Interim report January–September 2022

Business highlights, July–September 2022

- Turbulent market and continued major price differentials among Nordic price areas
- Postponed restart of Ringhals 4 nuclear reactor
- Foundation installation completed and delivery of first electricity from offshore wind farm Hollandse Kust Zuid in the Netherlands
- Exercised option to continue to develop the offshore wind power project N-7.2 in Germany which is expected to cover the electricity consumption for over one million households
- Joint venture with Midlothian Council to invest in low carbon energy solutions in Scotland
- Upgrades to regional grid progressing with the inauguration of a regional grid station in Stockholm and detailed planning for a 150-kV transmission line in Luleå

Financial highlights, January–September 2022

- Net sales increased by 38% (34% excluding currency effects) to SEK 160,825 million (116,590)
- Underlying operating profit[1] of SEK 23,844 million (22,090)
- Operating profit[1] of SEK 36,707 million (52,521)
- Profit for the period of SEK 16,980 million (41,912)

Financial highlights, July–September 2022

- Net sales increased by 47% (41% excluding currency effects) to SEK 53,076 million (36,125)
- Underlying operating profit[1] of SEK 6,232 million (4,782)
- Operating profit[1] of SEK 12,192 million (22,926)
- Profit for the period of SEK 6,684 million (18,277)

KEY DATA

Amounts in SEK million unless indicated otherwise	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Net sales	160 825	116 590	53 076	36 125	180 119	224 354
Operating profit before depreciation, amortisation and impairment losses (EBITDA)[1]	49 023	65 565	16 386	27 293	75 790	59 248
Operating profit (EBIT)[1]	36 707	52 521	12 192	22 926	60 271	44 457
Underlying EBIT[1]	23 844	22 090	6 232	4 782	31 181	32 935
Profit for the period	16 980	41 912	6 684	18 277	48 013	23 081
Electricity generation, TWh	80.6	80.6	25.1	21.8	111.4	111.4
Sales of electricity, TWh[2]	121.9	123.2	38.6	37.8	168.9	167.6
- of which, customer sales	81.5	88.5	24.9	28.2	120.5	113.5
Sales of heat, TWh	9.5	10.5	1.3	1.3	15.6	14.6
Sales of gas, TWh	33.2	39.8	4.8	5.3	57.1	50.5
Return on capital employed, %[1]	17.3 [3]	22.4 [3]	17.3 [3]	22.4 [3]	22.2	17.3
FFO/adjusted net debt, %[1]	n/a [4]	182.7 [3]	n/a [4]	182.7 [3]	171.2	n/a [4]

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
4) The adjusted net debt decreased to a net asset mainly due to increased margin calls received. Excluding effects from received and paid margin calls FFO/adjusted net debt was at 41.4%

Cover image: Juktan wind farm, Sweden

CEO's comment

Stable result and strong financial position in troubled times

The third quarter was characterised by the turbulent markets and there is major uncertainty ahead of the winter. Vattenfall's financial position is however strong and the underlying results for the period were stable. Positive contributions from the wind and sales segments' continued to be offset by negative effects from price differences between Nordic price areas. It is imperative to continue investing in new energy. In the quarter, we utilised our option to continue developing a wind power project corresponding to the electricity consumption of a million households.

Anxiety ahead of winter

Based on enquiries to our customer support and the public debate at large, we know that many of our customers feel anxious ahead of the winter. Vattenfall is actively engaged in initiatives and dialogues that can help mitigate effects of the current situation. For example, we support our customers by providing advice about energy savings and various types of contracts. It is important to reduce energy consumption in Europe in the short term, especially at peak times, since lower electricity consumption affects both individual customers' energy bills and contributes to lower market prices for electricity.

Major market uncertainty following summer

Electricity market prices continue to fluctuate greatly around historically high levels. High fuel prices remain the primary driver of electricity prices on the Continent; that in Germany and the Netherlands have been three to four times higher than in Q3 2021. In the Nordic countries, particularly in southern Sweden, prices have been affected by the Continent but unfavourable weather and wind conditions also impacted, especially in August. Even as fuel and electricity rates have declined somewhat, the situation remains strained. The delayed restart of Ringhals 4 is naturally particularly unfortunate in this situation. The reactor is expected to come back online on 31 January 2023.

Stable result and strong financial position

Profit for the period declined by SEK 24.9 billion to SEK 17.0 billion. This is mainly due to major positive one-off effects during 2021 related to the sale of our electricity distribution business in Berlin and compensation for the early closure of German nuclear power. Underlying operating profit increased by SEK 1.8 billion to SEK 23.8 billion, primarily driven by our wind business. Our sales operations also performed well as customers increasingly chose Vattenfall because of our greater capacity to handle market uncertainty as an integrated utility. Price area differences continued, however, to impact our Nordic power portfolio negatively. Looking ahead, we see major uncertainties related to intermediate goods and fuel costs, but also higher credit risks driven by the market situation.

Several market actors have experienced difficulties as a result of major outflows of margins related to futures contracts. Vattenfall has had net inflows of margin calls and our financial position is strong. In order to safeguard our strong financial position, we are currently engaged in optimising our business flows and pre-emptively building up additional liquidity buffers to be able to manage future outflows.

Important to continue investments in new energy

During the quarter, Vattenfall used its option to continue to develop the wind farm project N-7.2 off the German North Sea Coast, that is expected to produce fossil-free electricity corresponding to the annual electricity consumption of over a million households. In the Netherlands, all the foundations have now been installed and the first electricity has been delivered from Hollandse Kust Zuid, which will be the world's largest wind farm when commissioned next year. In our partnership for fossil-free steel, HYBRIT, the pilot plant for hydrogen storage has now started, and test findings show that the quality of fossil-free sponge iron produced via the HYBRIT process is higher than its fossil counterpart.

Our society needs secure and fossil-free electricity that is affordable. Also, sectors such as transportation and industry need to be electrified, not least for the sake of competitiveness. That is why it is more important than ever that we do not slow down and take the necessary steps for a decarbonised future. Vattenfall contributes to this by investing in all types of fossil-free electricity production and power grids.

Anna Borg
President and CEO

Profit for the period
First nine months of 2022
17.0
SEK billion
(41.9)

Underlying operating profit
First nine months of 2022
23.8
SEK billion
(22.1)

FFO/adjusted net debt
Last 12 months
N/A (41.4%)[1]
(182.7)

Return on capital employed
Last 12 months
17.3%
(22.4)

[1] Vattenfall's adjusted net debt is currently negative. The figure in parentheses shows the key figure adjusted for margin calls.

Group overview

Vattenfall generates electricity and heat from a portfolio of energy sources, such as hydro and nuclear power, wind power, and fossil fuels. We sell electricity, gas, and heat to private customers and businesses primarily in northern Europe. Vattenfall hedges parts of the future electricity generation through sales in the forward and futures markets.

Market development

Electricity markets continue to be characterised by major fluctuations triggered by developments on the Continent. Sharply rising gas prices have resulted in record-high electricity prices on the Continent and the Nordic system price has been greatly impacted. Higher average electricity prices for the first nine months of 2022 contributed positively to Vattenfall's results. Major differences between the system price in the Nordics and the price in respective price areas, however, had a negative impact and resulted in a lower achieved price after price hedges.

ELECTRICITY SPOT PRICES, EUR/MWh

The average spot price in the Nordic countries increased as a result of higher electricity prices on the Continent, which was primarily attributable to higher prices for fuel and emissions allowances.

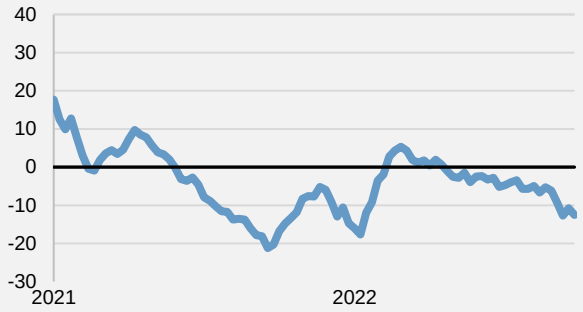
	Jan-Sep.			Jul-Sep.		
	2022	2021	Change	2022	2021	Change
Nordics	136.0	50.9	167%	176.00	68.30	158%
Germany	249.8	69.2	261%	375.8	97.1	287%
Netherlands	256.7	71.6	259%	365.4	101.5	260%

NORDIC HYDROLOGY

Hydrological balance is a measure of the estimated energy volume stored in the form of snow, and water reservoirs and ground water in relation to a normal situation. Historically, Nordic electricity prices have had a negative correlation with the hydrological balance, since the available hydro power capacity normally regulated what energy sources would be used in the system. Electricity prices in the northern parts of the Nordic countries remain linked to the hydrological balance, while the correlation with system price and the price development in the southern regions has decreased, especially in the past year.

By the end of the third quarter 2022, the hydrological balance for the Nordics was below normal levels primarily as a result of the low fill rate in water reservoirs in southern Norway.

NORDIC HYDROLOGICAL BALANCE (TWh)

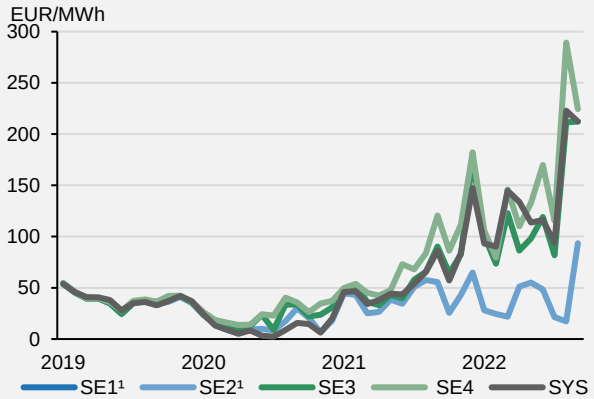


However, the fill rates in Vattenfall's water reservoir rose to 80% (71%), which is 14 percentage points above normal levels. This is attributable to an increased inflow from precipitation in northern Sweden, especially in July and August. This, in turn, had a negative impact on the spot price for electricity in the price areas for northern Sweden.

NORDIC PRICE AREA DIFFERENCES

The electricity market in the Nordic countries is divided into separate price areas. Sweden has four price areas and Vattenfall's hydro power assets' are mainly located in SE1 and SE2 while the nuclear power assets are located in SE3. Vattenfall also has wind power assets in SE4. In recent years, the differences in electricity prices between the areas have grown wider as a result of, among other things, bottlenecks in the transmission grid, which prevents the electricity from reaching southern regions. Moreover, new transmission connections to the Continent have contributed further to higher prices in southern Sweden. The Nordic system price (SYS) is a reference price for all price areas and is calculated by the power exchange Nord Pool.

SPOT PRICES PER PRICE AREA AND SYSTEM PRICE (EUR/MWh)



1 Difference between SE1 and SE2 is invisible due to high correlation

The price area differentials have remained high for the first nine months of 2022. In southern Sweden, prices increased significantly compared to last year (see above), while the average price for northern Sweden remained relatively stable

INDICATIVE NORDIC HEDGE PRICES AND FINANCIAL HEDGE RATIO (SE, DK, FI) AS PER 30 SEPTEMBER 2022

Vattenfall's hedging strategy has the objective to even on earnings by selling parts of the planned production in the forward markets. The main exposures arise from outright power in the Nordics with nuclear and hydro power as well as a growing share of wind power in the Nordics, on the Continent and in the UK.

	2022	2023	2024
EUR/MWh	25	30	40
Hedge ratio (%)	66	57	38

Due to large price area differences Vattenfall has adjusted its hedging strategy throughout the year, resulting in lower hedge ratio and hedge price for 2022.

ACHIEVED NORDIC ELECTRICITY PRICES (SE, DK, FI)[1]

The achieved price is the average price that Vattenfall received for its electricity production during the period and is impacted by the hedge ratio and hedge price (see above), the spot price and effects from price area differentials.

	Jan-Sep.		Jul-Sep.		Full year
	2022	2021	2022	2021	2021
EUR/MWh	17	31	14	28	31

Vattenfall's achieved price in the Nordics has decreased significantly primarily because of major price area differentials.

FUEL PRICES

The prices of gas, coal, and CO_2 emission allowances affect mainly Vattenfall's heat business on the Continent. Gas prices also affect activities within the business segment Customers & Solutions, which is responsible for customer sales of gas.

	Jan-Sep.			Jul-Sep.		
	2022	2021	Change	2022	2021	Change
Gas (EUR/MWh)	132.5	30.3	337%	198.2	47.3	319%
Coal (USD/t)	310.1	104.2	198%	360.6	154.7	133%
CO2 (EUR/t)	82.1	48.2	70%	80.0	57.0	40%

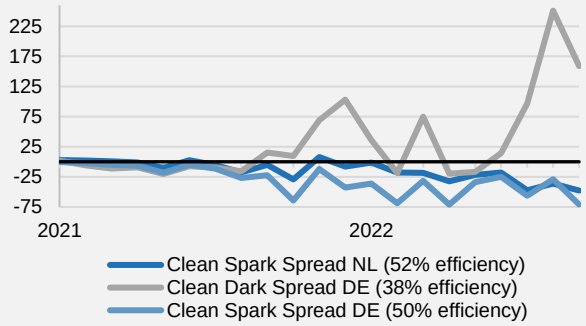
[1] Achieved prices from the spot market and hedges. Includes Nordic hydro, nuclear and wind power generation

The price of gas and coal has increased sharply from January to September 2022 as a result of the war in Ukraine. Gas prices were affected by the unplanned halt in deliveries from Nord Stream 1. The price of coal was affected by high demand in Europe prompted by rising gas prices and higher profitability of coal-fired production capacity. The price for CO_2 emission allowances rose primarily as a result of the increased use of coal as fuel.

PRICE MARGINS

The clean spark spread is the margin between the electricity price and the cost of gas and emissions allowances used for its generation. The clean dark spread represents the same relationship for coal-fired electricity generation. These spreads affect Vattenfall's heat business in Germany and the Netherlands where the fossil-fired combined heat-and-power (CHP) plants and condensing plants are located. Vattenfall hedges these spreads in part.

CLEAN SPARK SPREAD AND CLEAN DARK SPREAD

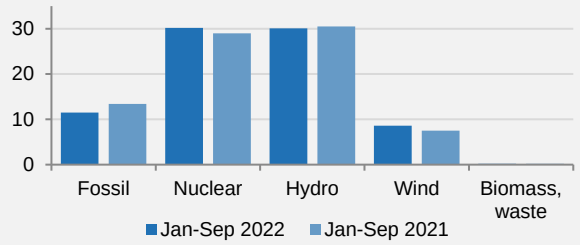


The clean spark spreads were negative for the first nine months of 2022 as a result of higher gas prices. This had a negative financial impact on Vattenfall's combined heat and power plants. The clean dark spreads increased significantly during the third quarter.

Generation development

Combined electricity generation was unchanged at 80.6 TWh (80.6) for the first nine months of 2022. Generation from fossil-based power declined (–1.9 TWh) as a result of lower clean spark spreads. Generation from nuclear power increased (+1.2 TWh) as a result of higher availability compared to 2021 when the availability of Ringhals 3 was lower. Generation from wind power rose (1.1 TWh) as a result of new capacity, mainly from the offshore wind farm Kriegers Flak, and as a result of higher wind speeds.

ELECTRICITY GENERATION (TWh)



AVAILABILITY

Availability is the percentage of planned production time for an asset with no unforeseen technical issues or maintenance-related outages.

	Jan-Sep.	
	2022	**2021**
Nuclear	85.9%	82.1%
Wind - offshore	95.4%	95.8%
Wind – onshore	95.6%	96.6%

Availability of Vattenfall's nuclear power for the year's first nine months was higher than the corresponding period in 2021. The availability for wind power was lower.

INSTALLED WIND CAPACITY

New installed wind power capacity in the last 12 months pertains to Blakliden Fäbodberget (353 MW), South Kyle (38 MW of 240 MW), Moerdijk (20 MW of 27 MW), Nij Hiddum Houw (19 MW), A16 (17 MW of 20 MW) and Haringvliet (4 MW of 22 MW). The comparison is affected by the partial divestment of Princess Ariane (Wieringermeer Extension,114 MW), and divestment of other onshore wind farms (92 MW).

MW	30 Sep 2022	30 Sep 2021
Onshore wind	1,688	1,442
Offshore wind	2,602	2,602
Total	**4,290**	**4,044**

Sales development

Electricity sales, excluding sales to Nord Pool Spot and deliveries to minority owners, declined by 1.3 TWh to 121.9 TWh (123.2), primarily as a result of lower volumes in the business segment in France and in Germany. Gas sales declined by 6.6 TWh to 33.2 TWh (39.8) as a result of warmer weather and lower demand in the Netherlands and Germany. Heat sales declined by 1.0 TWh to 9.5 TWh (10.5) as a result of warmer weather.

	Jan-Sep.			Jul-Sep.		
	2022	**2021**	**Change**	**2022**	**2021**	**Change**
Sales of electricity to customers , TWh	81.5	88.5	-8%	24.9	28.2	-12%
Sales of gas, TWh	33.2	39.8	-17%	4.8	5.3	-9%
Sales of heat, TWh	9.5	10.5	-10%	1.3	1.3	-

TEMPERATURE EFFECTS

Temperature effects impact sales volume in the operating segments Customers & Solutions and Heat. Lower temperatures usually mean higher demand for heating (including gas) and electricity. In the Nordic countries, this mainly affects sales of electricity and heat. In Germany and the Netherlands, gas remains the primary source of heat, which means that low temperatures increase demand for gas in addition to increased sales of heat.

TEMPERATURE DEVIATION FROM NORMAL LEVELS (ºC)

	Jan-Sep.		Jul-Sep.	
	2022	**2021**	**2022**	**2021**
Nordics	0.7	-0.0	0.3	0.5
Netherlands	1.1	-0.3	1.1	0.1
Germany	1.2	-0.4	1.3	0.1

During the period January-September 2022, the temperature in Vattenfall's markets was higher than normal, which affected sales negatively.

Net sales

January–September: Consolidated net sales increased by SEK 44.2 billion (including positive currency effects of SEK 4.6 billion). The increase is mainly attributable to higher electricity prices in the Netherlands, the Nordics, and Germany.

July–September: Consolidated net sales increased by SEK 17.0 billion (including positive currency effects of SEK 2.0 billion). The increase is mainly attributable to higher electricity prices in the Netherlands, the Nordics, and Germany.

Earnings

January–September: The underlying operating profit increased by SEK 1.8 billion, which is explained by:

- Higher earnings contribution from the Wind operating segment (SEK +8.8 billion), mainly owing to higher electricity prices on the Continent and new capacity
- Higher earnings contribution from the Customers & Solutions operating segment (SEK +2.4 billion), mainly owing to more electricity customers in Germany
- Lower earnings contribution from the Heat operating segment (SEK -3.3 billion), mainly due to higher gas prices, which resulted in lower clean spark spreads
- Lower earnings contribution from the Power Generation operating segment (SEK -4.6 billion), owing to lower achieved prices in the Nordics and lower realised earnings contributions from trading operations
- Other items, net (SEK -1.5 billion)

Items affecting comparability amounted to SEK 12.9 billion (30.4), of which most pertains to changes in market value for energy derivatives and inventories (SEK 14.8 billion) and reversed impairment losses (SEK 1.3 billion). Higher provisions related to nuclear power and operating segment Heat (SEK -3.3 billion) had an offsetting effect. Profit for the period totalled SEK 17.0 billion (41.9) and was affected by – in addition to items affecting comparability – lower net financial items resulting from a lower return from the Swedish Nuclear Waste Fund. The profit for the period in 2021 was positively affected by the compensation for the closure of nuclear power operations in Germany (SEK 12.5 billion) and the capital gain from the sale of Stromnetz Berlin (SEK 8.4 billion).

July–September: Underlying operating profit increased by SEK 1.5 billion mainly due to positive contributions from the operating segments Wind (SEK 4.1 billion) and Customers & Solutions (SEK 1.0 billion). The operating segments Power Generation and Heat contributed negatively (SEK –2.9 billion and SEK –0.4 billion, respectively). Items affecting comparability amounted to SEK 6.0 billion (18.1), of which most pertains to unrealised changes in market value for energy derivatives and inventories (SEK 6.4 billion) and reversed impairment losses (SEK 0.4 billion). This was offset in part by increased provisions in operating segment Heat (SEK -0.8 billion). Profit for the period totalled SEK 6.7 billion (18.3), were affected by lower net financial items as a result of lower return from the Swedish Nuclear Waste Fund. The profit for the period in 2021 was positively affected by the capital gain from the sale of Stromnetz Berlin (SEK 8.4 billion).

Cash flow

January–September: Funds from operations (FFO) increased by SEK 0.1 billion. Cash flow from changes in working capital amounted to SEK 81.4 billion. The largest contributing factors were changes related to the net change in margin calls received (SEK 67.0 billion) and changes related to CO_2 emission allowances (SEK +23.3 billion).

July–September: Funds from operations (FFO) increased by SEK 1.3 billion, mainly owing to higher operating profit before depreciation, amortisation and impairment losses (EBITDA). Cash flow from changes in working capital amounted to SEK 83.1 billion, which is mainly explained by the net change in margin calls received (SEK 70.9 billion). Changes related to CO_2 emission allowances (SEK +19.8 billion) had a contributing effect.

KEY FIGURES – GROUP OVERVIEW

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Net sales	160 825	116 590	53 076	36 125	180 119	224 354
Operating profit before depreciation, amortisation and impairment losses (EBITDA)[1]	49 023	65 565	16 386	27 293	75 790	59 248
Operating profit (EBIT)[1]	36 707	52 521	12 192	22 926	60 271	44 457
Underlying operating profit[1]	23 844	22 090	6 232	4 782	31 181	32 935
Items affecting comparability[1]	12 863	30 431	5 960	18 144	29 090	11 522
Profit for the period	16 980	41 912	6 684	18 277	48 013	23 081
Funds from operations (FFO)[1]	27 598	27 480	7 305	6 054	46 096	46 214
Cash flow from changes in operating assets and operating liabilities (working capital)	81 416	70 040	83 080	55 169	55 736	67 112
Cash flow from operating activities	109 014	97 520	90 385	61 223	101 832	113 326

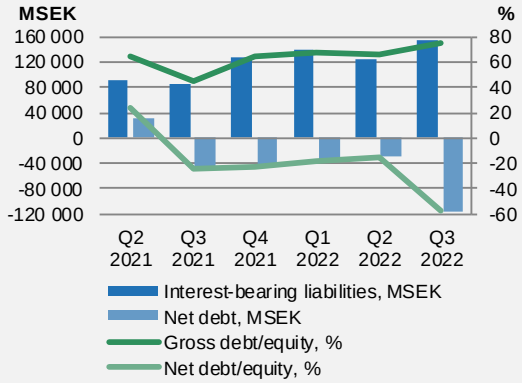
1) See Definitions and calculations of key ratios for definitions of Alternative Performance Measures.

Capital structure

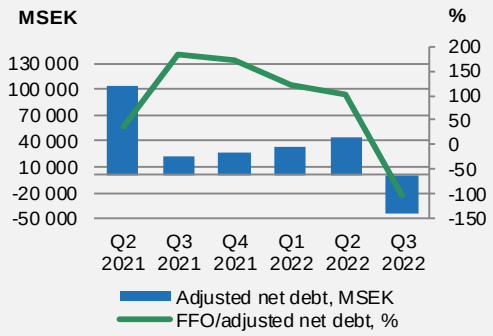
Cash and cash equivalents, and short-term investments increased by SEK 98.4 billion compared with the level at 31 December 2021. Committed credit facilities consist of a EUR 2.0 billion Revolving Credit Facility that expires in November 2024 and six other committed credit facilities totalling EUR 4.3 billion. As per 30 September 2022 available liquid assets and/or committed credit facilities amounted to 149.7% 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 decreased by SEK 71.3 billion to a net asset of SEK 116.0 billion and adjusted net debt decreased by SEK 71.0 billion to a net asset of SEK 44.1 billion compared to 31 December 2021. These reductions are mainly attributable to a positive cash flow after investments (SEK 103.0 billion), which is largely explained by the change in working capital (SEK 81.4 billion). Significantly increased electricity and gas prices resulted in higher margin calls received. Dividends paid increased net debt by SEK 24.2 billion. The adjusted net debt was also affected by lower pension provisions (SEK 15.9 billion), which was partially offset by higher provisions for nuclear power (SEK 13.9 billion, net). Excluding effects from received and paid margin calls FFO/adjusted net debt was at 41.4%.

NET DEBT



ADJUSTED NET DEBT



Strategic focus areas and targets for 2025

Strategic focus area	Targets for 2025	Q3 2022	Outcome 2021
Driving decarbonisation with our customers & partners	**1.** Customer engagement, absolute Net Promoter Score (NPS):[1] **+18**	**-**	**+10**
Securing a fossil-free energy supply	**2.** CO_2 emissions intensity:[2] **≤86 gCO_2e/kWh**	**75**	**82**
Delivering high-performing operations	**3.** Funds from operations (FFO)/adjusted net debt[3]: **22%–27%**	**n/a (41.4%)[4]**	**171.2%**
	4. Return On Capital Employed (ROCE)[5], last 12 months: **≥8%**	**17.3%**	**22.2%**
Empowering our people	**5.** Lost Time Injury Frequency (LTIF)[6]: **≤1.0**	**1.2**	**1.7**
	6. Employee Engagement Index[7]: **≥75%**	**-**	**75%**

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_2 and other greenhouse gases such as N_2O and SF_6. as well as indirect emissions from electricity and heat use (scope 2). Consolidated value where CO_2 is primarily related to the operating segment Heat. The target for 2025 is to be on track to achieving the 1.5° C target by 2030, according to SBT
3) Rolling 12-months values. Received margin calls had a significant impact on the outcome for both the first nine months 2022 and for the full year 2021
4) The adjusted net debt decreased to a net asset mainly due to increased margin calls received. Excluding effects from received and paid margin calls FFO/adjusted net debt was at 41.4%
5) Rolling 12-months values. Compensation for closure of nuclear power in Germany, changes in market value of energy derivatives and inventories and capital gains from the sale of Stromnetz Berlin's had significant impact on the outcome for the full year 2021
6) 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
7) Documentation for measurement of target achievement is derived from the results of an employee survey, which is conducted on an annual basis

Operating segments

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Underlying EBIT						
Customers & Solutions	**4 691**	**2 245**	**1 341**	**353**	**2 349**	**4 795**
Power Generation	**9 789**	**14 398**	**1 227**	**4 117**	**19 334**	**14 725**
- of which, realised trading result	386	4 106	- 2 002	1 339	3 633	- 87
Wind	**11 958**	**3 188**	**5 230**	**1 110**	**7 866**	**16 636**
Heat	**- 2 701**	**638**	**- 1 301**	**- 906**	**- 343**	**- 3 682**
Distribution	**1 413**	**2 693**	**128**	**240**	**3 152**	**1 872**
- of which, Distribution Germany	—	666	—	1	666	—
- of which, Distribution Sweden	1 437	2 032	131	236	2 516	1 921
Other[1]	**- 1 111**	**- 913**	**- 336**	**- 125**	**- 1 189**	**- 1 387**
Eliminations	**- 195**	**- 159**	**- 57**	**- 7**	**12**	**- 24**
Underlying operating profit	**23 844**	**22 090**	**6 232**	**4 782**	**31 181**	**32 935**

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.

Strong earnings development as more customers choose Vattenfall

- The customer base grew by 4% since the beginning of the year
- Cooperation with the supermarket chain Netto enables expansion of charging infrastructure for electric vehicles in Germany

Q1–Q3: Net sales increased by 75 % compared to 2021. Underlying operating profit increased by 109 %, mainly owing to a growing customer base in Germany and temporary sourcing effects for electricity and gas. Compared to year-end 2021, Vattenfall's total customer base increased by 4% to 10.8 million contracts.

Sales of electricity decreased by 3% compared to the corresponding period in 2021 mainly due to lower sold volumes to electricity grid operators in France and lower volumes to private customers in the Nordics. Sales of gas decreased by 17%, mainly due to warmer weather and lower consumption in the Netherlands and Germany.

Q3: Net sales increased by 95 %. Underlying operating profit increased by 280 % mainly owing to a growing customer base in Germany and temporary sourcing effects for electricity and gas. This was offset in part by lower sales of gas due to warmer weather in the Netherlands.

Rising energy prices is a challenge for many of Vattenfall's customers. Vattenfall's customer service receive a lot of questions about invoices, payments and the implications of new regulations. Vattenfall gives advice to customers about energy savings and helps its customers address the current situation and find the most suitable solutions.

Vattenfall cooperates with the supermarket chain Netto for installing fast charging stations at Netto stores in Germany. The charging stations will be available to the general public and supplied with electricity from renewable sources. The initial plan is to install 940 charging points outside 270 Netto stores. Construction will take place mainly in 2023 and 2024 with Vattenfall in charge of planning, construction, and operation of the charging stations.

KEY FIGURES – CUSTOMERS & SOLUTIONS

Amounts in SEK million unless indicated otherwise	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Net sales	123 558	70 738	44 140	22 694	106 560	159 380
External net sales	117 303	68 192	41 475	21 666	102 300	151 411
Underlying EBITDA	5 401	2 913	1 593	575	3 230	5 718
Underlying EBIT	4 691	2 245	1 341	353	2 349	4 795
Sales of electricity, TWh	68.7	70.6	21.2	21.9	96.1	94.2
- of which, private customers	20.2	19.3	5.5	5.2	26.8	27.7
- of which, resellers	14.2	5.3	4.5	1.8	7.9	16.8
- of which, business customers	34.3	46.0	11.2	14.9	61.4	49.7
Sales of gas, TWh	32.7	39.1	4.7	5.2	56.0	49.6
Number of employees, full-time equivalents	3 272	3 194	3 272	3 194	3 213	

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. The result from hedging the Group's net exposure in electricity and fuel is reported in this segment.

Lower achieved price had a negative impact on earnings

- Postponed restart of nuclear reactor Ringhals 4
- Business Area Markets has signed a new contract with Shell for the delivery of electricity from Vattenfall's offshore wind farm Thanet in the UK

Q1–Q3: Net sales increased by 86%. Underlying operating profit decreased by 32%. The decrease was mainly attributable to lower achieved prices in the Nordic countries that were affected by major price differences between electricity price areas in Sweden and a lower realised trading result mainly due to intra-year timing effects which will be reversed in the future. The realised trading result in 2021 was at an exceptionally high level. Higher contribution from pumped hydro storage operations in Germany and higher nuclear power generation (1.2 TWh) had an offsetting impact. The average electricity spot price was higher compared to the first nine months of 2021 but the achieved price decreased due to higher price differences between electricity price areas in Sweden.

Q3: Net sales increased by 93%. Underlying operating profit decreased by 70% mainly owing to a lower realised trading result and lower achieved prices in the Nordic countries due to major price differences between electricity price areas in Sweden. This was offset by higher contribution from pumped hydro storage in Germany.

The restart after the annual maintenance and fuel replacement shutdown at Ringhals 4 has been postponed to 31 January 2023. The reason for the postponement is that the plant's pressure vessel was damaged while undergoing mandatory testing. No safety anomalies occurred at the plant and reactor safety remained unaffected. The damage was limited to the pressure regulator.

Business Area Markets has signed a five-year agreement with Shell for the delivery of 300,000 MWh electricity from Vattenfall's offshore wind farm Thanet in the UK. This corresponds to about one-third of the annual electricity production at Thanet.

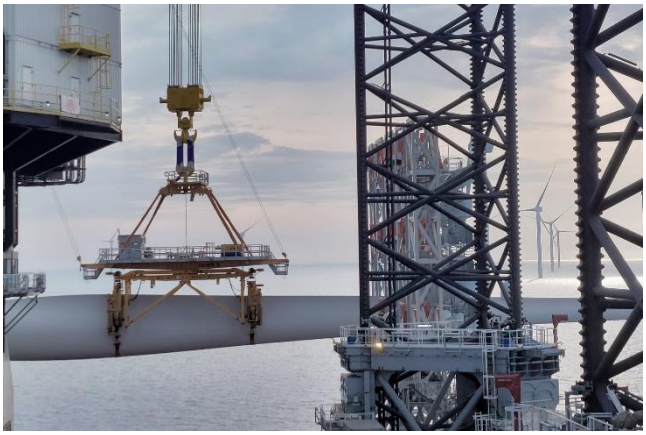
After the end of the quarter, the Swedish Radiation Safety Authority and the Swedish Transmission System Operator, Svenska Kraftnät, approved the capacity increase of Forsmark 1 nuclear reactor. The capacity increase will take place in two stages, with approximately 50 MW in 2022 and an additional 50 MW in 2023.

KEY FIGURES – POWER GENERATION

Amounts in SEK million unless indicated otherwise	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Net sales	137 357	73 669	48 093	24 942	126 318	190 006
External net sales	17 416	23 350	4 140	8 682	40 312	34 378
Underlying EBITDA	13 508	17 641	2 537	5 230	23 714	19 581
Underlying EBIT	9 789	14 398	1 227	4 117	19 334	14 725
- of which, realised trading result	386	4 106	- 2 002	1 339	3 633	- 87
Electricity generation, TWh	60.3	59.5	19.8	16.6	81.2	82.0
- of which, hydro power	30.1	30.5	11.0	9.2	40.8	40.4
- of which, nuclear power	30.2	29.0	8.8	7.4	40.4	41.6
Sales of electricity, TWh	11.1	16.3	3.1	5.8	22.2	17.0
- of which, resellers	9.8	15.5	2.6	5.5	17.5	11.8
- of which, business customers	1.3	0.8	0.5	0.3	4.7	5.2
Sales of gas, TWh	0.5	0.7	0.1	0.1	1.1	0.9
Number of employees, full-time equivalents	7 238	7 307	7 238	7 307	7 260	

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.



Increased earnings as a result of higher electricity prices and new capacity

- Foundation installation completed and delivery of first electricity from offshore wind farm Hollandse Kust Zuid in the Netherlands
- Prequalified to participate in tender of floating offshore wind power in France
- Exercised option to continue to develop the offshore wind power project N 7.2 in Germany which is expected to cover the electricity consumption for over one million households

Q1–Q3: Net sales increased by 99% compared to 2021. Underlying operating profit increased by 275% driven by higher electricity prices on the Continent and new capacity, especially attributable to the offshore wind farm Kriegers Flak in Denmark. Electricity generation increased by 14% primarily as a result of new capacity and higher wind speeds mainly in the beginning of the year, especially in Sweden, Germany and Denmark.

Q3: Net sales increased by 129%. Underlying operating profit increased by 371% mainly as a result of higher continental electricity prices. Electricity generation decreased by 2% driven by lower onshore production due to the partial divestment of the wind farm Princess Ariane This was offset in part by higher offshore production.

The construction of Vattenfall's wind farm Hollandse Kust Zuid is moving ahead. The first electricity was delivered in August, and September saw the completion of the last of the project's 140 foundations. The wind farm is expected to be fully operational in 2023 and have a total installed capacity of 1,520 MW, equivalent to the annual electricity consumption of 1.5 million Dutch households.

Vattenfall has been pre-qualified for the upcoming tender for floating offshore wind power in France. Two areas have been identified for the project, each with a capacity of 250 MW, or the annual energy consumption of half a million French households. The decision to award the project is expected in late 2023, and the wind farms are expected to be commissioned at the end of this decade.

Vattenfall used its option to continue to develop to develop the offshore wind project N-7.2 off the German North Sea coast. The project will have a total capacity of 980 MW, corresponding to more than the annual electricity consumption of a million German households. Pending a final investment decision, the wind farm could be connected to the German power grid in 2027.

In late September, Vattenfall entered into an agreement with Siemens Energy and Aker Solutions AS for the delivery of grid connection infrastructure for the offshore wind farm Norfolk Boreas off the UK coast. According to the agreement, Siemens Energy and Aker Solutions is responsible for the technology, the procurement procedure, construction, and installation of onshore and offshore high voltage direct current transformer stations as well as connecting the project to the transmission grid.

KEY FIGURES – WIND

Amounts in SEK million unless indicated otherwise	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Net sales	21 122	10 615	8 155	3 559	20 872	31 379
External net sales	3 213	3 641	1 156	1 022	7 791	7 363
Underlying EBITDA	16 411	7 332	6 732	2 566	13 451	22 530
Underlying EBIT	11 958	3 188	5 230	1 110	7 866	16 636
Electricity generation - wind power TWh	8.6	7.5	2.3	2.3	11.2	12.3
Sales of electricity, TWh	0.8	0.7	0.3	0.2	1.0	1.1
Number of employees, full-time equivalents	1 491	1 250	1 491	1 250	1 279	

Heat

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

Lower clean spark spreads affected results negatively

- Higher gas prices could not be covered by higher heat and electricity revenues
- Joint venture with Midlothian Council to invest in low carbon energy solutions in Scotland
- Increased integration of excess heat into Vattenfall's district heating network through corporation with AstaReal in Sweden and AEB in the Netherlands

Q1–Q3: Net sales increased by 116%. The underlying operating profit decreased by 523% compared to the first nine months of 2021, mainly owing to higher gas prices which led to lower clean spark spreads primarily affecting heat operations. Higher operating expenses largely driven by planned maintenance also impacted the underlying operating profit negatively. This was partly offset by higher heat prices following post-hoc price adjustments for the fuel price development. Hedging of spreads also had an offsetting effect, which is reported in the Power Generation operating segment.

Electricity generation decreased as a result of the lower spreads and sales of heat decreased due to higher temperatures. Compared to year-end 2021, the number of customers increased by 2.1% to the equivalent of 2.0 million households[1].

Q3: Net sales increased by 181%. The underlying operating profit decreased by 44% compared to the third quarter 2021. Higher gas prices resulted in lower clean spark spreads which affected the heat operations. Higher operating expenses due to planned maintenance also had a negative impact on the underlying operating profit. Higher heat prices had an offsetting impact as they undergo subsequent adjustment for the increasing fuel prices.

In September, Vattenfall and Midlothian Council formed a joint venture (50/50) in Scotland, called Midlothian Energy Limited. The parties plan to invest GBP 100 million in low carbon energy solutions over the next five years. Construction of the first district heating grid is planned to start before the end of the year. Upon completion, the project is expected to be able to deliver heating to 3,000 households as well as premises for education and retail. Initially, excess heat from a waste and recycling plant will be integrated into the district heating grid.

Vattenfall is working on integrating more excess heat into the district heating grid. Vattenfall's partnership with AstaReal in Sweden is an example where the first excess heat from algae cultivation was delivered to households in Gustavsberg via Vattenfall's district heating grid. Excess heat integration from waste is also part of the transition to heating without natural gas in Amsterdam. The capacity between Vattenfall's partially owned district heating grid and AEB's waste incineration plant in Amsterdam has been expanded and the first heat was delivered in the third quarter.

KEY FIGURES – HEAT

Amounts in SEK million unless indicated otherwise	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Net sales	42 466	19 640	14 502	5 170	34 759	57 585
External net sales	14 098	9 836	3 914	2 433	14 655	18 917
Underlying EBITDA	- 519	2 827	- 635	- 179	2 590	- 756
Underlying EBIT	- 2 701	638	- 1 301	- 906	- 343	- 3 682
Electricity generation - TWh	11.7	13.6	3.0	2.9	19.0	17.1
- of which, fossil-based power	11.5	13.4	3.0	2.8	18.6	16.7
- of which, biomass, waste	0.2	0.2	—	0.1	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	9.5	10.5	1.3	1.3	15.6	14.6
Number of employees, full-time equivalents	3 150	3 165	3 150	3 165	3 126	

1) Including decentralised energy solutions that have previously been reported separately

Distribution

The Distribution Business Area comprises Vattenfall's electricity distribution operations in Sweden and the UK.

High demand for connections to the electricity grid

- Upgrades to regional grid progressing with the inauguration of a regional grid station in Stockholm and detailed planning for a 150-kV transmission line in Luleå
- Connection project in Gothenburg selected to be part of an initiative to reduce lead times for expanding the power grid
- Pilot project for flexible fast charging of electric vehicles in Riksgränsen in northern Sweden

Q1–Q3: Net sales decreased by 35% and the underlying operating profit decreased by 48% compared to 2021. The sale of Stromnetz Berlin on 1 July 2021 affected the net sales comparison by SEK 5.3 billion and the underlying operating profit negatively by SEK 0.7 billion. In addition, the underlying operating profit was affected by higher operating expenses and a lower gross margin in the Swedish operation, mainly owing to higher costs related to the transmission network as well as an increase in network losses caused by higher electricity prices.

Q3: Net sales increased by 8% compared to 2021. Underlying operating profit decreased by 47% due to higher operating expenses, mainly due to higher personnel expenses, which was partly offset by a higher gross margin.

In order to meet the Stockholm region's growth and increased demand for electricity, the regional grid is undergoing extensive upgrades. Transformer stations are being rebuilt, new power lines are being constructed, and existing ones are reinforced to increase capacity. The work is expected to be completed by 2030 with investments totalling SEK 1.8 billion. As part of the upgrades, a new regional grid station was inaugurated in Barkarby in September to increase the power grid capacity and secure the power supply.

Vattenfall's customers are determined to decarbonise their activities and the area around Luleå has seen record-high demand for connections. Vattenfall is strengthening the regional grid in the area in stages and has recently been awarded a line concession for a 150 kV transmission line between Lerbäcken and Hertsöfältet in Luleå. The detailed planning phase has begun and the project is expected to be completed in 2024/2025.

Shorter permitting processes for the power grid are central to enable the energy transition. To that end, the Swedish Energy Markets Inspectorate has selected yet another Vattenfall project to participate in the government initiative to shorten lead times to expand the power grid. The connection project that was picked should facilitate increased power output, which is a prerequisite for a sustainable industry transition in the Gothenburg area.

Vattenfall's new pilot project for flexible, fast charging of electric vehicles is in progress in Riksgränsen, Sweden's northernmost border. The project enables connection to the power grid in an area that currently has limited capacity. The next step is to test and analyse the solution within the framework of the R&D project FlexConnect.

In these turbulent times, many of Vattenfall's customers are concerned about the market situation, and customer service enquiries are up by 200% in 2022 compared to 2021. Many customers are looking to start producing their own electricity; and so far this year Vattenfall has received 11,000 connection requests. That represents a 100% increase compared to the same time last year. Vattenfall is in the process of changing over to a large-scale workflow approach to reduce the wait times to connect new production while strengthening operations with additional resources.

After the end of the quarter, the Swedish Energy Markets Inspectorate approved the concession application initially filed in October 2020 for two 130 kV overhead power lines from Hedelunda to Oxelösund. The lines will enable the connection of SSAB's electric arc furnace, which will result in a substantial reduction in CO_2 emissions.

KEY FIGURES – DISTRIBUTION

Amounts in SEK million unless indicated otherwise	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Net sales	9 026	13 833	2 503	2 308	17 262	12 455
External net sales	8 461	11 338	2 280	2 140	14 643	11 766
Underlying EBITDA	3 298	4 811	756	838	5 913	4 400
Underlying EBIT	1 413	2 693	128	240	3 152	1 872
Number of employees, full-time equivalents	1 322	1 161	1 322	1 161	1 165	

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 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Net sales	6 157	4 455	2 148	1 426	6 169	7 871
External net sales	334	233	111	182	418	519
Underlying EBITDA	- 453	- 231	- 106	126	- 326	- 548
Underlying EBIT	- 1 111	- 913	- 336	- 125	- 1 189	- 1 387
Number of employees, full-time equivalents	3 000	2 806	3 000	2 806	2 792	

Consolidated income statement

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Net sales	160 825	116 590	53 076	36 125	180 119	224 354
Cost of purchases	- 82 800	- 44 402	- 27 059	- 10 286	- 87 474	- 125 872
Other external expenses	- 14 466	- 13 386	- 5 061	- 3 447	- 18 450	- 19 530
Personnel expenses	- 15 142	- 14 807	- 4 734	- 4 306	- 19 801	- 20 136
Other operating income and expenses, net	503	21 613	172	9 292	21 454	344
Participations in the results of associated companies	103	- 43	- 8	- 85	- 58	88
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	**49 023**	**65 565**	**16 386**	**27 293**	**75 790**	**59 248**
Depreciation, amortisation and impairments	- 12 316	- 13 044	- 4 194	- 4 367	- 15 519	- 14 791
Operating profit (EBIT)	**36 707**	**52 521**	**12 192**	**22 926**	**60 271**	**44 457**
Financial income[3]	609	673 [5]	227	426 [5]	783	719
Financial expenses[1,2,3]	- 6 140	- 4 307 [5]	- 2 032	- 1 737 [5]	- 5 906	- 7 739
Return from the Swedish Nuclear Waste Fund	- 6 543	3 330	- 659	567	4 225	- 5 648
Profit before income taxes	**24 633**	**52 217**	**9 728**	**22 182**	**59 373**	**31 789**
Income taxes	- 7 653	- 10 305	- 3 044	- 3 905	- 11 360	- 8 708
Profit for the period	**16 980**	**41 912**	**6 684**	**18 277**	**48 013**	**23 081**
Attributable to owner of the Parent Company	16 502	41 054	6 242	18 178	46 828	22 276
Attributable to non-controlling interests	478	858	442	99	1 185	805
Supplementary information						
Underlying EBITDA[4]	37 451	35 134	10 820	9 149	48 584	50 901
Underlying EBIT[4]	23 844	22 090	6 232	4 782	31 181	32 935
Financial items, net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	- 4 032	- 2 106	- 1 304	- 802	- 3 090	- 5 016
1) Including interest components related to pension costs	- 431	- 328	- 145	- 110	- 439	- 542
2) Including discounting effects attributable to provisions	- 1 499	- 1 528	- 501	- 509	- 2 033	- 2 004
3) Items affecting comparability recognised as financial income and expenses, net	6	- 6	2	—	- 6	6

4) See note 5 for information on items affecting comparability

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

Consolidated statement of comprehensive income

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Profit for the period	**16 980**	**41 912**	**6 684**	**18 277**	**48 013**	**23 081**
Other comprehensive income						
Items that will be reclassified to profit or loss when specific conditions are met						
Cash flow hedges - changes in fair value	72 847	61 824	43 412	45 462	82 259	93 282
Cash flow hedges - dissolved against income statement	- 76 399	- 8 675	- 37 832	- 5 653	- 31 553	- 99 277
Cash flow hedges - transferred to cost of hedged item	4	11	- 1	2	16	9
Hedging of net investments in foreign operations	- 2 013	- 977	- 426	- 405	- 1 414	- 2 450
Translation differences, divested companies	—	689	—	643	697	8
Translation differences	10 232	1 870	2 606	538	3 218	11 580
Income taxes related to items that will be reclassified	- 3 627	- 16 347	- 2 570	- 12 093	- 15 420	- 2 700
Total items that will be reclassified to profit or loss when specific conditions are met	**1 044**	**38 395**	**5 189**	**28 494**	**37 803**	**452**
Items that will not be reclassified to profit or loss						
Remeasurement pertaining to defined benefit obligations	16 557	426	3 451	- 2	- 670	15 461
Income taxes related to items that will not be reclassified	- 4 575	- 5	- 1 059	—	226	- 4 344
Total items that will not be reclassified to profit or loss	**11 982**	**421**	**2 392**	**- 2**	**- 444**	**11 117**
Total other comprehensive income, net after income taxes	**13 026**	**38 816**	**7 581**	**28 492**	**37 359**	**11 569**
Total comprehensive income for the period	**30 006**	**80 728**	**14 266**	**46 769**	**85 372**	**34 650**
Attributable to owner of the Parent Company	28 830	79 727	13 611	46 646	83 915	33 018
Attributable to non-controlling interests	1 176	1 001	655	123	1 457	1 632

Operating segments, Vattenfall Group

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
External net sales						
Customers & Solutions	**117 303**	**68 192**	**41 475**	**21 666**	**102 300**	**151 411**
Power Generation	**17 416**	**23 350**	**4 140**	**8 682**	**40 312**	**34 378**
Wind	**3 213**	**3 641**	**1 156**	**1 022**	**7 791**	**7 363**
Heat	**14 098**	**9 836**	**3 914**	**2 433**	**14 655**	**18 917**
Distribution	**8 461**	**11 338**	**2 280**	**2 140**	**14 643**	**11 766**
- of which, Distribution Germany	—	3 202	—	4	3 203	1
- of which, Distribution Sweden	8 358	8 042	2 245	2 105	11 310	11 626
Other[1]	**334**	**233**	**111**	**182**	**418**	**519**
Total	**160 825**	**116 590**	**53 076**	**36 125**	**180 119**	**224 354**
Internal net sales						
Customers & Solutions	**6 255**	**2 546**	**2 665**	**1 028**	**4 260**	**7 969**
Power Generation	**119 941**	**50 319**	**43 953**	**16 260**	**86 006**	**155 628**
Wind	**17 909**	**6 974**	**6 999**	**2 537**	**13 081**	**24 016**
Heat	**28 368**	**9 804**	**10 588**	**2 737**	**20 104**	**38 668**
Distribution	**565**	**2 495**	**223**	**168**	**2 619**	**689**
- of which, Distribution Germany	—	2 062	—	2	2 061	- 1
- of which, Distribution Sweden	566	447	214	170	586	705
Other[1]	**5 823**	**4 222**	**2 037**	**1 244**	**5 751**	**7 352**
Eliminations	**- 178 861**	**- 76 360**	**- 66 465**	**- 23 974**	**- 131 821**	**- 234 322**
Total	**—**	**—**	**—**	**—**	**—**	**—**
Total net sales						
Customers & Solutions	**123 558**	**70 738**	**44 140**	**22 694**	**106 560**	**159 380**
Power Generation	**137 357**	**73 669**	**48 093**	**24 942**	**126 318**	**190 006**
Wind	**21 122**	**10 615**	**8 155**	**3 559**	**20 872**	**31 379**
Heat	**42 466**	**19 640**	**14 502**	**5 170**	**34 759**	**57 585**
Distribution	**9 026**	**13 833**	**2 503**	**2 308**	**17 262**	**12 455**
- of which, Distribution Germany	—	5 264	—	6	5 264	—
- of which, Distribution Sweden	8 924	8 489	2 459	2 275	11 896	12 331
Other[1]	**6 157**	**4 455**	**2 148**	**1 426**	**6 169**	**7 871**
Eliminations	**- 178 861**	**- 76 360**	**- 66 465**	**- 23 974**	**- 131 821**	**- 234 322**
Total	**160 825**	**116 590**	**53 076**	**36 125**	**180 119**	**224 354**

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Operating profit before depreciation, amortisation and impairment losses (EBITDA)						
Customers & Solutions	**5 404**	**2 923**	**1 596**	**585**	**3 241**	**5 722**
Power Generation	**25 746**	**39 445**	**8 904**	**14 641**	**42 053**	**28 354**
Wind	**16 434**	**7 407**	**6 733**	**2 640**	**13 534**	**22 561**
Heat	**- 1 312**	**2 854**	**- 1 418**	**- 187**	**2 842**	**- 1 324**
Distribution	**3 308**	**4 810**	**757**	**838**	**5 911**	**4 409**
- of which, Distribution Germany	—	1 008	—	1	1 008	—
- of which, Distribution Sweden	3 281	3 764	744	818	4 873	4 390
Other[1]	**- 362**	**8 285**	**- 129**	**8 783**	**8 197**	**- 450**
Eliminations	**- 195**	**- 159**	**- 57**	**- 7**	**12**	**- 24**
Total	**49 023**	**65 565**	**16 386**	**27 293**	**75 790**	**59 248**
Underlying EBITDA						
Customers & Solutions	**5 401**	**2 913**	**1 593**	**575**	**3 230**	**5 718**
Power Generation	**13 508**	**17 641**	**2 537**	**5 230**	**23 714**	**19 581**
Wind	**16 411**	**7 332**	**6 732**	**2 566**	**13 451**	**22 530**
Heat	**- 519**	**2 827**	**- 635**	**- 179**	**2 590**	**- 756**
Distribution	**3 298**	**4 811**	**756**	**838**	**5 913**	**4 400**
- of which, Distribution Germany	—	1 009	—	1	1 009	—
- of which, Distribution Sweden	3 271	3 764	743	818	4 874	4 381
Other[1]	**- 453**	**- 231**	**- 106**	**126**	**- 326**	**- 548**
Eliminations	**- 195**	**- 159**	**- 57**	**- 7**	**12**	**- 24**
Total	**37 451**	**35 134**	**10 820**	**9 149**	**48 584**	**50 901**

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Operating profit (EBIT)						
Customers & Solutions	**4 694**	**2 255**	**1 345**	**362**	**2 446**	**4 885**
Power Generation	**22 025**	**36 201**	**7 595**	**13 530**	**39 502**	**25 326**
Wind	**11 981**	**3 264**	**5 231**	**1 185**	**7 919**	**16 636**
Heat	**- 2 203**	**665**	**- 1 691**	**- 914**	**- 91**	**- 2 959**
Distribution	**1 424**	**2 692**	**128**	**240**	**3 150**	**1 882**
- of which, Distribution Germany	—	665	—	1	665	—
- of which, Distribution Sweden	1 447	2 032	132	236	2 515	1 930
Other[1]	**- 1 019**	**7 603**	**- 359**	**8 530**	**7 333**	**- 1 289**
Eliminations	**- 195**	**- 159**	**- 57**	**- 7**	**12**	**- 24**
Operating profit (EBIT)	**36 707**	**52 521**	**12 192**	**22 926**	**60 271**	**44 457**
Operating profit (EBIT)	36 707	52 521	12 192	22 926	60 271	44 457
Financial net	- 12 074	- 304	- 2 464	- 744	- 898	- 12 668
Profit before tax	**24 633**	**52 217**	**9 728**	**22 182**	**59 373**	**31 789**
Underlying EBIT						
Customers & Solutions	**4 691**	**2 245**	**1 341**	**353**	**2 349**	**4 795**
Power Generation	**9 789**	**14 398**	**1 227**	**4 117**	**19 334**	**14 725**
Wind	**11 958**	**3 188**	**5 230**	**1 110**	**7 866**	**16 636**
Heat	**- 2 701**	**638**	**- 1 301**	**- 906**	**- 343**	**- 3 682**
Distribution	**1 413**	**2 693**	**128**	**240**	**3 152**	**1 872**
- of which, Distribution Germany	—	666	—	1	666	—
- of which, Distribution Sweden	1 437	2 032	131	236	2 516	1 921
Other[1]	**- 1 111**	**- 913**	**- 336**	**- 125**	**- 1 189**	**- 1 387**
Eliminations	**- 195**	**- 159**	**- 57**	**- 7**	**12**	**- 24**
Underlying EBIT	**23 844**	**22 090**	**6 232**	**4 782**	**31 181**	**32 935**

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 2022	30 Sep 2021	31 Dec 2021
Assets			
Non-current assets			
Intangible assets: non-current	18 282	16 853	17 070
Property, plant and equipment	268 624	243 329	252 828
Participations in associated companies and joint arrangements	6 609	4 864	6 110
Other shares and participations	321	311	313
Share in the Swedish Nuclear Waste Fund	46 339	51 364	52 772
Derivative assets	100 852	29 459	35 240
Deferred tax assets	10 794	8 258	8 905
Contract assets[1]	56	95	85
Other non-current receivables	6 122	6 454	6 118
Total non-current assets	**457 999**	**360 987**	**379 441**
Current assets			
Inventories	24 688	22 391	41 539
Intangible assets: current	1 517	42	4 861
Trade receivables and other receivables	39 836	46 951	41 219
Contract assets[1]	204	357	290
Advance payments paid	16 420	5 443	8 362
Derivative assets	275 435	111 648	120 645
Prepaid expenses and accrued income	11 546	7 045	12 402
Current tax assets	335	1 361	2 717
Short-term investments	95 953	63 803	102 706
Cash and cash equivalents	173 367	67 644	68 176
Assets held for sale	5 189	38	—
Total current assets	**644 490**	**326 723**	**402 917**
Total assets	**1 102 489**	**687 710**	**782 358**
Equity and liabilities			
Equity			
Attributable to owner of the Parent Company	186 164	176 034	180 710
Attributable to non-controlling interests	18 160	15 100	16 472
Total equity	**204 324**	**191 134**	**197 182**
Non-current liabilities			
Hybrid Capital	21 960	20 135	20 421
Other interest-bearing liabilities	54 540	50 517	50 839
Pension provisions	24 457	39 247	40 328
Other interest-bearing provisions	147 767	113 113	116 637
Derivative liabilities	101 831	24 025	30 307
Deferred tax liabilities	48 518	35 463	33 913
Contract liabilities[1]	7 770	7 109	7 422
Other noninterest-bearing liabilities	2 089	1 945	2 018
Total non-current liabilities	**408 932**	**291 554**	**301 885**
Current liabilities			
Trade payables and other liabilities	23 971	34 725	39 241
Contract liabilities[1]	981	953	1 213
Advance payments received	123 595	54 979	62 790
Derivative liabilities	240 667	83 505	99 511
Accrued expenses and deferred income	16 903	11 143	18 460
Current tax liabilities	2 353	2 797	2 418
Other interest-bearing liabilities	77 430	13 776	55 148
Interest-bearing provisions	3 205	3 144	4 510
Liabilities associated with assets held for sale	128	—	—
Total current liabilities	**489 233**	**205 022**	**283 291**
Total equity and liabilities	**1 102 489**	**687 710**	**782 358**

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

SUPPLEMENTARY INFORMATION

Amounts in SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Calculation of capital employed			
Intangible assets: current and non-current	19 799	16 895	21 931
Property, plant and equipment	268 624	243 329	252 828
Participations in associated companies and joint arrangements	6 609	4 864	6 110
Deferred and current tax assets	11 129	9 619	11 622
Non-current noninterest-bearing receivables	4 194	3 443	3 563
Current and non-current contract assets	260	452	375
Inventories	24 688	22 391	41 539
Trade receivables and other receivables	39 836	46 951	41 219
Prepaid expenses and accrued income	11 546	7 045	12 402
Unavailable liquidity	2 233	3 854	3 446
Other	712	339	643
Total assets excl. financial assets	**389 630**	**359 182**	**395 678**
Deferred and current tax liabilities	- 50 871	- 38 260	- 36 331
Other noninterest-bearing liabilities	- 2 089	- 1 945	- 2 018
Current and non-current contract liabilities	- 8 751	- 8 062	- 8 635
Trade payable and other liabilities	- 23 971	- 34 725	- 39 241
Accrued expenses and deferred income	- 16 903	- 11 143	- 18 460
Other	- 1 378	- 422	- 899
Total noninterest-bearing liabilities	**- 103 963**	**- 94 557**	**- 105 584**
Other interest-bearing provisions not related to adjusted net debt[1]	- 27 220	- 9 441	- 9 213
Capital employed[2]	**258 447**	**255 184**	**280 881**
Capital employed, average	**256 816**	**258 053**	**271 674**
Calculation of net debt			
Hybrid Capital	- 21 960	- 20 135	- 20 421
Bond issues and liabilities to credit institutions	- 44 184	- 41 231	- 37 732
Short-term debt, commercial papers and repo	- 67 532	- 1 548	- 46 189
Liabilities to associated companies	- 947	- 1 103	- 1 452
Liabilities to owners of non-controlling interests	- 10 002	- 10 883	- 10 747
Other liabilities	- 9 306	- 9 528	- 9 867
Total interest-bearing liabilities	**- 153 931**	**- 84 428**	**- 126 408**
Cash and cash equivalents	173 367	67 644	68 176
Short-term investments	95 953	63 803	102 706
Loans to owners of non-controlling interests in foreign Group companies	619	329	229
Net debt[2]	**116 008**	**47 348**	**44 703**
Calculation of adjusted gross debt and net debt			
Total interest-bearing liabilities	- 153 931	- 84 428	- 126 408
50% of Hybrid Capital[3]	10 980	10 068	10 211
Present value of pension obligations	- 24 457	- 39 247	- 40 328
Provisions for gas and wind operations and other environment-related provisions	- 13 754	- 11 188	- 11 687
Provisions for nuclear power (net)[4]	- 54 086	- 37 869	- 40 233
Margin calls received	2 282	2 919	3 340
Liabilities to owners of non-controlling interests due to consortium agreements	10 002	10 883	10 747
Adjusted gross debt	**- 222 964**	**- 148 862**	**- 194 358**
Reported cash and cash equivalents and short-term investments	269 320	131 447	170 882
Unavailable liquidity	- 2 233	- 3 854	- 3 446
Adjusted cash and cash equivalents and short-term investments	**267 087**	**127 593**	**167 436**
Adjusted net debt[2]	**44 123**	**- 21 269**	**- 26 922**

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 relating to funding of decommissioning obligations in Stade and Brokdorf. 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 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Operating activities						
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	49 023	65 565	16 386	27 293	75 790	59 248
Tax paid	- 2 738	- 2 721	- 883	- 1 008	- 6 725	- 6 742
Capital gains/losses, net	- 110	- 8 636	28	- 8 737	- 8 760	- 234
Interest received	508	353	298	177	523	678
Interest paid	- 2 833	- 2 571	- 793	- 252	- 3 226	- 3 488
Other, incl. non-cash items	- 16 252	- 24 510	- 7 731	- 11 419	- 11 506	- 3 248
Funds from operations (FFO)	**27 598**	**27 480**	**7 305**	**6 054**	**46 096**	**46 214**
Changes in inventories	20 093	- 3 955	20 251	- 1 072	- 23 067	981
Changes in operating receivables	9 529	- 11 556	157	- 2 466	- 31 816	- 10 731
Changes in operating liabilities[1]	- 12 800	8 561	- 6 151	5 103	26 232	4 871
Margin calls[1]	67 044	79 226	70 914	55 673	88 995	76 813
Other changes	- 2 450	- 2 236	- 2 091	- 2 069	- 4 608	- 4 822
Cash flow from changes in operating assets and operating liabilities	**81 416**	**70 040**	**83 080**	**55 169**	**55 736**	**67 112**
Cash flow from operating activities	**109 014**	**97 520**	**90 385**	**61 223**	**101 832**	**113 326**
Investing activities						
Acquisitions in Group companies[1]	- 173	- 55	—	- 53	- 114	- 232
Investments in associated companies and other shares and participations	- 72	- 177	- 43	- 260	- 278	- 173
Other investments in non-current assets	- 17 063	- 17 572	- 7 493	- 6 790	- 25 157	- 24 648
Total investments	**- 17 308**	**- 17 804**	**- 7 536**	**- 7 103**	**- 25 549**	**- 25 053**
Divestments[1]	294	19 296	41	19 320	19 579	577
Changes in short-term investments[1]	11 012	- 34 640	- 29 706	- 27 455	- 73 051	- 27 399
Cash flow from investing activities	**- 6 002**	**- 33 148**	**- 37 201**	**- 15 238**	**- 79 021**	**- 51 875**
Cash flow before financing activities	**103 012**	**64 372**	**53 184**	**45 985**	**22 811**	**61 451**
Financing activities						
Changes in loans to owners of non-controlling interests in foreign Group companies	- 362	51	39	118	153	- 260
Loans raised[2]	54 749	6 536	8 282	670	51 150	99 363
Amortisation of other debt[2]	- 31 631	- 32 133	19 943	- 6 419	- 35 870	- 35 368
Divestment of shares in Group companies to owners of non-controlling interests	—	4 016	—	4 016	4 025	9
Redemption of Hybrid Capital	—	- 2 941	—	- 104	- 2 941	—
Issue of Hybrid Capital	—	6 481	—	—	6 481	—
Dividends paid to owners	- 24 191	- 5 189	- 210	- 65	- 5 190	- 24 192
Contribution to owners of non-controlling interests	- 923	- 229	- 400	—	- 601	- 1 295
Contribution from owners of non-controlling interests	2 210	545	1 575	533	1 786	3 451
Cash flow from financing activities	**- 148**	**- 22 863**	**29 229**	**- 1 251**	**18 993**	**41 708**
Cash flow for the period	**102 864**	**41 509**	**82 413**	**44 734**	**41 804**	**103 159**

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Cash and cash equivalents						
Cash and cash equivalents at start of period	68 176	26 074	90 177	20 463	26 074	67 644
Cash and cash equivalents included in assets held for sale	—	—	—	2 400	—	—
Cash flow for the period	102 864	41 509	82 413	44 734	41 804	103 159
Translation differences	2 327	61	777	47	298	2 564
Cash and cash equivalents at end of period	**173 367**	**67 644**	**173 367**	**67 644**	**68 176**	**173 367**

1) The value has been adjusted compared with information previously published in Vattenfall's financial reports. See note 1.
2) Short-term borrowings in which the duration is three months or shorter are reported net.

SUPPLEMENTARY INFORMATION

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Cash flow before financing activities	**103 012**	**64 372**	**53 184**	**45 985**	**22 811**	**61 451**
Change in margin calls from Treasury operations	- 1 259	- 1 518	347	- 387	- 1 700	**- 1 441**
Changes in short-term investments	- 11 012	34 640	29 706	27 455	73 051	**27 399**
Financing activities						
Divestment of shares in Group companies to owners of non-controlling interests	—	4 016	—	4 016	4 025	9
Dividends paid to owners	- 24 191	- 5 189	- 210	- 65	- 5 190	- 24 192
Contribution to/from owners of non-controlling interests	1 287	316	1 175	533	1 185	2 156
Cash flow after dividend	**67 837**	**96 637**	**84 202**	**77 537**	**94 182**	**65 382**
Analysis of change in net debt						
Net debt at start of period	44 703	- 48 178	29 322	- 32 328	- 48 178	47 348
Cash flow after dividend	67 837	96 637	84 202	77 537	94 182	65 382
Changes as a result of valuation at fair value	2 495	803	1 223	195	660	2 352
Changes in interest-bearing liabilities for leasing	- 1 052	- 997	- 191	- 390	- 1 442	- 1 497
Interest-bearing liabilities/short-term investments acquired/divested	—	- 2	—	- 2	- 13	- 11
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	2 025	- 915	1 452	42	- 506	2 434
Net debt at end of period	**116 008**	**47 348**	**116 008**	**47 348**	**44 703**	**116 008**
Cash flow from operating activities	109 014	97 520	90 385	61 223	101 832	113 326
Maintenance/replacement investments	- 6 717	- 7 216	- 2 599	- 3 527	- 11 012	- 10 513
Free cash flow[1]	**102 297**	**90 304**	**87 786**	**57 696**	**90 820**	**102 813**

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

INVESTMENTS

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Electricity generation						
Hydro power	452	481	203	169	795	766
Nuclear power	1 163	843	419	289	1 263	1 583
Gas	200	43	59	21	64	221
Wind power and solar PV	10 558	9 182	4 933	2 686	11 157	12 533
Biomass, waste	11	71	2	32	73	13
Total electricity generation	**12 384**	**10 620**	**5 616**	**3 197**	**13 352**	**15 116**
CHP/heat						
Fossil-based power	567	516	310	252	1 053	1 104
Heat networks	830	901	323	326	1 511	1 440
Other	51	161	49	55	483	373
Total CHP/heat	**1 448**	**1 578**	**682**	**633**	**3 047**	**2 917**
Electricity networks						
Electricity networks	3 146	3 839	1 143	953	5 758	5 065
Total electricity networks	**3 146**	**3 839**	**1 143**	**953**	**5 758**	**5 065**
Purchases of shares, shareholder contributions	245	233	43	313	400	412
Other	1 358	983	524	344	1 557	1 932
Total investments	**18 581**	**17 253**	**8 008**	**5 440**	**24 114**	**25 442**
Accrued investments, unpaid invoices (-)/release of accrued investments (+)	- 1 273	551	- 472	1 663	1 443	- 381
Cash and cash equivalents in acquired companies	—	—	—	—	- 8	- 8
Total investments with cash flow effect	**17 308**	**17 804**	**7 536**	**7 103**	**25 549**	**25 053**

Consolidated statement of changes in equity

	30 Sep 2022			30 Sep 2021			31 Dec 2021		
Amounts in SEK million	**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**
Balance brought forward	**180 710**	**16 472**	**197 182**	**97 724**	**13 468**	**111 192**	**97 724**	**13 468**	**111 192**
Profit for the period	**16 502**	**478**	**16 980**	**41 054**	**858**	**41 912**	**46 828**	**1 185**	**48 013**
Cash flow hedges - changes in fair value	72 847	—	**72 847**	61 824	—	**61 824**	82 259	—	**82 259**
Cash flow hedges - dissolved against income statement	- 76 399	—	**- 76 399**	- 8 691	16	**- 8 675**	- 31 569	16	**- 31 553**
Cash flow hedges - transferred to cost of hedged item	4	—	**4**	11	—	**11**	16	—	**16**
Hedging of net investments in foreign operations	- 2 013	—	**- 2 013**	- 977	—	**- 977**	- 1 414	—	**- 1 414**
Translation differences - divested companies	—	—	**—**	689	—	**689**	697	—	**697**
Translation differences - foreign operations	9 534	698	**10 232**	1 740	130	**1 870**	2 983	235	**3 218**
Remeasurement pertaining to defined benefit obligations	16 557	—	**16 557**	426	—	**426**	- 700	30	**- 670**
Income taxes related to other comprehensive income	- 8 202	—	**- 8 202**	- 16 349	- 3	**- 16 352**	- 15 185	- 9	**- 15 194**
Total other comprehensive income for the period	**12 328**	**698**	**13 026**	**38 673**	**143**	**38 816**	**37 087**	**272**	**37 359**
Total comprehensive income for the period	**28 830**	**1 176**	**30 006**	**79 727**	**1 001**	**80 728**	**83 915**	**1 457**	**85 372**
Dividends paid to owners	- 23 414	- 777	**- 24 191**	- 4 000	- 1 189	**- 5 189**	- 4 000	- 1 190	**- 5 190**
Group contributions from(+)/to(-) owners of non-controlling interests	—	—	**—**	—	—	**—**	—	51	**51**
Changes in ownership in Group companies on divestments of shares to owners of non-controlling interests	—	—	**—**	2 532	1 504	**4 036**	2 538	1 508	**4 046**
Contribution to/from owners of non-controlling interests	—	1 287	**1 287**	—	316	**316**	—	1 185	**1 185**
Other changes in ownership	—	2	**2**	51	—	**51**	—	—	**—**
Other changes	38	—	**38**	—	—	**—**	533	- 7	**526**
Total transactions with equity holders	**- 23 376**	**512**	**- 22 864**	**- 1 417**	**631**	**- 786**	**- 929**	**1 547**	**618**
Balance carried forward	**186 164**	**18 160**	**204 324**	**176 034**	**15 100**	**191 134**	**180 710**	**16 472**	**197 182**
- Of which, Reserve for hedges	29 378	8	**29 386**	38 569	8	**38 577**	36 968	8	**36 976**

Key ratios, Vattenfall Group

In % unless otherwise stated. (x) means times[1]	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Operating margin	22.8	45.0	23.0	63.5	33.5	19.8
Operating margin[2]	14.8	18.9	11.7	13.2	17.3	14.7
Pre-tax profit margin	15.3	44.8	18.3	61.4	33.0	14.2
Pre-tax profit margin[2]	7.3	18.7	7.1	11.2	16.8	9.0
Return on equity[3]	14.8	40.2	14.8	40.2	36.9	14.8
Return on capital employed[3]	17.3	22.4	17.3	22.4	22.2	17.3
Return on capital employed[2, 3]	12.8	11.7	12.8	11.7	11.5	12.8
EBIT interest cover, (x)[3]	7.9	16.6	7.9	16.6	15.8	7.9
EBIT interest cover, (x)[2, 3]	5.9	8.7	5.9	8.7	8.3	5.9
FFO interest cover, (x)[3]	9.1	12.1	9.1	12.1	12.9	9.1
FFO interest cover, net, (x)[3]	10.2	14.5	10.2	14.5	15.9	10.2
Cash flow interest cover after maintenance investments, (x)[3]	20.8	33.9[4]	20.8	33.9[4]	27.4	20.8
FFO/gross debt[3]	30.0	46.0	30.0	46.0	36.5	30.0
FFO/net debt[3]	- 39.8	- 82.0	- 39.8	- 82.0	- 103.1	- 39.8
FFO/adjusted net debt[3]	n/a[5]	182.7	n/a[5]	182.7	171.2	n/a [5]
EBITDA/net financial items, (x)	12.2	31.1	12.6	34.0	24.5	11.8
EBITDA/net financial items, (x)[2]	9.3	16.7	8.3	11.4	15.7	10.1
Equity/Total assets	18.5	27.8	18.5	27.8	25.2	18.5
Gross debt/equity	75.3	44.2	75.3	44.2	64.1	75.3
Net debt/equity	- 56.8	- 24.8	- 56.8	- 24.8	- 22.7	- 56.8
Gross debt/gross debt plus equity	43.0	30.6	43.0	30.6	39.1	43.0
Net debt/net debt plus equity	- 131.4	- 32.9	- 131.4	- 32.9	- 29.3	- 131.4
Net debt/EBITDA, (x)[3]	- 2.0	- 0.6	- 2.0	- 0.6	- 0.6	- 2.0
Adjusted net debt/EBITDA, (x)[3]	- 0.7	0.3	- 0.7	0.3	0.4	- 0.7

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.
4) The value has been adjusted compared with information previously published in Vattenfall's financial reports.
5) The adjusted net debt decreased to a net asset mainly due to increased margin calls received. Excluding effects from received and paid margin calls FFO/adjusted net debt was at 41.4%.

Quarterly information, Vattenfall Group

Amounts in SEK million	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Income statement							
Net sales	53 076	48 170	59 579	63 529	36 125	34 554	45 911
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	16 386	15 386	17 249	10 226	27 293	20 531	17 740
Underlying EBITDA	10 820	12 660	13 970	13 452	9 149	9 577	16 408
Operating profit (EBIT)	12 192	11 730	12 783	7 750	22 926	16 210	13 385
Underlying EBIT	6 232	8 107	9 504	9 092	4 782	5 256	12 053
Profit before income taxes	9 728	6 469	8 433	7 156	22 182	16 778	13 257
Profit for the period	6 684	4 231	6 064	6 101	18 277	13 212	10 423
- of which, attributable to owner of the Parent Company	6 242	4 478	5 782	5 774	18 178	13 002	9 875
- of which, attributable to non-controlling interests	442	- 247	282	327	99	210	548
Balance sheet							
Capital employed	258 447	289 959	276 749	280 881	255 184	280 855	271 110
Net debt	116 008	29 321	37 611	44 703	47 348	- 32 328	- 43 865
Cash flow							
Funds from operations (FFO)	7 305	11 911	8 382	18 616	6 054	7 439	13 987
Cash flow from operating activities	90 385	9 776	- 3 058	4 312 [1]	61 223 [1]	23 965 [1]	12 331 [1]
Cash flow from investing activities	- 37 201	12 523	18 676	- 45 872 [1]	- 15 238 [1]	- 12 782 [1]	- 5 128 [1]
Cash flow from financing activities	29 229	- 43 145	13 768	41 855	- 1 252	- 6 446	- 15 164
Cash flow for the period	**82 413**	**- 8 935**	**29 386**	**295**	**44 733**	**4 737**	**- 7 961**
Free cash flow	**87 786**	**20 026**	**- 5 514**	**516** [1]	**57 696** [1]	**22 553** [1]	**10 054** [1]

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

In % unless otherwise stated. (x) means times[1]	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Key ratios							
Return on equity	14.8	23.5	31.0	36.9	40.2	30.3	10.0
Return on capital employed[2]	17.3	19.3	21.8	22.2	22.4	14.5	5.9
Return on capital employed[2, 3]	12.8	11.0	10.5	11.5	11.7	11.0	9.9
EBIT interest cover, (x)[2]	7.9	10.3	14.9	15.8	16.6	12.1	5.1
EBIT interest cover, (x)[2, 3]	5.9	6.0	7.3	8.3	8.7	9.3	8.6
FFO/gross debt[2]	30.0	36.3	28.8	36.5	46.0	44.3	40.0
FFO/net debt[2]	- 39.8	- 153.4	- 107.7	- 103.1	- 82.0	123.1	83.8
FFO/adjusted net debt	n/a [4]	103.0	120.5	171.2	182.7	38.1	32.8
Equity/Total assets	18.5	20.6	24.4	25.2	27.8	25.8	26.8
Gross debt/equity	75.3	65.6	66.7	64.1	44.2	64.2	72.0
Net debt/equity	- 56.8	- 15.5	- 17.9	- 22.7	- 24.8	23.1	34.4
Net debt/net debt plus equity	- 131.4	- 18.4	- 21.8	- 29.3	- 32.9	18.8	25.6
Net debt/EBITDA, (x)[2]	- 2.0	- 0.4	- 0.5	- 0.6	- 0.6	0.5	0.9
Adjusted net debt/EBITDA, (x)[2]	- 0.7	0.6	0.4	0.4	0.3	1.8	2.4

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.
4) The adjusted net debt decreased to a net asset mainly due to increased margin calls received. Excluding effects from received and paid margin calls FFO/adjusted net debt was at 41.4%.

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 2021 Annual and Sustainability Report in Note 3 to the consolidated accounts, Accounting policies. Amended IFRSs endorsed by the EU for application in the 2022 financial year have no significant effect on Vattenfall's financial statements.

Risks and uncertainties

For a description of risks, uncertainties and risk management, please refer to Vattenfall's 2021 Annual and Sustainability Report, pages 62-71. The developments in the energy markets effects Vattenfalls entire operation. The past nine months have seen a continuation of the high volatility and price levels observed last year in the European energy commodity markets. The situation is amplified by the Ukraine war exacerbating Europe's security of supply for natural gas. On top, current dry weather conditions and lower power plant availability are straining electricity supply in most of Europe. As a result of the high energy prices the risk of a wider economic recession increases.

The sharply rising commodity prices has also caused a significant increase in the cash liquidity risk across the industry. Margining arrangements like Credit Support Annex continue to be challenging for the liquidity position of many companies. Due to the strong increase in electricity prices, counterparties have provided margin securities to Vattenfall. Conversely, if electricity prices were to fall significantly, Vattenfall would have to fund a large outflow of cash for margin securities.

One of the main risks for Vattenfall are defaults by customers and counterparties caused by the continued high electricity and commodity prices. To reflect the increased risk of customer defaults due to high electricity prices, general high inflation and the expected decline in the economy the Expected Credit Losses accounted for in Vattenfall were increased.

The rise in inflation also leads to increased costs, e.g. for raw materials and services which affects Vattenfall's operating activities and investments.

EU Energy Ministers met for an extraordinary Energy Council in September and discussed short- and long-term interventions to cushion the effects of the high electricity prices. Interventions that target short-term profits of electricity generation, e.g. capping revenues from electricity generation with lower marginal costs, for example from Wind, Solar, Nuclear and Hydro, or gas price caps may pose a new financial and strategic risk to Vattenfall's portfolio. Without accompanying regulatory measures that will safeguard hedged volumes, interventions will skew the existing and expected future revenue expectation.

Presentation of financial statements

In the interim reports for 2022 the following amendments in the presentations were made compared to Vattenfall's 2021 Annual and Sustainability Report:

- In the balance sheet contractual assets and liabilities are divided into short- and long-term contractual assets and liabilities respectively.

- In the cash flow statement acquisitions in group companies as well as divestments are shown as the net of acquisition price and cash in acquired companies and the net of sales price and cash in divested companies respectively. In addition, changes in margin calls from the treasury operations, which were previously included in short term investments in cash flow from investments as well as changes in operating liabilities, are included in Margin calls related to derivatives.

Other

Significant related-party transactions are described in Note 44 to the consolidated accounts in Vattenfall's 2021 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 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021
Average rate					
EUR	10.5179	10.1436	10.4670	10.1572	10.1469
DKK	1.4138	1.3639	1.4070	1.3658	1.3644
GBP	12.3961	11.7130	12.3329	11.8497	11.7820
USD	9.9185	8.4757	9.8041	8.6110	8.5687

	30 Sep 2022	30 Sep 2021	31 Dec 2021
Balance sheet date rate			
EUR	10.8993	10.1683	10.2503
DKK	1.4657	1.3674	1.3784
GBP	12.3435	11.8163	12.1987
USD	11.1811	8.7817	9.0502

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 measured at amortised cost do not differ significantly from their fair values. The difference between carrying amounts and fair values for financial liabilities measured at amortised cost amounts to SEK -3,110 million (31 December 2021: 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 2022

Amounts in SEK million	Level 1	Level 2	Level 3	Total
Assets				
Share in the Swedish Nuclear Waste Fund	46 339	—	—	**46 339**
Derivative assets	—	372 284	4 003	**376 287**
Short-term investments, cash equivalents and other shares and participations	145 164	18 483	—	**163 647**
Total assets	**191 503**	**390 767**	**4 003**	**586 273**
Liabilities				
Derivative liabilities	—	342 498	—	**342 498**
Total liabilities	**—**	**342 498**	**—**	**342 498**

FINANCIAL ASSETS AND LIABILITIES THAT ARE MEASURED AT FAIR VALUE ON THE BALANCE SHEET AT 31 DECEMBER 2021

Amounts in SEK million	Level 1	Level 2	Level 3	Total
Assets				
Share in the Swedish Nuclear Waste Fund	**52 772**	**—**	**—**	**52 772**
Derivative assets	—	154 744	1 141	**155 885**
Short-term investments, cash equivalents and other shares and participations	116 013	11 404	—	**127 417**
Total assets	**168 785**	**166 148**	**1 141**	**336 074**
Liabilities				
Derivative liabilities	—	129 818	—	**129 818**
Total liabilities	**—**	**129 818**	**—**	**129 818**

NOTE 4 | 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, changes in the fair value of energy derivatives, which according to IFRS 9 cannot be recognised using hedge accounting and changes in the fair value of inventories.

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Jul-Sep 2022	Jul-Sep 2021	Full year 2021	Last 12 months
Items affecting comparability	12 863	30 431	5 960	18 144	29 090	11 522
- of which, capital gains	204	8 803	—	8 762	8 960	361
- of which, capital losses	- 94	- 167	- 28	- 25	- 199	- 126
- of which, impairment losses	- 1	—	—	—	- 38	- 39
- of which, reversed impairment losses	1 292	—	394	—	1 922	3 214
- of which, provisions	- 3 325	- 2 453	- 774	- 1	- 3 785	- 4 657
- of which, changes in the fair value of energy derivatives	13 204	10 537	7 994	7 792	8 715	11 382
- of which, changes in the fair value of inventories	1 582	1 801	- 1 627	1 645	1 313	1 094
- of which, other non-recurring items affecting comparability	1	11 910	1	- 29	12 202	293

Items affecting comparability during January-September 2022 amounted to SEK 12.9 billion, most of which pertains to changes in market value for energy derivatives and inventories (SEK 14.8 billion) and provisions in nuclear operations and Business Area Heat (SEK -3.3 billion). The reversed impairment losses relates to assets in Business Area Heat.

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 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).

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 2021 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 2022

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

- Net sales amounted to SEK 24,046 million (28,315).
- Profit before appropriations and income taxes was SEK -54,081 million (-1,332).
- The lower operating profit are mainly attributable to changes in market value for energy derivatives, for all future years' hedges amounting to SEK -51,006 million. In addition, the Parent Company is charged with SEK -9,185 million for increased commitments for future decommissioning of Ringhals and Forsmark resulting from increased provisions for those group companies and the negative development of the share in the Swedish Nuclear Waste Fund.
- The improved net financial items refers to dividends from group companies, mainly from Vattenfall GmbH.
- The balance sheet total was SEK 539,464 million (31 December 2021:468,482).
- Investments during the period amounted to SEK 697 million (5,443), whereof last year's investment pertained mainly to group internal asset transactions.
- Cash and cash equivalents, and short-term investments amounted to SEK 219,788 million (31 December 2021: 145,743).
- Dividend paid to the owner of SEK 23,414 million (4,000).

Risks and uncertainties

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

Other

The owners to the Swedish nuclear companies are required to provide security to the Swedish state as a guarantee that sufficient funds exist to cover the future costs of nuclear waste management. The security is provided in the form of guarantee commitments from the owners of the nuclear power companies and includes both financial and supplementary security. The state has during the first six month during 2022 decided to increase the levels of the security. The effect for Vattenfall AB will be an increase of 14,7 billion SEK.

Significant related-party transactions are described in Note 44 to the consolidated accounts, Related party disclosures, in Vattenfall's 2021 Annual and Sustainability Report. No material changes have taken place in relations or transactions with related parties compared with the description in Vattenfall's 2021 Annual and Sustainability Report.

Parent Company income statement

Amounts in SEK million	Jan-Sep 2022	Jan-Sep 2021	Full year 2021	Last 12 months
Net sales	24 046	28 315	40 045	35 776
Cost of purchases related to production	- 83 984	- 26 240	- 37 035	- 94 779
Other external expenses	- 3 792	- 3 317	- 5 250	- 5 725
Personnel expenses	- 2 368	- 1 644	- 2 247	- 2 971
Other operating incomes and expenses, net	17	339	- 52	- 374
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	**- 66 081**	**- 2 547**	**- 4 539**	**- 68 073**
Depreciation, amortisation and impairments	- 504	- 473	- 629	- 660
Operating profit (EBIT)	**- 66 585**	**- 3 020**	**- 5 168**	**- 68 733**
Result from participations in subsidiaries	15 772	2 232	2 231	15 771
Result from participations in associated companies	- 61	1	1	- 61
Other financial income	1 201	1 237	1 537	1 501
Other financial expenses	- 4 408	- 1 782	- 2 820	- 5 446
Profit before appropriations and income taxes	**- 54 081**	**- 1 332**	**- 4 219**	**- 56 968**
Appropriations	4 840	1 057	5 086	8 869
Profit before income taxes	**- 49 241**	**- 275**	**867**	**- 48 099**
Income taxes	12 820	489	445	12 776
Profit for the period	**- 36 421**	**214**	**1 312**	**- 35 323**

Parent Company balance sheet

Amounts in SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Assets			
Non-current assets			
Intangible assets: non-current	323	333	330
Property, plant and equipment	6 937	6 647	7 003
Shares and participations	166 993	166 449	166 802
Deferred tax assets	15 116	1 948	2 272
Other non-current receivables group	66 537	64 030	65 553
Other non-current receivables	4 277	4 681	5 570
Total non-current assets	**260 183**	**244 088**	**247 530**
Current assets			
Inventories	371	386	342
Intangible assets: current	18	7	9
Current receivables group	10 223	10 925	59 366
Current receivables	48 203	10 953	13 791
Current tax assets	678	168	1 701
Short-term investments	95 140	62 975	101 877
Cash and cash equivalents	124 648	56 046	43 866
Total current assets	**279 281**	**141 460**	**220 952**
Total assets	**539 464**	**385 548**	**468 482**
Equity, provisions and liabilities			
Equity			
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	1 365	1 357	1 370
Non-restricted equity			
Retained earnings	42 814	66 200	64 911
Profit for the period	- 36 421	214	1 312
Total equity	**52 332**	**112 345**	**112 167**
Untaxed reserves	**2 328**	**12 285**	**7 168**
Provisions	**6 042**	**5 072**	**5 621**
Non-current liabilities			
Hybrid capital	21 960	20 135	20 421
Other interest-bearing liabilities group	222	8	1 573
Other interest-bearing liabilities	50 364	37 505	37 902
Other noninterest-bearing liabilities group	12 590	12 488	12 590
Other noninterest-bearing liabilities	9 456	273	279
Total non-current liabilities	**94 592**	**70 409**	**72 765**
Current liabilities			
Other interest-bearing liabilities group	243 134	160 187	197 355
Other interest-bearing liabilities	77 013	13 768	54 960
Current tax liabilities	—	2	—
Other noninterest-bearing liabilities group	2 123	1 298	4 521
Other noninterest-bearing liabilities	61 900	10 182	13 925
Total current liabilities	**384 170**	**185 437**	**270 761**
Total equity, provisions and liabilities	**539 464**	**385 548**	**468 482**

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, changes in the fair value of energy derivatives, which according to IFRS 9 cannot be recognised using hedge accounting and 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
Other definitions	**Definition**
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 2022**	**Jan-Sep 2021**	**Jul-Sep 2022**	**Jul-Sep 2021**	**Full year 2021**	**Last 12 months**
Operating profit (EBIT)	36 707	52 521	12 192	22 926	60 271	44 457
Depreciation, amortisation and impairment losses	- 12 316	- 13 044	- 4 194	- 4 367	- 15 519	- 14 791
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	**49 023**	**65 565**	**16 386**	**27 293**	**75 790**	**59 248**
Items affecting comparability excl. impairment losses and reversed impairment losses	- 11 572	- 30 431	- 5 566	- 18 144	- 27 206	- 8 347
Underlying operating profit before depreciation, amortisation and impairment losses	**37 451**	**35 134**	**10 820**	**9 149**	**48 584**	**50 901**
Operating profit (EBIT)	36 707	52 521	12 192	22 926	60 271	44 457
Items affecting comparability	- 12 863	- 30 431	- 5 960	- 18 144	- 29 090	- 11 522
Underlying operating profit	**23 844**	**22 090**	**6 232**	**4 782**	**31 181**	**32 935**

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

KEY RATIOS BASED ON LAST 12-MONTH VALUES OCTOBER 2021 – SEPTEMBER 2022:

Operating margin, %	= 100 x	EBIT	44 457	=	19.8
		Net sales	224 354		
Operating margin excl. items affecting comparability, %	= 100 x	Underlying EBIT	32 935	=	14.7
		Net sales	224 354		
Pre-tax profit margin, %	= 100 x	Profit before income taxes	31 789	=	14.2
		Net sales	224 354		
Pre-tax profit margin excl. items affecting comparability, %	= 100 x	Profit before income taxes excl. items affecting comparability	20 267	=	9.0
		Net sales	224 354		
Return on equity, %	= 100 x	Profit for the period attributable to owner of the Parent Company	22 276	=	14.8
		Average equity for the period attributable to owner of the Parent Company excl. the Reserve for cash flow hedges	150 124		
Return on capital employed, %	= 100 x	EBIT	44 457	=	17.3
		Capital employed, average	256 816		
Return on capital employed excl. items affecting comparability, %	= 100 x	Underlying EBIT	32 935	=	12.8
		Capital employed, average	256 816		
EBIT interest cover, (x)	=	EBIT + financial income	45 176	=	7.9
		Financial expenses excl. discounting effects attributable to provisions	5 735		
EBIT interest cover excl. Items affecting comparability, (x)	=	Underlying EBIT + financial income	33 654	=	5.9
		Financial expenses excl. discounting effects attributable to provisions	5 735		
FFO interest cover, (x)	=	FFO + financial expenses excl. discounting effects attributable to provisions	51 949	=	9.1
		Financial expenses excl. discounting effects attributable to provisions	5 735		
FFO interest cover, net, (x)	=	FFO + financial items net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	51 230	=	10.2
		Financial items net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	5 016		

Cash flow interest cover after maintenance investments, (x)	=	Cash flow from operating activities less maintenance investments + financial expenses excl. Discounting effects attributable to provisions and interest components related to pension costs / Financial expenses excl. discounting effects attributable to provisions and interest components related to pension costs	108 006 / 5 193	=	20.8
FFO/gross debt, %	= 100 x	FFO / Interest-bearing liabilities	46 214 / 153 931	=	30.0
FFO/net debt, %	= 100 x	FFO / Net debt	46 214 / -116 008	=	-39.8
FFO/adjusted net debt, % [1]	= 100 x	FFO / Adjusted net debt	46 214 / -44 123	=	-104.7
FFO/adjusted net debt excl. margin calls, %	= 100 x	FFO / Adjusted net debt excl. margin calls	46 214 / 111 525	=	41.4
EBITDA/net financial items, (x)	=	EBITDA / Financial items net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	59 248 / 5 016	=	11.8
EBITDA excl. items affecting comparability/net financial items, (x)	=	EBITDA excl. items affecting comparability / Financial items net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	50 901 / 5 016	=	10.1

KEY RATIOS BASED ON THE BALANCE SHEET PER 30 SEPTEMBER 2022:

Equity/total assets, %	= 100 x	Equity / Balance sheet total	204 324 / 1102 489	=	18.5
Gross debt/equity, %	= 100 x	Interest-bearing liabilities / Equity	153 931 / 204 324	=	75.3
Net debt/equity, %	= 100 x	Net debt / Equity	-116 008 / 204 324	=	-56.8
Gross debt/gross debt equity, %	= 100 x	Interest-bearing liabilities / Interest-bearing liabilities + equity	153 931 / 358 255	=	43.0
Net debt/net debt plus equity, %	= 100 x	Net debt / Net debt + equity	-116 008 / 88 316	=	-131.4
Net debt/EBITDA, (x)	=	Net debt / EBITDA	-116 008 / 59 248	=	-2.0
Adjusted net debt/ EBITDA, (x)	=	Adjusted net debt / EBITDA	-44 123 / 59 248	=	-0.7

1) The adjusted net debt decreased to a net asset mainly due to increased margin calls received. Excluding effects from received and paid margin calls FFO/adjusted net debt was at 41.4%.

Interim report signature
Solna, 27 October 2022

Anna Borg
President and CEO

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

Financial calendar
Year-end report 2022, 8 February 2023

Annual General Meeting, 26 April 2023

Interim report January-March, 27 April 2023

Interim report January-June, 20 July 2023

Interim report January-September, 26 October 2023

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