,443 million (791), whereof 4,877 pertains to group internal asset transactions.
- Cash and cash equivalents, and short-term investments amounted to SEK 119,021 million (31 December 2020: 53,043).
- Dividend paid to the owner of SEK 4,000 million (3,623)

## Presentation of Parent Company income statements

See Note 1 to the consolidated accounts, Accounting policies, risks and uncertainties.

## Risks and uncertainties

See Note 1 to the consolidated accounts, Accounting policies, risks and uncertainties.

## Other

Significant related-party transactions are described in Note 44 to the consolidated accounts, Related party disclosures, in Vattenfall's 2020 Annual and Sustainability Report. No material changes have taken place in relations or transactions with related parties compared with the description in Vattenfall's 2020 Annual and Sustainability Report.

# Parent Company income statement

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Full year 2020	Last 12 months
Net sales	28 315	33 705	41 969	36 579
Cost of purchases	- 26 240	- 17 721	- 23 800	- 32 319
Other external expenses	- 3 317	- 3 326	- 4 744	- 4 735
Personnel expenses	- 1 644	- 1 594	- 2 116	- 2 166
Other operating incomes and expenses, net	339	127	170	382
<b>Operating profit before depreciation, amortisation and impairment losses (EBITDA)</b>	<b>- 2 547</b>	<b>11 191</b>	<b>11 479</b>	<b>- 2 259</b>
Depreciation, amortisation and impairments	- 473	- 441	- 596	- 628
<b>Operating profit (EBIT)</b>	<b>- 3 020</b>	<b>10 750</b>	<b>10 883</b>	<b>- 2 887</b>
Result from participations in subsidiaries	2 232	703	408	1 937
Result from participations in associated companies	1	—	—	1
Other financial income	1 237	1 558	2 593	2 272
Other financial expenses	- 1 782	- 2 184	- 2 722	- 2 320
<b>Profit before appropriations and income taxes</b>	<b>- 1 332</b>	<b>10 827</b>	<b>11 162</b>	<b>- 997</b>
Appropriations	1 057	330	- 394	333
<b>Profit before income taxes</b>	<b>- 275</b>	<b>11 157</b>	<b>10 768</b>	<b>- 664</b>
Income taxes	489	- 2 244	- 2 243	490
<b>Profit for the period</b>	<b>214</b>	<b>8 913</b>	<b>8 525</b>	<b>- 174</b>

# Parent Company balance sheet

Amounts in SEK million	30 Sep 2021	30 Sep 2020	31 Dec 2020
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets: non-current	333	331	356
Property, plant and equipment	6 647	5 620	6 618
Shares and participations	166 449	161 151	161 474
Deferred tax assets	1 948	—	313
Other non-current receivables	68 711	69 202	69 078
<b>Total non-current assets</b>	<b>244 088</b>	<b>236 304</b>	<b>237 839</b>
<b>Current assets</b>			
Inventories	386	427	411
Intangible assets: current	7	34	38
Current receivables	21 878	15 147	14 585
Current tax assets	168	17	—
Short-term investments	62 975	28 194	29 301
Cash and cash equivalents	56 046	17 496	23 742
<b>Total current assets</b>	<b>141 460</b>	<b>61 315</b>	<b>68 077</b>
<b>Total assets</b>	<b>385 548</b>	<b>297 619</b>	<b>305 916</b>
<b>Equity, provisions and liabilities</b>			
<b>Equity</b>			
Restricted equity			
Share capital (131,700,000 shares with a share quota value of SEK 50)	6 585	6 585	6 585
Revaluation reserve	37 989	37 989	37 989
Other reserves	1 357	1 460	1 492
Non-restricted equity			
Retained earnings	66 200	61 572	61 540
Profit for the period	214	8 913	8 525
<b>Total equity</b>	<b>112 345</b>	<b>116 519</b>	<b>116 131</b>
<b>Untaxed reserves</b>	<b>12 285</b>	<b>11 267</b>	<b>13 342</b>
<b>Provisions</b>	<b>5 072</b>	<b>5 216</b>	<b>5 138</b>
<b>Non-current liabilities</b>			
Hybrid capital	20 135	20 183	19 305
Other interest-bearing liabilities	37 513	39 930	35 506
Deferred tax liabilities	—	204	—
Other noninterest-bearing liabilities	12 761	12 143	12 762
<b>Total non-current liabilities</b>	<b>70 409</b>	<b>72 460</b>	<b>67 573</b>
<b>Current liabilities</b>			
Other interest-bearing liabilities	173 955	86 098	95 706
Current tax liabilities	2	—	122
Other noninterest-bearing liabilities	11 480	6 059	7 904
<b>Total current liabilities</b>	<b>185 437</b>	<b>92 157</b>	<b>103 732</b>
<b>Total equity, provisions and liabilities</b>	<b>385 548</b>	<b>297 619</b>	<b>305 916</b>

# Definitions and calculations of key ratios

## Alternative Performance Measures

In order to ensure a fair presentation of the Group's operations, the Vattenfall Group uses a number of Alternative Performance Measures that are not defined in IFRS or in the Swedish Annual Accounts Act. The Alternative Performance Measures that Vattenfall uses are described

below, including their definitions and how they are calculated. The Alternative Performance Measures used are unchanged compared with earlier periods.

	Definition
EBIT:	Operating profit (Earnings Before Interest and Tax)
EBITDA:	Operating profit before depreciation, amortisation and impairment losses (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 reversed impairment losses and other material items that are of an infrequent nature. Also included here are, for trading activities, unrealised changes in the fair value of energy derivatives, which according to IFRS 9 cannot be recognised using hedge accounting and unrealised changes in the fair value of inventories. See Consolidated income statement for a specification of items affecting comparability.
Underlying EBITDA:	Underlying operating profit before depreciation, amortisation and impairment losses. This measure is intended to provide a better view on the operating result by excluding items affecting comparability that are of an infrequent nature, while also excluding non-cash depreciation and amortisation.
Underlying operating profit:	Operating profit (EBIT) excluding items affecting comparability. This measure is intended to provide a better view on the operating result by excluding items affecting comparability that are of an infrequent nature.
FFO:	Funds From Operations, see Consolidated statement of cash flow
Free cash flow:	Cash flow from operating activities less maintenance investments
Interest-bearing liabilities	See Consolidated balance sheet - Supplementary Information
Net debt:	See Consolidated balance sheet - Supplementary Information
Adjusted net debt:	See Consolidated balance sheet - Supplementary Information
Capital employed:	Total assets less financial assets, noninterest-bearing liabilities and certain other interest-bearing provisions not included in adjusted net debt. see Consolidated balance sheet - Supplementary Information
<b>Other definitions</b>	<b>Definition</b>
Hybrid Capital:	Perpetual subordinated securities, junior to all Vattenfall's unsubordinated debt instruments.
LTIF:	Lost Time Injury Frequency (LTIF) is expressed in terms of the number of lost time work injuries (per 1 million hours worked), i.e., work-related accidents resulting in absence longer than one day, and accidents resulting in fatality.

## CALCULATION OF EBITDA, UNDERLYING EBITDA AND UNDERLYING EBIT

Amounts in SEK million	Jan-Sep 2021	Jan-Sep 2020	Jul-Sep 2021	Jul-Sep 2020	Full year 2020	Last 12 months
Operating profit (EBIT)	52 521	10 030	22 926	4 743	15 276	57 767
Depreciation, amortisation and impairment losses	- 13 044	- 24 357	- 4 367	- 4 492	- 31 231	- 19 918
<b>Operating profit before depreciation, amortisation and impairment losses (EBITDA)</b>	<b>65 565</b>	<b>34 387</b>	<b>27 293</b>	<b>9 235</b>	<b>46 507</b>	<b>77 685</b>
Items affecting comparability excl. impairment losses and reversed impairment losses	- 30 431	- 2 761	- 18 144	143	- 2 466	- 30 136
<b>Underlying operating profit before depreciation, amortisation and impairment losses</b>	<b>35 134</b>	<b>31 626</b>	<b>9 149</b>	<b>9 378</b>	<b>44 041</b>	<b>47 549</b>
Operating profit (EBIT)	52 521	10 030	22 926	4 743	15 276	57 767
Items affecting comparability	- 30 431	7 772	- 18 144	75	10 514	- 27 689
<b>Underlying operating profit</b>	<b>22 090</b>	<b>17 802</b>	<b>4 782</b>	<b>4 818</b>	<b>25 790</b>	<b>30 078</b>

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

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**KEY RATIOS BASED ON LAST 12-MONTH VALUES OCTOBER 2020 – SEPTEMBER 2021:**

<b>Operating margin, %</b>	= 100 x	$\frac{\text{EBIT}}{\text{Net sales}}$	$\frac{57\,767}{160\,622}$	=	36.0
<b>Operating margin excl. items affecting comparability, %</b>	= 100 x	$\frac{\text{Underlying EBIT}}{\text{Net sales}}$	$\frac{30\,078}{160\,622}$	=	18.7
<b>Pre-tax profit margin, %</b>	= 100 x	$\frac{\text{Profit before income taxes}}{\text{Net sales}}$	$\frac{56\,770}{160\,622}$	=	35.3
<b>Pre-tax profit margin excl. items affecting comparability, %</b>	= 100 x	$\frac{\text{Profit before income taxes excl. items affecting comparability}}{\text{Net sales}}$	$\frac{29\,088}{160\,622}$	=	18.1
<b>Return on equity, %</b>	= 100 x	$\frac{\text{Profit for the period attributable to owner of the Parent Company}}{\text{Average equity for the period attributable to owner of the Parent Company excl. the Reserve for cash flow hedges}}$	$\frac{46\,186}{114\,814}$	=	40.2
<b>Return on capital employed, %</b>	= 100 x	$\frac{\text{EBIT}}{\text{Capital employed, average}}$	$\frac{57\,767}{258\,053}$	=	22.4
<b>Return on capital employed excl. items affecting comparability, %</b>	= 100 x	$\frac{\text{Underlying EBIT}}{\text{Capital employed, average}}$	$\frac{30\,078}{258\,053}$	=	11.7
<b>EBIT interest cover, (x)</b>	=	$\frac{\text{EBIT} + \text{financial income}}{\text{Financial expenses excl. discounting effects attributable to provisions}}$	$\frac{58\,400}{3\,513}$	=	16.6
<b>EBIT interest cover excl. Items affecting comparability, (x)</b>	=	$\frac{\text{Underlying EBIT} + \text{financial income}}{\text{Financial expenses excl. discounting effects attributable to provisions}}$	$\frac{30\,711}{3\,513}$	=	8.7
<b>FFO interest cover, (x)</b>	=	$\frac{\text{FFO} + \text{financial expenses excl. discounting effects attributable to provisions}}{\text{Financial expenses excl. discounting effects attributable to provisions}}$	$\frac{42\,361}{3\,513}$	=	12.1
<b>FFO interest cover, net, (x)</b>	=	$\frac{\text{FFO} + \text{financial items net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund}}{\text{Financial items net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund}}$	$\frac{41\,728}{2\,880}$	=	14.5

<b>Cash flow interest cover after maintenance investments, (x)</b>	=	<div> Cash flow from operating activities less maintenance investments + financial expenses excl. Discounting effects attributable to provisions and interest components related to pension costs 102 038 </div> <div> Financial expenses excl. discounting effects attributable to provisions and interest components related to pension costs 3 053 </div>	=	33.4
<b>FFO/gross debt, %</b>	= 100 x	<div> FFO 38 848 </div> <div> Interest-bearing liabilities 84 428 </div>	=	46.0
<b>FFO/net debt, %</b>	= 100 x	<div> FFO 38 848 </div> <div> Net debt -47 348 </div>	=	-82.0
<b>FFO/adjusted net debt, %</b>	= 100 x	<div> FFO 38 848 </div> <div> Adjusted net debt 21 269 </div>	=	182.7
<b>EBITDA/net financial items, (x)</b>	=	<div> EBITDA 77 685 </div> <div> Financial items net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund 2 880 </div>	=	27.0
<b>EBITDA excl. items affecting comparability/net financial items, (x)</b>	=	<div> EBITDA excl. items affecting comparability 47 549 </div> <div> Financial items net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund 2 880 </div>	=	16.5

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**KEY RATIOS BASED ON THE BALANCE SHEET PER 30 SEPTEMBER 2021:**

<b>Equity/total assets, %</b>	= 100 x	<div> Equity 191 134 </div> <div> Balance sheet total 687 710 </div>	=	27.8
<b>Gross debt/equity, %</b>	= 100 x	<div> Interest-bearing liabilities 84 428 </div> <div> Equity 191 134 </div>	=	44.2
<b>Net debt/equity, %</b>	= 100 x	<div> Net debt -47 348 </div> <div> Equity 191 134 </div>	=	-24.8
<b>Gross debt/gross debt equity, %</b>	= 100 x	<div> Interest-bearing liabilities 84 428 </div> <div> Interest-bearing liabilities + equity 275 562 </div>	=	30.6
<b>Net debt/net debt plus equity, %</b>	= 100 x	<div> Net debt -47 348 </div> <div> Net debt + equity 143 786 </div>	=	-32.9
<b>Net debt/EBITDA, (x)</b>	=	<div> Net debt -47 348 </div> <div> EBITDA 77 685 </div>	=	-0.6
<b>Adjusted net debt/EBITDA, (x)</b>	=	<div> Adjusted net debt 21 269 </div> <div> EBITDA 77 685 </div>	=	0.3

**Interim report signature**

Solna, 28 October 2021

Anna Borg  
President and CEO

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

**Financial calendar**

Year-end report 2021, 3 February 2022

Annual General Meeting, 28 April 2022

Interim report January-March, 29 April 2022

Interim report January-June, 22 July 2022

Interim report January-September, 27 October 2022

**Contact information**

Vattenfall AB (publ)  
SE-169 92 Stockholm  
Corporate identity number 556036-2138  
T +46-8-739 50 00  
[www.vattenfall.com](http://www.vattenfall.com)  
[www.vattenfall.se](http://www.vattenfall.se)

Anna Borg  
President and CEO  
T +46-8-739 50 09

Kerstin Ahlfont  
CFO  
T +46-8-739 64 28

Johan Sahlqvist  
Head of Group Control & Investor Relations  
T +46-8-739 72 51

Vattenfall's press office  
T +46-8-739 50 10  
[press@vattenfall.com](mailto:press@vattenfall.com)

This information is such that Vattenfall AB is obliged to make public in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08.00 CEST on 28 October 2021. This report has been prepared in both Swedish and English versions. In the event of discrepancies between the two versions, the Swedish version shall govern.