

# Interim Report January–March 2024

## Business highlights, January–March 2024

- Vattenfall completed the sale of the Norfolk Offshore Wind Zone in the UK and reports a capital gain of SEK 4.6 billion
- Completion of the offshore wind farm Vesterhav Nord in Denmark
- Vattenfall and Borealis have signed a 10-year hydropower purchase agreement contributing to reduced CO<sub>2</sub> emissions
- The feasibility study on new nuclear has been completed and shows favourable conditions for new construction at Ringhals
- New long-term Power Purchase Agreements for solar projects in Germany
- Vattenfall has initiated the work to connect SSAB's electric arc furnace in Oxelösund to the electricity grid

## Events after the balance sheet date

- Vattenfall has signed a purchase agreement with BASF for 49% of Nordlicht 1 and 2 offshore wind farms in the German North sea

## Financial highlights, January–March 2024

- Net sales decreased by 21% (21% excluding currency effects) to SEK 76,499 million (96,788)
- Underlying operating profit<sup>1</sup> increased by 45% to SEK 13,884 million (9,545)
- Operating profit<sup>1</sup> increased by 27% to SEK 20,755 million (16,332)
- Profit for the period increased by 43% to SEK 16,879 million (11,818)

## KEY DATA

Amounts in SEK million unless indicated otherwise	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Net sales	76 499	96 788	290 168	269 879
Operating profit before depreciation, amortisation and impairment losses (EBITDA) <sup>1</sup>	26 530	21 300	39 685	44 915
Operating profit (EBIT) <sup>1</sup>	20 755	16 332	16 991	21 414
Underlying EBIT <sup>1</sup>	13 884	9 545	20 005	24 344
Profit for the period	16 879	11 818	10 395	15 456
Electricity generation, TWh	31.0	28.2	100.9	103.7
Sales of electricity, TWh <sup>2</sup>	45.4	45.7	168.0	167.7
- of which, customer sales	33.0	34.4	125.9	124.5
Sales of heat, TWh	5.6	5.7	13.5	13.4
Sales of gas, TWh	20.2	18.3	44.5	46.4
Return on capital employed, % <sup>1</sup>	6.6 <sup>3</sup>	5.4 <sup>3</sup>	5.3	6.6
FFO/adjusted net debt, % <sup>1</sup>	26.8 <sup>3</sup>	39.6 <sup>3</sup>	21.5	26.8

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.

# Good result development despite lower electricity prices

Vattenfall has had a solid start to 2024 with a good result development despite lower electricity prices. During the quarter, we completed the sale of three wind power projects off the coast of Norfolk in the UK, which contributed to strengthening our financial position. We continue to invest in projects and technologies that drive the energy transition forward.

## Higher achieved prices in the Nordics boost results

Electricity prices have continued to decline, especially in southern Sweden, where the price areas are heavily affected by the price development on the continent. Continental prices are falling due to mild weather, well-filled gas stocks and good availability in French nuclear. Despite this, Vattenfall had higher achieved prices in the Nordics in the first quarter of 2024 due to price hedges, which had a positive impact on the result. However, the continental price hedges had an offsetting effect as these have not been as effective as in the Nordics.

## Improved underlying profit

The underlying operating profit increased sharply during the quarter, amounting to SEK 13.9 billion (9.5). This is mainly due to higher achieved prices in the Nordics and higher volumes from nuclear power, wind power and hydropower. Profit for the period increased by SEK 5.1 billion to SEK 16.9 compared to the first quarter of 2023, mainly due to higher operating profit. A capital gain of SEK 4.6 billion from the sale of the Norfolk projects in the UK compensated for less positive changes in fair values.

## Continued steps for fossil-free electricity generation and new partnerships

To succeed with the transition to a fossil-free society and meet future energy needs, we are continuing the expansion of existing fossil-free electricity generation while also planning for new production facilities. Our work on new nuclear is an example of this. During the quarter, we presented the main findings from the feasibility study on new nuclear. This showed that there are

favourable conditions for building new nuclear power on the Värö Peninsula adjacent to Ringhals. Work on property acquisitions, assessment of impact on nearby nature reserves and continued dialogue with authorities and other stakeholders are ongoing. One important conclusion of the feasibility study is also that a risk-sharing model is needed to enable commercial companies to invest in new reactors. We welcome the fact that the government is now investigating the conditions for new nuclear power.

In addition to developing fossil-free electricity generation, it is important to cooperate with the industry to assist in reducing their climate impact. During the quarter, we have entered into several strategic partnerships, such as a hydro power purchase agreement with Borealis and two solar purchase power agreements with Evonik and Wieland Group. At the end of April, we also announced that we have signed a purchase agreement for 49% of Germany's Nordlicht offshore wind farms with BASF.

## A changing world, but the direction for the energy transition remains

We live in a changing world, with continued geopolitical and financial uncertainty and we have an important year ahead of us. However, it is clear to us that the direction of the energy transition remains, and that many attractive business opportunities come with it. We are continuing to build on our integrated and diversified business model by investing in profitable projects within areas such as fossil-free electricity generation and electricity grids.



*Anna Borg*

**Anna Borg**  
President and CEO

Profit for the period

**16.9**  
SEK billion

(11.8)

Underlying operating profit

**13.9**  
SEK billion

(9.5)

FFO/adjusted net debt

**26.8%**  
(39.6)

Return on capital employed

**6.6%**  
(5.4)

# Group overview

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

## Market development

The electricity market has continued to be characterised by lower electricity prices during the first quarter of 2024. The price areas in southern Sweden have been particularly affected since they are affected by the price development on the continent. Continental prices are mainly pressured by mild weather, well-filled gas stocks and good availability of French nuclear. Lower average electricity prices were, however, offset by decreased differences between the electricity price areas and price hedges which increased Vattenfall's achieved price in the Nordics.

### ELECTRICITY SPOT PRICES, EUR/MWh

The average spot price in Vattenfall's markets have decreased in the first quarter of 2024 compared to the same period in 2023. The main reasons for this are reduced electricity prices across the continent due to mild weather, increased availability of French nuclear power, and well-filled gas stocks.

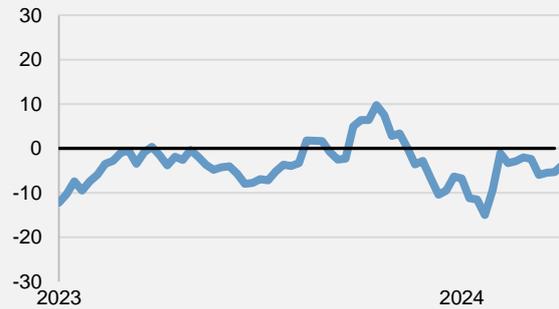
	Jan-Mar		
	2024	2023	Change
Nordics	58.5	85.2	-31%
Germany	67.7	115.8	-42%
Netherlands	68.7	121.4	-43%

## NORDIC HYDROLOGY

Hydrological balance is a measure of the expected amount of energy that is stored in the form of snow, water reservoirs and groundwater in relation to normal circumstances. Historically, electricity prices in the Nordics have had a negative correlation with the hydrological balance because the available hydropower capacity usually determines which type of energy is used. Electricity prices in the northern parts of the Nordics are still linked to the hydrological balance, while the correlation to the system price and price development in the southern parts has weakened.

At the end of the first quarter of 2024, the hydrological balance in the Nordic region was slightly below normal but at a higher level than at the end of 2023 due to higher precipitation and warmer weather.

## NORDIC HYDROLOGICAL BALANCE (TWh)

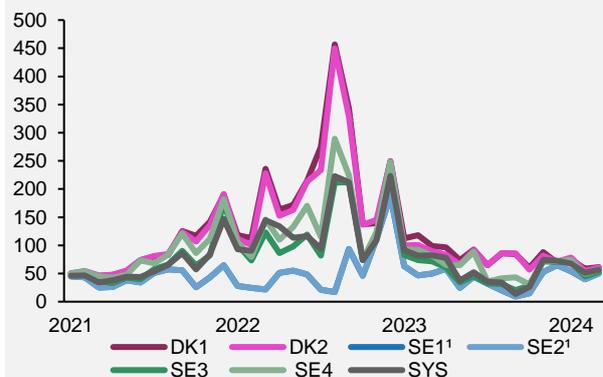


The fill level of Vattenfall's reservoirs amounted to 19% (27%), which is 6 percentage points below the normal level.

## NORDIC PRICE AREA DIFFERENCES

The electricity market in the Nordics is divided into different price areas. In Sweden, there are four price areas and Vattenfall's hydropower assets are mainly in SE1 and SE2, while the nuclear power assets are in SE3. Vattenfall also has wind power assets, most of which are located in SE4. In Denmark, there are two price areas, and Vattenfall has wind power assets in both areas, DK1 and DK2. The Nordic system price (SYS) is a reference price for all price areas and is calculated by the electricity 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 differences have been lower in the first quarter of 2024 compared to the same period in 2023, but are from a historical perspective still at elevated levels. Prices have mainly fallen in southern Sweden, while prices in northern Sweden have remained at roughly the same levels as during the first quarter 2023. Prices in Denmark have followed a similar trend to southern Sweden.

## INDICATIVE NORDIC HEDGE PRICES AND FINANCIAL HEDGE RATIO (SE, DK, FI) AS PER 31 March 2024

Vattenfall's price hedging strategy is primarily focused on the Nordic generation assets because the primary risk exposure is linked to base production of nuclear power and hydro power. The degree of hedging is highest for the next few years and decreases thereafter.

	2024	2025	2026
EUR/MWh	46	49	42
Hedge ratio (%)	55	44	14

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

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-Mar		Full year
	2024	2023	2023
EUR/MWh	49	40	37

Vattenfall's achieved price in the Nordics has increased during the first quarter of 2024 compared to the first quarter of 2023 and the full year 2023. This is mainly due to price hedges and decreased differences between electricity price areas.

## FUEL PRICES

The prices of gas, coal, and CO<sub>2</sub> emission allowances affect mainly Vattenfall's heat operations on the Continent. Gas prices also affect activities within the business segment Customers & Solutions, which is responsible for customer sales of gas.

	Jan-Mar		
	2024	2023	Change
Gas (EUR/MWh)	27.5	54.2	-49%
Coal (USD/t)	106.1	147.2	-28%
CO <sub>2</sub> (EUR/t)	59.7	86.7	-31%

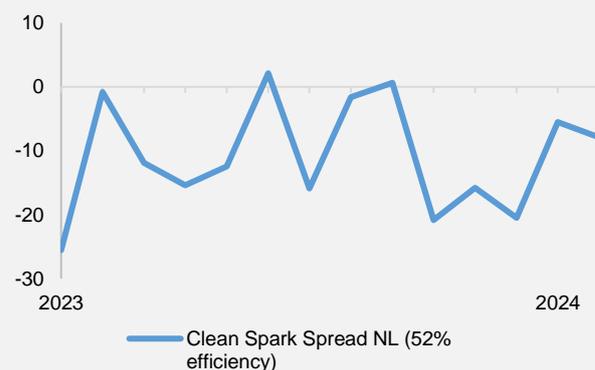
The price of gas and coal has dropped during the first quarter driven by well-filled gas stocks. The price of emission allowances for carbon dioxide has also decreased compared to the first quarter of 2023.

<sup>1</sup> Achieved prices from the spot market and price hedges. Includes Nordic electricity generation from hydropower, nuclear power and wind power.

## 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. These spreads affect Vattenfall's heat business in 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 (EUR/MWh)

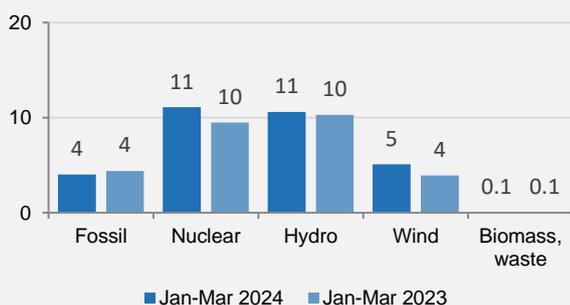


The clean spark spread in the Netherlands was negative in the first quarter of 2024 and was at the same level as in the first quarter of 2023.

## Generation development

Total electricity generation increased by 2.8 TWh to 31.0 (28.2) TWh in the first quarter of 2024. Nuclear power generation increased (by 1.6 TWh) due to the delayed restart of Ringhals 4 in the first quarter of 2023. Hydro power generation increased by 0.3 TWh. Generation from fossil-based power decreased (-0.4 TWh) as a result of the sale of the Magnum gas-fired power plant in the Netherlands.

### ELECTRICITY GENERATION (TWh)



### AVAILABILITY

The availability of a generation asset is calculated based on the proportion of the planned generation time without unforeseen technical problems or interruptions for maintenance. Given that the production of electricity for nuclear power is plannable and the production of electricity for wind power is dependent on wind speeds, different methods are used for nuclear power and wind power. Hence the two numbers for the two generation technologies are not comparable.

	Jan-Mar	
	2024	2023
Nuclear	92.1%	79.2%
Wind - offshore	91.6%	95.0%
Wind – onshore	95.9%	95.0%

The availability of Vattenfall's nuclear power increased in the first quarter of 2024 due to the delayed restart of Ringhals 4 in first quarter of 2023. The availability of offshore wind power decreased in the first quarter of 2024 mainly for Ormonde.

### INSTALLED WIND CAPACITY

New, installed wind power capacity in the last 12 months amounted to 906 MW and is mainly attributable to Hollandse Kust Zuid (641 MW out of 1,520 MW), Vesterhav (118 MW out of 344 MW) and South Kyle (101 MW out of 240 MW),

	Q1	Q1
	2024	2023
Onshore wind	1,973	1,870
Offshore wind	3,730	2,971
<b>Total</b>	<b>5,703</b>	<b>4,841</b>

## Sales development

Electricity sales, excluding sales to Nord Pool Spot and deliveries to minority owners, decreased by 1.4 TWh to 33.0 (34.4) TWh, mainly as a result of lower volumes in the business segment in France. Gas sales increased by 1.9 TWh to 20.2 (18.3) TWh mainly as a result of a larger German customer base. Heat sales were in line with the first quarter of 2023 and amounted to 5.6 (5.7) TWh.

	Jan-Mar		
	2024	2023	Change
Sales of electricity to customers, TWh	33.0	34.4	-4%
Sales of gas, TWh	20.2	18.3	10%
Sales of heat, TWh	5.6	5.7	-2%

### TEMPERATURE EFFECTS

Temperature effects have an impact on the sales volume within the Customers & Solutions and Heat operating segments. Lower temperatures usually mean an increased 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 is still the main source of heat, which means that lower temperatures increase the demand for gas in addition to increased heat sales.

### TEMPERATURE DEVIATION FROM NORMAL LEVELS (°C)

	Jan-Mar	
	2024	2023
Nordics	0.0	0.9
Netherlands	2.4	1.6
Germany	2.7	1.8

During the first quarter of 2024, the temperature on Vattenfall's continental markets was higher than normal, which has had a negative effect on sales.

## Net sales

**January–March:** Consolidated net sales decreased by SEK 20.3 billion (including positive currency effects of SEK 0.3 billion). This decrease is mainly explained by lower electricity and gas prices in customer sales.

## Earnings

**January–March:** The underlying operating profit increased compared to the previous year, which is mainly attributable to:

- Higher earnings contribution from the Power Generation operating segment (SEK 2.7 billion) mainly due to positive price effects from Nordic hedges which more than compensates for the lower electricity prices in the Nordics, as well as higher production volumes from nuclear power. However, the continental price hedges had a slight offsetting effect as they have not been as effective as in the Nordics.
- Higher profit contribution from the Wind operating segment (SEK 0.2 billion) mainly due to higher volumes from the wind farms Hollandse Kust Zuid in the Netherlands and Vesterhav in Denmark as well as higher subsidies for offshore wind power in Germany. Lower electricity prices had a countering effect.
- Lower profit contribution from the Customers & Solutions<sup>1</sup> operating segment (SEK -0.6 billion), mainly driven by lower production margins in heat operations in the Netherlands.
- Higher profit contribution from the Other<sup>1</sup> operating segment (SEK 2.1 billion) mainly as a result of higher production margins for the heat operation in Berlin, which will be divested in the second quarter of 2024.

Items affecting comparability amounted to SEK 6.9 billion (6.8), most of which relates to a capital gain from the sale of the offshore wind farms off the coast of Norfolk, UK (SEK 4.6 billion), fair value changes of energy derivatives and inventories (SEK 2.2 billion) and reduced provisions for nuclear power (SEK 1.0 billion). Impairments (SEK -1.0 billion) had a countering effect. *See note 4 for further information.*

Return on capital employed amounted to 6.6% (5.4%). The return on capital employed based on underlying operating profit amounted to 7.5% (11.8%). The period's result amounted to SEK 16.9 billion (11.8).

## Cash flow

**January–March:** Funds from operations (FFO) increased by SEK 3.7 billion primarily due to lower underlying operating profit before depreciation and impairments (EBITDA). The cash flow from changes in working capital amounted to SEK -8.8 billion. The biggest contributing factors were increased working capital in the Customers & Solutions segment (SEK -5.7 billion), Power Generation (SEK -4.9 billion) and in the Heat Berlin heat operation (SEK -3.6 billion). This was partly offset by the net received and paid margin calls (SEK +6.6 billion).

## KEY FIGURES – GROUP OVERVIEW

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Net sales	76 499	96 788	290 168	269 879
Operating profit before depreciation, amortisation and impairment losses (EBITDA) <sup>1</sup>	26 530	21 300	39 685	44 915
Operating profit (EBIT) <sup>1</sup>	20 755	16 332	16 991	21 414
Underlying EBIT <sup>1</sup>	13 884	9 545	20 005	24 344
Items affecting comparability <sup>1</sup>	6 871	6 787	- 3 014	- 2 930
Profit for the period	16 879	11 818	10 395	15 456
Funds from operations (FFO) <sup>1</sup>	15 517	11 787	30 058	33 788
Cash flow from changes in operating assets and operating liabilities (working capital)	- 8 773	- 43 984	- 54 682	- 19 471
Cash flow from operating activities	6 744	- 32 197	- 24 624	14 317

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

## Capital structure

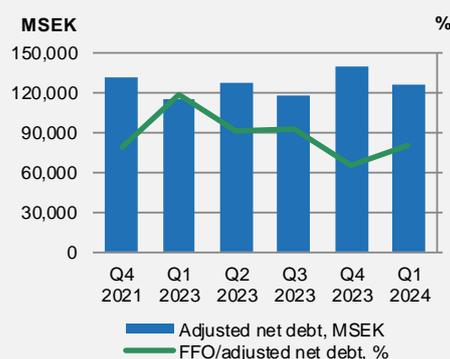
Cash, bank and similar assets and short-term investments fell by SEK 7.6 billion compared to 31 December 2023. Confirmed credit facilities consist of a Revolving Credit Facility of EUR 2.0 billion with a maturity date of November 2025. As per 31 December 2024, available liquid assets and/or committed credit facilities amounted to 30.7% of net sales. Vattenfall's target is to maintain a level of no less than 10% of Group net sales, but at least the equivalent of the next 90 days' maturities.

Net debt increased by SEK 14.7 billion to SEK 53.7 billion and adjusted net debt decreased by SEK 13.5 billion to SEK 126.0 billion compared to 31 December 2023. This is primarily attributable to the positive cash flow from operating activities (SEK +6.7 billion) and the sale of Norfolk Offshore Wind (SEK +12.8 billion). This was partially offset by investments (SEK -7.3 billion). The adjusted net debt was also impacted by lower provisions for nuclear power (SEK 4.6 billion).

### NET DEBT



### ADJUSTED NET DEBT



## Strategic focus areas and targets for 2025

Strategic focus area	Targets for 2025	Q1 2024	FY 2023
<b>Driving decarbonisation with our customers and partners</b> <b>Securing fossil-free energy supply</b>	1. Customer engagement, Net Promoter Score (NPS) <sup>1</sup> : <b>+18</b>	-	<b>+11</b>
	2. CO <sub>2</sub> emissions intensity <sup>2</sup> : <b>≤86 gCO<sub>2</sub>e/kWh</b>	<b>69</b>	<b>69</b>
<b>Delivering high-performing operations</b>	3. Funds From Operations (FFO)/adjusted net debt <sup>3</sup> : <b>22-27%</b>	<b>26.8%</b>	<b>21.5%</b>
	4. Return On Capital Employed (ROCE) <sup>4</sup> : <b>≥8%</b>	<b>6.6%</b>	<b>5.3%</b>
<b>Empowering our people</b>	5. Lost Time Injury Frequency (LTIF) <sup>5</sup> : <b>≤1.0</b>	<b>1.3</b>	<b>1.5</b>
	6. Employee Engagement Index <sup>6</sup> : <b>≥75%</b>	-	<b>80%</b>

1) NPS is weighted 80% from Customers & Solutions and 20% from Heat, which corresponds to our customer composition. Reported on an annual basis.

2) Includes CO<sub>2</sub> and other greenhouse gases such as N<sub>2</sub>O and SF<sub>6</sub>, as well as indirect emissions from electricity and heat use (scope 2). Consolidated value where CO<sub>2</sub> primarily relates to the Heat operating segment. The target for 2025 puts us on a path towards the 1.5°C target for 2030 according to SBT.

3) Rolling 12-month values. The effect from received variation margin had a significant impact on results for both Q1 2023 and the full 2022 financial year.

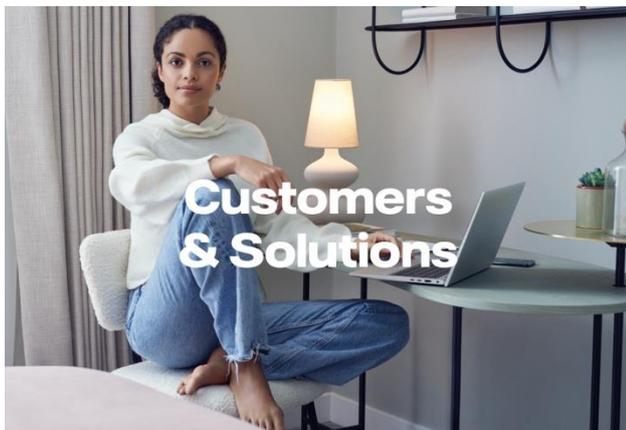
4) Rolling 12-month values. Market value changes for energy derivatives, changes in inventories and provisions had a significant impact on the results in Q1 2023 and for the full 2022 financial year. Return on capital employed based on underlying operating profit amounted to 7.5%.

5) Rolling 12-month values. LTIF, Lost Time Injury Frequency, is expressed in the number of work accidents per 1 million hours worked. The metric only applies to employees within Vattenfall.

6) The target is measured based on the results of an employee survey that is carried out annually. Due to an update of response options in the survey, the outcome may deviate +/- 3 percentage points from previous years.

# Operating segments

As of the first quarter of 2024, the Customers & Solutions operating segment includes Vattenfall's heat operations.



**Customers & Solutions**



**Power Generation**



**Wind**



**Distribution**

Amounts in SEK million

	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
<b>Underlying EBIT</b>				
<b>Customers &amp; Solutions<sup>1</sup></b>	1 881	2 436	9 203	9 384
- of which, heat operations	657	1 644	1 636	649
<b>Power Generation<sup>1</sup></b>	6 483	3 772	3 075	5 786
- of which, realised trading result	2 905	2 776	3 429	3 558
<b>Wind</b>	2 603	2 393	6 544	6 754
<b>Distribution</b>	1 138	1 356	1 526	1 308
<b>Other<sup>1,2</sup></b>	1 760	- 297	- 334	1 723
<b>Eliminations</b>	19	- 115	- 9	- 611
<b>Underlying EBIT</b>	<b>13 884</b>	<b>9 545</b>	<b>20 005</b>	<b>24 344</b>

1) See note 1 for more information.

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

## Customers & Solutions

The Customers & Solutions Business Area is responsible for our customer relations, heat plants and gas-fired condensing plants as well as sales of electricity, gas, heat and energy services.

### New customer solutions and further steps towards decarbonisation

- New flexible energy contract for small- and medium-sized companies in the Netherlands
- Vattenfall and Borealis have signed a 10-year hydropower purchase agreement contributing to reduced CO<sub>2</sub> emissions
- Vattenfall has been proposed as the preferred bidder for a heat network solution in Edinburgh

**Q1:** Net sales decreased by 28% compared to the first quarter of 2023. The underlying operating profit decreased by 23%. This was primarily driven by lower gas prices in the Netherlands impacting the heat business. The electricity production decreased due to the sale of the gas-fired condensing plant Magnum. Lower clean spark spreads had an additional negative impact on the underlying operating profit. This was however partially offset by a higher number of electricity and gas customers in Germany. Heat sales are on the same level as the first quarter 2023.

During the quarter, Vattenfall sold its consumer sales business Vindstød in Denmark. As a result of the sale, the customer base decreased by 2% compared to the year-end 2023, to 12 million contracts. Excluding this effect the customer base increased slightly compared to year-end 2023, mainly in Germany.

Electricity sales increased by 1% compared to the first quarter of 2023 which was primarily attributable to an increased customer base in Germany. Sales of gas increased by 11%, also mainly driven by customer growth in Germany.

Vattenfall has introduced a dynamic energy contract for small- and medium-sized businesses in the Netherlands. This allows customers to schedule their consumption at the most advantageous time of the day and to save on their energy bill.



Vattenfall has signed a ten-year hydropower purchase agreement with Borealis, a leading provider of advanced and sustainable solutions. This agreement enables Borealis to reduce their CO<sub>2</sub> emissions by approximately 6,800 tons annually.

Vattenfall is continuing to strengthen its position in public charging infrastructure for electric driving in the Netherlands. In The Hague, we will take over management and operation of 5,400 charge points and install 800 new charge points. In the Metropolitan Region Amsterdam, we will install, manage and operate 11,000 charge points.

During the quarter, further steps to develop the heat business have been taken. The 150 MWth e-boiler project in Diemen outside of Amsterdam in the Netherlands is progressing well. Commissioning activities are planned to start in late 2024. In addition, Vattenfall has been proposed as the preferred bidder for pre-developing the heat network solution Granton Waterfront in the UK. The project entails work to refine and finalise the design of a sewer source low carbon heat network solution to serve thousands of homes, local facilities, commercial and social enterprise businesses.

### KEY FIGURES – CUSTOMERS & SOLUTIONS<sup>1</sup>

Amounts in SEK million unless indicated otherwise	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Net sales	61 634	85 922	235 201	210 913
External net sales	57 941	79 084	215 626	194 483
Underlying EBITDA	2 623	3 124	12 055	11 554
Underlying EBIT	1 881	2 436	9 203	8 648
- of which, heat operations	657	1 644	1 636	649
Electricity generation - TWh	1.8	2.3	7.3	6.8
- of which, fossil-based power	1.7	2.2	7.0	6.5
- of which, biomass, waste	0.1	0.1	0.3	0.3
Sales of electricity, TWh	30.6	30.9	113.5	113.2
- of which, private customers	9.2	8.6	27.6	28.2
- of which, resellers	7.9	9.7	36.3	34.5
- of which, business customers	13.5	12.6	49.6	50.5
Sales of gas, TWh	20.1	18.2	44.1	46.0
Sales of heat, TWh	2.0	2.0	4.8	4.8
Number of employees, full-time equivalents	5 127	4 724	5 055	

1) See note 1 for more information.

## 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 of the Group's net exposure in electricity and fuel is reported in this segment.

### Increased underlying results following higher achieved prices and higher volumes

- Good availability and stable hydro production in Swedish hydro power
- The feasibility study on new nuclear has been completed and shows favourable conditions for new construction at Ringhals
- New long-term Power Purchase Agreements for solar projects in Germany

**Q1:** Net sales decreased by 31%. The underlying operating profit increased by 72%, mainly attributed to positive price effects from Nordic hedges which more than offset the lower electricity prices, slightly higher production volumes in nuclear power and hydro power as well as a slightly higher realised trading result. However, the continental price hedges had a slight offsetting effect as they have not been as effective as in the Nordics.

The production of nuclear power increased as a result of good availability during the first quarter of 2024 despite Forsmark 2 running at half capacity for the first six weeks of the year. The hydro power production continues to be stable with somewhat higher volumes compared to the same period last year.

In March, Vattenfall entered into two new ten-year Power Purchase Agreements (PPAs) for solar projects with the industrial companies Evonik and Wieland Group. Starting 2025, Vattenfall will deliver around 120 GWh from two solar parks in Schleswig-Holstein and around 46 GWh from a solar park in Brandenburg annually. The electricity volumes for Evonik correspond to the annual demand of about 35,000 and a decrease of around 50,000 tons of CO<sub>2</sub>. These types of



Stornorrfors hydro power plant in Sweden

electricity partnerships are examples of how entire value chains can be made fossil-free.

During the quarter, a decision was made to invest a total of 650 million SEK in the Swedish hydro power plants Ajaure och Hölleforsen. The investment in Ajaure of 350 million SEK is intended to renew the power plant to further strengthen the dam safety and ensure that it responds to the modernisation of the grid. Overall, the modernisation of Ajaure and Hölleforsen will prolong the technical lifetime of the hydro power plants by 40 years.

Vattenfall continues to investigate the prerequisites for new nuclear, for both small modular reactors (SMR) and large-scale reactors. During the quarter, results were presented from the feasibility study investigating the prerequisites for commissioning at least two small modular reactors at Ringhals. As part of the feasibility study, Vattenfall has continued to take important steps forward with continued work on property acquisitions, assessment of impact on nearby nature reserves and continued dialogue with authorities, municipalities and other stakeholders.

### KEY FIGURES – POWER GENERATION

Amounts in SEK million unless indicated otherwise	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Net sales	51 320	74 037	207 510	184 793
External net sales	7 692	6 249	37 760	39 203
Underlying EBITDA	7 732	5 087	8 331	10 976
Underlying EBIT	6 483	3 772	3 075	5 786
- of which, realised trading result	2 905	2 776	3 429	3 558
Electricity generation, TWh	21.7	19.8	73.5	75.4
- of which, hydro power	10.6	10.3	36.1	36.4
- of which, nuclear power	11.1	9.5	37.4	39.0
Sales of electricity, TWh	2.1	3.3	11.3	10.1
- of which, resellers	1.7	2.6	9.4	8.5
- of which, business customers	0.4	0.7	1.9	1.6
Sales of gas, TWh	0.1	0.1	0.4	0.4
Number of employees, full-time equivalents	7 581	7 227	7 474	

## Wind

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

### Improved results and progress within wind power

- Vattenfall completed the sale of the Norfolk Offshore Wind Zone in the UK and reports a capital gain of SEK 4.6 billion
- Completion of the offshore wind farm Vesterhav Nord in Denmark
- In March the final turbine for the Windplan blauw wind farm was installed

**Q1:** Net sales decreased 7% compared to 2023. Underlying operating profit increased by 9%. This was mainly driven by higher volumes from the offshore wind farms Hollandse Kust Zuid and Vesterhav Syd as well as higher subsidies for German Offshore wind farms, which compensated for the lower electricity prices. Lower operational taxes in the UK and availability warranty payments for offshore wind had an additional positive impact. Electricity generation increased by 32% mainly due to higher volumes from the offshore wind farms Hollandse Kust Zuid and Vesterhav Syd as well as higher volumes from offshore wind in Germany.

In March, Vattenfall completed the sale of the Norfolk Offshore Wind Zone in the UK to RWE. The agreed purchase price corresponds to an enterprise value of GBP 1 billion. The deal ensures continued development of the Norfolk Zone which will produce clean power for over four million households across the



UK. As a result of the transaction, Vattenfall reports a capital gain of SEK 4.6 billion.

In February, all 21 wind turbines at the offshore wind farm Vesterhav Nord in Denmark were connected to the electricity grid and the first power was delivered to Danish households. Together with Vesterhav Syd's 20 turbines, that were connected to the grid end of 2023, the wind farms will produce fossil-free electricity corresponding to the consumption of about 350,000 Danish households.

The final turbine for the Windplan blauw wind farm was installed during March. The wind farm is a Dutch repowering project by Vattenfall and SwifterwinT that aims to replace old turbines with more powerful ones. Together, these turbines can generate 123 MW, which is equals the electricity consumption of 130,000 Dutch households.

### KEY FIGURES – WIND

Amounts in SEK million unless indicated otherwise	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Net sales	5 851	6 291	25 373	24 933
External net sales	1 152	1 414	8 537	8 275
Underlying EBITDA	4 492	4 002	13 602	14 092
Underlying EBIT	2 603	2 393	6 544	6 754
Electricity generation - wind power TWh <sup>1</sup>	5.1	3.9	13.8	15.0
Sales of electricity, TWh	0.3	0.2	0.9	1.0
Number of employees, full-time equivalents	1 762	1 578	1 708	

1) Including electricity generation from solar power

## Distribution

The Distribution Business Area consists of Vattenfall's electricity distribution operations in Sweden and the UK and Vattenfall's Power-as-a-Service offering.

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

- Vattenfall has started work to connect SSAB's electric arc furnace in Oxelösund to the electricity grid
- Advanced notice from Svenska kraftnät of additional allocated capacity in northern Norrland and in the Skaraborg area
- Vattenfall has clarified the prerequisites for allocation of capacity in line with Svenska Kraftnät's guidance

**Q1:** Net sales increased by 9% compared to 2023. The underlying operating profit decreased by 16%, which is mainly driven by higher costs for the transmission network and higher personnel costs due to growth.

At the beginning of the year, Svenska kraftnät presented a development and clarification of its principles for allocation of capacity. As a result, Vattenfall clarified the prerequisites for allocation of capacity to its customers based on Svenska kraftnät's "Guidance for connection to the transmission grid". The basis of the principles is that place in the queue is still the basic rule. However, the principles have been supplemented with opportunities to divide into stages, requirements for use of capacity in parity with allocation and a clearer analysis of the project's degree of maturity.

Vattenfall has received a new advanced notice from Svenska kraftnät of an additional 500 MW of capacity in northern Norrland. The allocation entails a total allocation corresponding to 2,000 MW by 2030. However, additional grid capacity is needed in order to meet the demand from the customers in the region.

In order to meet the electricity demand of new industrial customers in the Skaraborg area, Vattenfall has applied for increased capacity that is more than twice as large as the current subscription of 500 MW. After a dialogue with Svenska kraftnät an additional 120 MW of capacity is being made available in western Sweden with start from 2027-2028.



Vattenfall has started work to connect SSAB's electric arc furnace in Oxelösund to the electricity grid. Since the application for line concession was submitted to the Swedish Energy Market Inspectorate (Ei) in 2020, there has been several years of legal proceedings. The Land and Environment Court of appeal announced during the quarter a refusal to appeal, which means that the ruling of the approved concession becomes legally binding. As a result, Vattenfall has the permission to build two 130 kV overhead lines between Hedenlunda and Oxelösund. The ruling also implies guiding practice for the technology of choice being overhead lines at higher voltage levels.

The Swedish Energy Market Inspectorate (Ei) recently granted Vattenfall a large number of 130 kV line concession as part of Vattenfall's enhancement programme Kapacitet Stockholm. As the next step the design and construction phase starts, this will provide a more efficient electricity supply which secures the future growth plans for Stockholm's municipalities.

In March, Vattenfall received a decision from the Swedish Energy Market Inspectorate (Ei) regarding the company's revenue frames for the period 2024–2027. The method of determining the discount rate is more long-term than what Ei previously announced and the discount rate applied for the period is 4.53% (real before tax for the period). The company continues to accelerate its investments in the electricity grid, from over SEK 6 billion in 2023 to a planned average annual investment level of SEK 8–10 billion up to 2030. Stable revenue frameworks for future regulatory periods are still a priority.

### KEY FIGURES – DISTRIBUTION

Amounts in SEK million unless indicated otherwise	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Net sales	4 222	3 859	11 139	11 502
External net sales	4 060	3 665	10 445	10 840
Underlying EBITDA	1 856	2 028	4 290	4 118
Underlying EBIT	1 138	1 356	1 526	1 308
Number of employees, full-time equivalents	1 699	1 399	1 606	

## Other

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

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

and Vattenfall Insurance. And Heat Berlin electricity and heat revenues until divestment.

During the first quarter of 2024, the underlying operating profit regarding Heat Berlin has increased noticeably compared to the first quarter 2023. This is largely due to a favorable clean spark spread development, which was partly offset by lower fuel prices and warmer weather compared to last year.

### KEY FIGURES – OTHER<sup>1</sup>

Amounts in SEK million unless indicated otherwise	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Net sales	11 517	11 486	34 008	34 039
External net sales	5 654	6 376	17 800	17 078
Underlying EBITDA	1 979	387	2 071	3 663
Underlying EBIT	1 760	- 297	- 334	1 723
Electricity generation, TWh	2.4	2.2	6.3	6.5
- of which, fossil-based power	2.3	2.2	6.3	6.4
- of which, biomass, waste	0.1	—	—	0.1
Sales of electricity business customers, TWh	—	—	0.2	0.2
Sales of heat, TWh	3.6	3.7	8.7	8.6
Number of employees, full-time equivalents	5 277	4 844	5 152	

1) See note 1 for more information.

# Consolidated income statement

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Net sales	76 499	96 788	290 168	269 879
Cost of purchases	- 45 024	- 66 723	- 207 113	- 185 414
Other external expenses	- 3 637	- 4 332	- 21 675	- 20 980
Personnel expenses	- 6 322	- 5 778	- 22 899	- 23 443
Other operating income and expenses, net	4 868	1 106	1 215	4 977
Participations in the results of associated companies	146	239	- 11	- 104
<b>Operating profit before depreciation, amortisation and impairment losses (EBITDA)</b>	<b>26 530</b>	<b>21 300</b>	<b>39 685</b>	<b>44 915</b>
Depreciation, amortisation and impairments	- 5 775	- 4 968	- 22 694	- 23 501
<b>Operating profit (EBIT)</b>	<b>20 755</b>	<b>16 332</b>	<b>16 991</b>	<b>21 414</b>
Financial income	712	666	3 589	3 635
Financial expenses <sup>1</sup>	- 2 129	- 2 497	- 8 746	- 8 378
Return from the Swedish Nuclear Waste Fund	903	1 437	4 388	3 854
<b>Profit before income taxes</b>	<b>20 241</b>	<b>15 938</b>	<b>16 222</b>	<b>20 525</b>
Income taxes	- 3 362	- 4 120	- 5 827	- 5 069
<b>Profit for the period</b>	<b>16 879</b>	<b>11 818</b>	<b>10 395</b>	<b>15 456</b>
Attributable to owner of the Parent Company	16 089	11 182	8 646	13 553
Attributable to non-controlling interests	790	636	1 749	1 903
<b>Supplementary information</b>				
Underlying EBITDA <sup>2</sup>	18 701	14 513	40 340	44 528
Underlying EBIT <sup>2</sup>	13 884	9 545	20 005	24 344
Financial items, net excl. discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	- 1 008	- 1 288	- 3 024	- 2 744
1) Including interest components related to pension costs	- 253	- 261	- 1 096	- 1 088
2) See note 4 for information on items affecting comparability				

# Consolidated statement of comprehensive income

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
<b>Profit for the period</b>	<b>16 879</b>	<b>11 818</b>	<b>10 395</b>	<b>15 456</b>
<b>Other comprehensive income</b>				
<b>Items that will be reclassified to profit or loss when specific conditions are met</b>				
Cash flow hedges - changes in fair value	- 4 308	- 7 968	- 10 776	- 7 116
Cash flow hedges - dissolved against income statement	8 653	820	14 218	22 051
Cash flow hedges - transferred to cost of hedged item	14	- 17	- 24	7
Hedging of net investments in foreign operations	- 1 758	- 591	115	- 1 052
Translation differences, divested companies	- 104	- 86	- 114	- 132
Translation differences	5 709	2 365	- 59	3 285
Income taxes related to items that will be reclassified	- 714	3 716	- 2 596	- 7 026
<b>Total items that will be reclassified to profit or loss when specific conditions are met</b>	<b>7 492</b>	<b>- 1 761</b>	<b>764</b>	<b>10 017</b>
<b>Items that will not be reclassified to profit or loss</b>				
Remeasurement pertaining to defined benefit obligations	—	—	- 3 591	- 3 591
Income taxes related to items that will not be reclassified	—	1	732	731
<b>Total items that will not be reclassified to profit or loss</b>	<b>—</b>	<b>1</b>	<b>- 2 859</b>	<b>- 2 860</b>
<b>Total other comprehensive income, net after income taxes</b>	<b>7 492</b>	<b>- 1 760</b>	<b>- 2 095</b>	<b>7 157</b>
<b>Total comprehensive income for the period</b>	<b>24 371</b>	<b>10 058</b>	<b>8 300</b>	<b>22 613</b>
Attributable to owner of the Parent Company	22 754	9 201	6 898	20 451
Attributable to non-controlling interests	1 617	857	1 402	2 162

# Operating segments, Vattenfall Group<sup>1</sup>

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
<b>External net sales</b>				
<b>Customers &amp; Solutions</b>	57 941	79 084	215 626	194 483
- of which, heat operations	2 705	3 236	8 324	7 793
<b>Power Generation</b>	7 692	6 249	37 760	39 203
<b>Wind</b>	1 152	1 414	8 537	8 275
<b>Distribution</b>	4 060	3 665	10 445	10 840
<b>Other<sup>2</sup></b>	5 654	6 376	17 800	17 078
<b>Total</b>	<b>76 499</b>	<b>96 788</b>	<b>290 168</b>	<b>269 879</b>
<b>Internal net sales</b>				
<b>Customers &amp; Solutions</b>	3 693	6 838	19 575	16 430
- of which, heat operations	1 834	3 952	10 955	8 837
<b>Power Generation</b>	43 628	67 788	169 750	145 590
<b>Wind</b>	4 699	4 877	16 836	16 658
<b>Distribution</b>	162	194	694	662
<b>Other<sup>2</sup></b>	5 863	5 110	16 208	16 961
<b>Eliminations</b>	- 58 045	- 84 807	- 223 063	- 196 301
<b>Total</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total net sales</b>				
<b>Customers &amp; Solutions</b>	61 634	85 922	235 201	210 913
- of which, heat operations	4 539	7 188	19 279	16 630
<b>Power Generation</b>	51 320	74 037	207 510	184 793
<b>Wind</b>	5 851	6 291	25 373	24 933
<b>Distribution</b>	4 222	3 859	11 139	11 502
<b>Other<sup>2</sup></b>	11 517	11 486	34 008	34 039
<b>Eliminations</b>	- 58 045	- 84 807	- 223 063	- 196 301
<b>Total</b>	<b>76 499</b>	<b>96 788</b>	<b>290 168</b>	<b>269 879</b>

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
<b><u>Operating profit before depreciation, amortisation and impairment losses (EBITDA)</u></b>				
<b>Customers &amp; Solutions</b>	2 617	3 113	11 871	11 375
- of which, heat operations	1 075	2 042	3 088	2 121
<b>Power Generation</b>	11 038	11 596	8 048	7 490
<b>Wind</b>	4 492	4 005	13 321	13 808
<b>Distribution</b>	1 860	2 028	4 294	4 126
<b>Other<sup>2</sup></b>	6 504	673	2 160	7 991
<b>Eliminations</b>	19	- 115	- 9	125
<b>Total</b>	<b>26 530</b>	<b>21 300</b>	<b>39 685</b>	<b>44 915</b>
<b><u>Underlying EBITDA</u></b>				
<b>Customers &amp; Solutions</b>	2 623	3 124	12 055	11 554
- of which, heat operations	1 081	2 039	3 277	2 319
<b>Power Generation</b>	7 732	5 087	8 331	10 976
<b>Wind</b>	4 492	4 002	13 602	14 092
<b>Distribution</b>	1 856	2 028	4 290	4 118
<b>Other<sup>2</sup></b>	1 979	387	2 071	3 663
<b>Eliminations</b>	19	- 115	- 9	125
<b>Total</b>	<b>18 701</b>	<b>14 513</b>	<b>40 340</b>	<b>44 528</b>

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
<b><u>Operating profit (EBIT)</u></b>				
<b>Customers &amp; Solutions</b>	1 874	2 424	7 273	6 723
- of which, heat operations	651	1 647	- 298	- 1 294
<b>Power Generation</b>	9 789	10 282	2 790	2 297
<b>Wind</b>	2 603	2 397	6 646	6 852
<b>Distribution</b>	1 142	1 356	1 530	1 316
<b>Other<sup>2</sup></b>	5 328	- 12	- 1 239	4 101
<b>Eliminations</b>	19	- 115	- 9	125
<b>Operating profit (EBIT)</b>	<b>20 755</b>	<b>16 332</b>	<b>16 991</b>	<b>21 414</b>
Operating profit (EBIT)	20 755	16 332	16 991	21 414
Financial net	- 514	- 394	- 769	- 889
<b>Profit before tax</b>	<b>20 241</b>	<b>15 938</b>	<b>16 222</b>	<b>20 525</b>
<b><u>Underlying EBIT</u></b>				
<b>Customers &amp; Solutions</b>	1 881	2 436	9 203	8 648
- of which, heat operations	657	1 644	1 636	649
<b>Power Generation</b>	6 483	3 772	3 075	5 786
<b>Wind</b>	2 603	2 393	6 544	6 754
<b>Distribution</b>	1 138	1 356	1 526	1 308
<b>Other<sup>2</sup></b>	1 760	- 297	- 334	1 723
<b>Eliminations</b>	19	- 115	- 9	125
<b>Underlying EBIT</b>	<b>13 884</b>	<b>9 545</b>	<b>20 005</b>	<b>24 344</b>

1) See note 1 for more information.

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

# Consolidated balance sheet

Amounts in SEK million	31 Mar 2024	31 Mar 2023	31 Dec 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets: non-current	19 044	18 522	18 378
Property, plant and equipment	263 472	283 979	263 031
Participations in associated companies and joint arrangements	4 483	7 521	4 140
Other shares and participations	337	332	330
Share in the Swedish Nuclear Waste Fund	53 166	48 871	52 175
Derivative assets	9 918	14 784	7 774
Deferred tax assets	8 083	16 335	12 242
Contract assets	16	49	13
Other non-current receivables	5 041	4 518	4 600
<b>Total non-current assets</b>	<b>363 560</b>	<b>394 911</b>	<b>362 683</b>
<b>Current assets</b>			
Inventories	19 327	19 083	18 602
Intangible assets: current	6 908	3 080	6 205
Trade receivables and other receivables	52 194	59 869	44 884
Contract assets	168	195	106
Advance payments paid	16 465	42 597	18 836
Derivative assets	22 681	61 071	24 177
Prepaid expenses and accrued income	18 254	32 529	17 284
Current tax assets	1 996	3 658	2 281
Short-term investments	28 973	29 463	24 588
Cash and cash equivalents	30 902	53 777	27 682
Assets held for sale	35 464	—	41 263
<b>Total current assets</b>	<b>233 332</b>	<b>305 322</b>	<b>225 908</b>
<b>Total assets</b>	<b>596 892</b>	<b>700 233</b>	<b>588 591</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Attributable to owner of the Parent Company	136 220	119 722	113 466
Attributable to non-controlling interests	30 244	21 901	25 963
<b>Total equity</b>	<b>166 464</b>	<b>141 623</b>	<b>139 429</b>
<b>Non-current liabilities</b>			
Hybrid Capital	21 772	17 992	20 987
Other interest-bearing liabilities	53 918	79 242	57 746
Pension provisions	28 584	27 930	28 092
Other interest-bearing provisions	120 896	129 780	125 023
Derivative liabilities	15 695	29 787	14 906
Deferred tax liabilities	11 239	13 742	13 353
Contract liabilities	10 236	9 220	9 924
Other noninterest-bearing liabilities	1 918	2 141	1 824
<b>Total non-current liabilities</b>	<b>264 258</b>	<b>309 834</b>	<b>271 855</b>
<b>Current liabilities</b>			
Trade payables and other liabilities	30 504	63 485	39 041
Contract liabilities	798	697	727
Advance payments received	1 233	5 444	2 449
Derivative liabilities	45 931	119 302	49 017
Accrued expenses and deferred income	24 823	24 279	22 855
Current tax liabilities	1 858	4 775	1 798
Hybrid Capital	—	4 149	—
Other interest-bearing liabilities	38 446	23 552	42 376
Interest-bearing provisions	3 168	3 093	3 059
Liabilities associated with assets held for sale	19 409	—	15 985
<b>Total current liabilities</b>	<b>166 170</b>	<b>248 776</b>	<b>177 307</b>
<b>Total equity and liabilities</b>	<b>596 892</b>	<b>700 233</b>	<b>588 591</b>

## SUPPLEMENTARY INFORMATION

Amounts in SEK million	31 Mar 2024	31 Mar 2023	31 Dec 2023
<b>Calculation of capital employed</b>			
Intangible assets: current and non-current	25 952	21 602	24 583
Property, plant and equipment	263 472	283 979	263 031
Participations in associated companies and joint arrangements	4 483	7 521	4 140
Deferred and current tax assets	10 079	19 993	14 523
Non-current noninterest-bearing receivables	640	877	639
Contract assets	184	244	119
Inventories	19 327	19 083	18 602
Trade receivables and other receivables	52 194	59 869	44 884
Prepaid expenses and accrued income	18 254	32 529	17 284
Unavailable liquidity	3 337	3 715	5 446
Other	695	710	1 183
<b>Total assets excl. financial assets</b>	<b>398 617</b>	<b>450 122</b>	<b>394 434</b>
Deferred and current tax liabilities	- 13 097	- 18 517	- 15 151
Other noninterest-bearing liabilities	- 1 918	- 2 141	- 1 824
Contract liabilities	- 11 034	- 9 917	- 10 651
Trade payable and other liabilities	- 30 504	- 63 485	- 39 041
Accrued expenses and deferred income	- 24 823	- 24 279	- 22 855
Other	- 1 090	- 1 517	- 1 297
<b>Total noninterest-bearing liabilities</b>	<b>- 82 466</b>	<b>- 119 856</b>	<b>- 90 819</b>
Other interest-bearing provisions not related to adjusted net debt <sup>1</sup>	- 7 003	- 9 953	- 6 852
Adjustment related to assets/liabilities held for sale	16 845	—	25 278
<b>Capital employed<sup>2</sup></b>	<b>325 993</b>	<b>320 313</b>	<b>322 041</b>
<b>Capital employed, average</b>	<b>323 153</b>	<b>298 531</b>	<b>320 041</b>
<b>Calculation of net debt</b>			
Hybrid Capital	- 21 772	- 22 141	- 20 987
Bond issues and liabilities to credit institutions	- 63 940	- 64 855	- 61 956
Short-term debt, commercial papers and repo	- 12 658	- 17 667	- 20 071
Liabilities to associated companies	- 535	- 885	- 718
Liabilities to owners of non-controlling interests	- 7 355	- 9 760	- 10 065
Other liabilities	- 7 876	- 9 627	- 7 312
<b>Total interest-bearing liabilities</b>	<b>- 114 136</b>	<b>- 124 935</b>	<b>- 121 109</b>
Cash and cash equivalents	30 902	53 777	27 682
Short-term investments	28 973	29 463	24 588
Loans to owners of non-controlling interests in foreign Group companies	542	640	415
<b>Net debt<sup>2</sup></b>	<b>- 53 719</b>	<b>- 41 055</b>	<b>- 68 424</b>
<b>Calculation of adjusted gross debt and net debt</b>			
Total interest-bearing liabilities	- 114 136	- 124 935	- 121 109
50% of Hybrid Capital <sup>3</sup>	10 886	11 071	10 494
Present value of pension obligations	- 28 584	- 27 930	- 28 092
Provisions for gas and wind operations and other environment-related provisions	- 16 085	- 11 957	- 15 404
Provisions for nuclear power (net) <sup>4</sup>	- 41 373	- 52 754	- 46 011
Margin calls received	646	1 999	287
Liabilities to owners of non-controlling interests due to consortium agreements	7 355	9 760	10 065
Adjustment related to assets/liabilities held for sale	- 1 229	—	3 429
<b>Adjusted gross debt</b>	<b>- 182 520</b>	<b>- 194 747</b>	<b>- 186 342</b>
Reported cash and cash equivalents and short-term investments	59 875	83 240	52 270
Unavailable liquidity	- 3 337	- 3 715	- 5 446
<b>Adjusted cash and cash equivalents and short-term investments</b>	<b>56 538</b>	<b>79 525</b>	<b>46 824</b>
<b>Adjusted net debt<sup>2</sup></b>	<b>- 125 982</b>	<b>- 115 222</b>	<b>- 139 518</b>

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

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

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

4) The calculation is based on Vattenfall's share of ownership in the respective nuclear power plants, less Vattenfall's share in the Swedish Nuclear Waste Fund and liabilities 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.)



## SUPPLEMENTARY INFORMATION

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
<b>Cash flow before financing activities</b>	<b>6 802</b>	<b>- 5 362</b>	<b>- 20 474</b>	<b>- 8 310</b>
Change in margin calls from Treasury operations	- 2 149	506	2 444	—
Changes in short-term investments	5 464	- 37 416	- 43 430	- 550
<b>Financing activities</b>				
Divestment of shares in Group companies to owners of non-controlling interests	—	—	698	698
Dividends paid to owners	- 221	—	- 4 428	- 4 649
Contribution to/from owners of non-controlling interests	2 877	2 760	5 867	5 984
<b>Cash flow after dividend</b>	<b>12 773</b>	<b>- 39 512</b>	<b>- 59 323</b>	<b>- 6 827</b>
<b>Analysis of change in net debt</b>				
Net debt at start of period	- 68 424	- 3 858	- 3 858	- 41 055
Cash flow after dividend	12 773	- 39 512	- 59 323	- 7 038
Changes as a result of valuation at fair value	177	- 86	- 16	247
Changes in interest-bearing liabilities for leasing	- 178	- 627	- 1 254	- 805
Changes in liabilities pertaining to acquisitions of Group companies, discounting effects	- 14	—	- 344	- 358
Cash and cash equivalents included in assets held for sale	4 808	4 307	- 2 614	- 2 113
Interest-bearing liabilities associated with assets held for sale	—	—	45	45
Translation differences on net debt	- 2 861	- 1 279	- 1 060	- 2 642
<b>Net debt at end of period</b>	<b>- 53 719</b>	<b>- 41 055</b>	<b>- 68 424</b>	<b>- 53 719</b>
Cash flow from operating activities	6 744	- 32 197	- 24 624	14 317
Maintenance/replacement investments	- 4 426	- 4 305	- 18 498	- 18 619
<b>Free cash flow<sup>1</sup></b>	<b>2 318</b>	<b>- 36 502</b>	<b>- 43 122</b>	<b>- 4 302</b>

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

## INVESTMENTS

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
<b>Electricity generation</b>				
Hydro power	188	146	883	925
Nuclear power	357	352	1 747	1 752
Gas	13	8	144	149
Wind power and solar PV	2 548	6 075	19 782	16 255
Biomass, waste	6	3	25	28
<b>Total electricity generation</b>	<b>3 112</b>	<b>6 584</b>	<b>22 581</b>	<b>19 109</b>
<b>CHP/heat</b>				
Fossil-based power	234	105	1 104	1 233
Heat networks	454	270	1 688	1 872
Other	370	43	693	1 020
<b>Total CHP/heat</b>	<b>1 058</b>	<b>418</b>	<b>3 485</b>	<b>4 125</b>
<b>Electricity networks</b>				
Electricity networks	1 448	1 039	6 861	7 270
<b>Total electricity networks</b>	<b>1 448</b>	<b>1 039</b>	<b>6 861</b>	<b>7 270</b>
Purchases of shares, shareholder contributions	46	368	1 438	1 116
Other	716	528	2 728	2 916
<b>Total investments</b>	<b>6 380</b>	<b>8 937</b>	<b>37 093</b>	<b>34 536</b>
Accrued investments (-)/release of accrued investments (+)	924	3 431	5 328	2 821
Cash and cash equivalents in acquired companies	—	- 31	- 81	- 50
<b>Total investments with cash flow effect</b>	<b>7 304</b>	<b>12 337</b>	<b>42 340</b>	<b>37 307</b>

# Consolidated statement of changes in equity

Amounts in SEK million	31 Mar 2024			31 Mar 2023			31 Dec 2023		
	Attributable to owner of the Parent Company	Attributable to non-controlling interests	Total equity	Attributable to owner of the Parent Company	Attributable to non-controlling interests	Total equity	Attributable to owner of the Parent Company	Attributable to non-controlling interests	Total equity
<b>Balance brought forward</b>	113 466	25 963	139 429	110 473	18 464	128 937	110 473	18 464	128 937
<b>Profit for the period</b>	16 089	790	16 879	11 182	636	11 818	8 646	1 749	10 395
Cash flow hedges - changes in fair value	- 4 308	—	- 4 308	- 7 968	—	- 7 968	- 10 776	—	- 10 776
Cash flow hedges - dissolved against income statement	8 653	—	8 653	820	—	820	14 218	—	14 218
Cash flow hedges - transferred to cost of hedged item	14	—	14	- 17	—	- 17	- 24	—	- 24
Hedging of net investments in foreign operations	- 1 758	—	- 1 758	- 591	—	- 591	115	—	115
Translation differences, divested companies	- 104	—	- 104	- 86	—	- 86	- 114	—	- 114
Translation differences	4 882	827	5 709	2 144	221	2 365	184	- 243	- 59
Remeasurement pertaining to defined benefit obligations	—	—	—	—	—	—	- 3 460	- 131	- 3 591
Income taxes related to other comprehensive income	- 714	—	- 714	3 717	—	3 717	- 1 891	27	- 1 864
<b>Total other comprehensive income for the period</b>	<b>6 665</b>	<b>827</b>	<b>7 492</b>	<b>- 1 981</b>	<b>221</b>	<b>- 1 760</b>	<b>- 1 748</b>	<b>- 347</b>	<b>- 2 095</b>
<b>Total comprehensive income for the period</b>	<b>22 754</b>	<b>1 617</b>	<b>24 371</b>	<b>9 201</b>	<b>857</b>	<b>10 058</b>	<b>6 898</b>	<b>1 402</b>	<b>8 300</b>
Dividends paid to owners	—	- 221	- 221	—	- 180	- 180	- 4 000	- 428	- 4 428
Group contributions from(+)/to(-) owners of non-controlling interests	—	—	—	—	—	—	—	1	1
Changes in ownership in Group companies on divestments of shares to owners of non-controlling interests	—	—	—	—	—	—	33	658	691
Contribution to/from owners of non-controlling interests	—	2 877	2 877	—	2 760	2 760	—	5 867	5 867
Other changes in ownership	—	8	8	—	—	—	—	—	—
Other changes	—	—	—	48	—	48	62	- 1	61
<b>Total transactions with equity holders</b>	<b>—</b>	<b>2 664</b>	<b>2 664</b>	<b>48</b>	<b>2 580</b>	<b>2 628</b>	<b>- 3 905</b>	<b>6 097</b>	<b>2 192</b>
<b>Balance carried forward</b>	<b>136 220</b>	<b>30 244</b>	<b>166 464</b>	<b>119 722</b>	<b>21 901</b>	<b>141 623</b>	<b>113 466</b>	<b>25 963</b>	<b>139 429</b>
- Of which, Reserve for hedges	- 25 906	8	- 25 898	- 33 606	8	- 33 598	- 29 188	8	- 29 180

# Key ratios, Vattenfall Group

In % unless otherwise stated. (x) means times <sup>1</sup>	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Operating margin	27.1	16.9	5.9	7.9
Operating margin <sup>2</sup>	18.1	9.9	6.9	9.0
Pre-tax profit margin	26.5	16.5	5.6	7.6
Pre-tax profit margin <sup>2</sup>	17.5	9.5	6.6	8.7
Return on equity <sup>3</sup>	9.1	2.9	5.9	9.1
Return on capital employed <sup>3</sup>	6.6	5.4	5.3	6.6
Return on capital employed <sup>2,3</sup>	7.5	11.8 <sup>4</sup>	6.3	7.5
EBIT interest cover (x) <sup>3</sup>	3.9	2.6	3.1	3.9
EBIT interest cover (x) <sup>2,3</sup>	4.4	5.4 <sup>4</sup>	3.6	4.4
FFO interest cover (x) <sup>3</sup>	6.3	7.7	5.5	6.3
FFO interest cover, net (x) <sup>3</sup>	13.3	9.4	10.9	13.3
Cash flow interest cover after maintenance investments (x) <sup>3</sup>	0.2	- 5.9	- 6.8	0.2
FFO/gross debt <sup>3</sup>	29.6	36.5	24.8	29.6
FFO/net debt <sup>3</sup>	62.9	111.1	43.9	62.9
FFO/adjusted net debt <sup>3</sup>	26.8	39.6	21.5	26.8
EBITDA/net financial items (x)	26.3	16.5	13.1	16.4
EBITDA/net financial items (x) <sup>2</sup>	18.6	11.3	13.3	16.2
Equity/assets ratio	27.9	20.2	23.7	27.9
Gross debt/equity	68.6	88.2	86.9	68.6
Net debt/equity	32.3	29.0	49.1	32.3
Gross debt/gross debt plus equity	40.7	46.9	46.5	40.7
Net debt/net debt plus equity	24.4	22.5	32.9	24.4
Net debt/EBITDA (x) <sup>3</sup>	1.2	1.2	1.7	1.2
Adjusted net debt/EBITDA (x) <sup>3</sup>	2.8	3.3	3.5	2.8

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.

# Quarterly information, Vattenfall Group

Amounts in SEK million	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
<b>Income statement</b>					
Net sales	76 499	73 292	58 337	61 750	96 788
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	26 530	9 912	2 641	5 833	21 300
Underlying EBITDA	18 701	9 715	6 149	9 977	14 513
Operating profit (EBIT)	20 755	6 061	- 2 611	- 2 791	16 332
Underlying EBIT	13 884	4 455	946	5 057	9 545
Profit before income taxes	20 241	8 408	- 3 208	- 4 916	15 938
Profit for the period	16 879	5 657	- 2 186	- 4 895	11 818
- of which, attributable to owner of the Parent Company	16 089	4 740	- 2 147	- 5 130	11 182
- of which, attributable to non-controlling interests	790	917	- 39	235	636
<b>Balance sheet</b>					
Capital employed	325 993	322 041	312 929	333 018	320 313
Net debt	- 53 719	- 68 424	- 38 245	- 48 368	- 41 055
<b>Cash flow</b>					
Funds from operations (FFO)	15 517	8 190	4 919	5 162	11 787
Cash flow from operating activities	6 744	- 15 076	15 571	7 079	- 32 197
Cash flow from investing activities	58	- 10 180	- 5 585	- 6 921	26 835
Cash flow from financing activities	- 8 479	17 192	- 11 654	- 9 980	- 52 189
<b>Cash flow for the period</b>	<b>- 1 677</b>	<b>- 8 064</b>	<b>- 1 668</b>	<b>- 9 822</b>	<b>- 57 551</b>
<b>Free cash flow</b>	<b>2 318</b>	<b>- 21 045</b>	<b>11 836</b>	<b>2 589</b>	<b>- 36 502</b>

In % unless otherwise stated. (x) means times <sup>1</sup>	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
<b>Key ratios</b>					
Return on equity	9.1	5.9	- 9.3	- 3.5	2.9
Return on capital employed <sup>2</sup>	6.6	5.3	- 4.6	0.5	5.4
Return on capital employed <sup>2,3</sup>	7.5	6.3	9.8	10.7	11.8 <sup>4</sup>
EBIT interest cover (x) <sup>2</sup>	3.9	3.1	- 1.6	0.5	2.6
EBIT interest cover (x) <sup>2,3</sup>	4.4	3.6	4.6	4.9	5.4 <sup>4</sup>
FFO/gross debt <sup>2</sup>	29.6	24.8	34.2	32.1	36.5
FFO/net debt <sup>2</sup>	62.9	43.9	95.3	80.3	111.1
FFO/adjusted net debt <sup>2</sup>	26.8	21.5	30.9	30.6	39.6
Equity/Total assets	27.9	23.7	24.7	21.7	20.2
Gross debt/equity	68.6	86.9	71.0	84.3	88.2
Net debt/equity	32.3	49.1	25.5	33.7	29.0
Net debt/net debt plus equity	24.4	32.9	20.3	25.2	22.5
Net debt/EBITDA (x) <sup>2</sup>	1.2	1.7	3.4	1.9	1.2
Adjusted net debt/EBITDA (x) <sup>2</sup>	2.8	3.5	10.5	5.1	3.3

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

## 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 2023 Annual and Sustainability Report in Note 3 to the consolidated accounts, Accounting policies. Amended IFRSs endorsed by the EU for application in the 2024 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 2023 Annual and Sustainability Report, pages 83-95. Apart from the information provided under “Business highlights” in this report, no other material changes have taken place since publication.

### Changes in operating segments

Vattenfall has during the first quarter of 2024 changed reporting of its operating segments due to the expected divestment of Heat Berlin during

the second quarter. The heat business in Berlin was previously included in the Heat segment and is included in the Other segment as of 1 January 2024. The remaining operations in Heat are merged and reported together with existing business in the operating segment Customers & Solutions as of 1 January 2024. The new segment reporting reflect the updated organization and decision making over the relevant business activities.

The comparative figures for 2023 have been adjusted accordingly in the segment reporting. Otherwise, no changes have been made to the operating segments.

### Other

Significant related-party transactions are described in Note 44 to the consolidated accounts in Vattenfall’s 2023 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-Mar 2024	Jan-Mar 2023	Full year 2023
<b>Average rate</b>			
EUR	11.1821	11.2071	11.4563
DKK	1.5126	1.5060	1.5377
GBP	13.1321	12.7216	13.1692
USD	10.3648	10.4270	10.5945
	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>	<b>31 Dec 2023</b>
<b>Balance sheet date rate</b>			
EUR	11.5250	11.2805	11.0960
DKK	1.5453	1.5145	1.4888
GBP	13.4780	12.8304	12.7680
USD	10.6604	10.3729	10.0416

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

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

The carrying amounts of financial assets do not differ significantly from their fair values. The difference between carrying amounts and fair values for financial liabilities amounts to SEK 571 million (31 December 2023: 244).

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 (i.e. as prices) or indirectly (i.e. 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 31 MARCH 2024

Amounts in SEK million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Share in the Swedish Nuclear Waste Fund	53 142	—	—	53 142
Derivative assets	—	32 599	—	32 599
Short-term investments, cash equivalents and other shares and participations	26 351	8 107	—	34 458
<b>Total assets</b>	<b>79 493</b>	<b>40 706</b>	<b>—</b>	<b>120 199</b>
<b>Liabilities</b>				
Derivative liabilities	—	61 626	—	61 626
Other financial liabilities	—	—	360	360
<b>Total liabilities</b>	<b>—</b>	<b>61 626</b>	<b>360</b>	<b>61 986</b>

### FINANCIAL ASSETS AND LIABILITIES THAT ARE MEASURED AT FAIR VALUE ON THE BALANCE SHEET AT 31 DECEMBER 2023

Amounts in SEK million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Share in the Swedish Nuclear Waste Fund	52 144	—	—	52 144
Derivative assets	—	31 951	—	31 951
Short-term investments, cash equivalents and other shares and participations	19 464	6 550	—	26 014
<b>Total assets</b>	<b>71 608</b>	<b>38 501</b>	<b>—</b>	<b>110 109</b>
<b>Liabilities</b>				
Derivative liabilities	—	63 923	—	63 923
Other financial liabilities	—	—	333	333
<b>Total liabilities</b>	<b>—</b>	<b>63 923</b>	<b>333</b>	<b>64 256</b>

## NOTE 4 | Items affecting comparability

Items affecting comparability include 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.

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Items affecting comparability	6 871	6 787	- 3 014	- 2 930
- of which, capital gains	4 639	298	240	4 581
- of which, capital losses	- 7	- 3	- 184	- 188
- of which, impairment losses	- 958	—	- 6 520	- 7 478
- of which, reversed impairment losses	—	—	4 161	4 161
- of which, provisions	1 017	944	1 243	1 316
- of which, changes in the fair value of energy derivatives	2 059	6 204	- 1 594	- 5 739
- of which, changes in the fair value of inventories	121	- 656	- 662	115
- of which, other non-recurring items affecting comparability	—	—	302	302

Items affecting comparability amounted to SEK 6.9 billion during the first quarter 2024, most of which pertains to capital gain from the sale of Norfolk Offshore Wind Zone and changes in market value for energy derivatives. For details on impairment losses see note 6.

Items affecting comparability amounted to SEK 6.8 billion during the first quarter 2023, most of which pertains to changes in market value for energy derivatives and inventories.

## NOTE 5 | Acquired and divested operations

### Acquired operations

No major operations have been acquired during the period.

### Divested operations

On 27 March 2024, Vattenfall concluded the sale of Norfolk Offshore Wind Zone to RWE. The agreed purchase price for the shares was GBP 1 025 million, corresponding to an enterprise value of GBP 963 million. The capital gain amount to SEK 4.6 billion.

### Assets held for sale

On 19 December 2023 Vattenfall and the State of Berlin signed a Sales Purchase Agreement regarding divestment of the Heat Berlin business. The divestment is expected to be finalised during the second quarter 2024.

Assets held for sale amounts to SEK 35.5 billion and refers to Heat Berlin. Total Liabilities attributable to assets held for sale amounts to SEK 19.4 billion and refers to Heat Berlin.

## **NOTE 6 | Impairment losses and reversed impairment losses**

### **Accounting policy**

Assessments are made on a regular basis throughout the year for any indication that an asset may have decreased in value. If any such indication is identified, the asset's recoverable amount is estimated and an impairment test is performed. The principles for impairment test are described in Note 9 to the consolidated accounts in Vattenfall's 2023 Annual and Sustainability Report.

### **Impairment losses**

Discussions with the State of Berlin during Q1 2024 led to an adjustment of the expected purchase price which resulted in an impairment of Assets held for sale related to Heat Berlin amounting to SEK 958 million.

No previously recognised impairment losses have been reversed in the income statement.

# 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 2023 Annual and Sustainability Report, Note 3 to the Parent Company accounts, Accounting policies. Amended accounting policies applicable from 1 January 2024 has had no significant effect on the Parent Company's financial statements.

## January – March 2024

Period in brief

- Net sales amounted to SEK 16,382 million (14,555). The increase in net sales is mainly explained by lower spot prices on the energy market resulting in less negative settlement results from financial hedging positions in comparison to prior year.
- Profit before appropriations and income taxes was SEK 13,815 million (19,333). The lower result is mainly explained by a decrease of the positive unrealised changes in market value for energy derivatives for future energy production compare to the same period prior year.
- During the period all shares in Vindstöd A/S was divested resulting in a capital loss of SEK -17 million.

- The financial net has been affected by higher interest rates both regarding deposits and lending. In addition to the interest rate development, the financial net has also been affected by a weakened Swedish krona.
- The balance sheet total was SEK 315,554 million (31 December 2023: 312,275).
- During the period interest-bearing loan receivables amounting to SEK 5 148 million were converted into conditional shareholder contributions in Forsmarks Kraftgrupp AB.
- Investments during the period amounted to SEK 797 million (184).
- Cash and cash equivalents, and short-term investments amounted to SEK 52,110 million (31 December 2023: 48,920).

## Risks and uncertainties

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

## Other

Significant related-party transactions are described in Note 44 to the consolidated accounts, Related party disclosures, in Vattenfall's 2023 Annual and Sustainability Report. No material changes have taken place in relations or transactions with related parties compared with the description in Vattenfall's 2023 Annual and Sustainability Report.

# Parent Company income statement

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Net sales	16 382	14 555	46 579	48 406
Costs related to production	1 637	9 121	12 664	5 180
Other external expenses	- 1 334	- 1 333	- 5 934	- 5 935
Personnel expenses	- 1 081	- 1 209	- 3 176	- 3 048
Other operating incomes	132	333	295	94
Other operating expenses	- 93	- 83	- 265	- 275
<b>Operating profit before depreciation, amortisation and impairment losses (EBITDA)</b>	<b>15 643</b>	<b>21 384</b>	<b>50 163</b>	<b>44 422</b>
Depreciation, amortisation and impairments	- 196	- 178	- 749	- 767
<b>Operating profit (EBIT)</b>	<b>15 447</b>	<b>21 206</b>	<b>49 414</b>	<b>43 655</b>
Result from participations in subsidiaries	- 17	—	2 103	2 086
Result from participations in associated companies	—	1	1	—
Other financial income	1 125	805	4 115	4 435
Other financial expenses	- 2 740	- 2 679	- 7 229	- 7 290
<b>Profit before appropriations and income taxes</b>	<b>13 815</b>	<b>19 333</b>	<b>48 404</b>	<b>42 886</b>
Appropriations	- 150	- 285	- 4 222	- 4 087
<b>Profit before income taxes</b>	<b>13 665</b>	<b>19 048</b>	<b>44 182</b>	<b>38 799</b>
Income taxes	- 2 826	- 3 927	- 8 218	- 7 117
<b>Profit for the period</b>	<b>10 839</b>	<b>15 121</b>	<b>35 964</b>	<b>31 682</b>

# Parent Company balance sheet

Amounts in SEK million	31 Mar 2024	31 Mar 2023	31 Dec 2023
<b>Non-current assets</b>			
Intangible assets: non-current	419	265	358
Property, plant and equipment	7 228	7 091	7 215
Shares and participations	162 979	167 792	157 310
Deferred tax assets	—	5 312	1 873
Other non-current receivables, group	68 547	66 460	70 694
Other non-current receivables	5 137	3 984	3 453
<b>Total non-current assets</b>	<b>244 310</b>	<b>250 904</b>	<b>240 903</b>
<b>Current assets</b>			
Inventories	404	396	513
Current receivables Group	5 956	15 140	10 991
Current receivables	12 774	22 423	10 948
Current tax assets	—	143	—
Short-term investments	28 148	28 448	23 762
Cash and cash equivalents	23 962	33 271	25 158
<b>Total current assets</b>	<b>71 244</b>	<b>99 821</b>	<b>71 372</b>
<b>Total assets</b>	<b>315 554</b>	<b>350 725</b>	<b>312 275</b>
<b>Equity, provisions and liabilities</b>			
<b>Equity</b>			
Restricted equity			
Share capital (131,700,000 shares with a share quota value of SEK 50)	6 585	6 585	6 585
Other reserves	233	2	152
Non-restricted equity			
Retained earnings	102 780	71 045	66 895
Profit for the period	10 839	15 121	35 964
<b>Total equity</b>	<b>120 437</b>	<b>92 753</b>	<b>109 596</b>
<b>Untaxed reserves</b>	<b>4 973</b>	<b>2 613</b>	<b>4 823</b>
<b>Provisions</b>	<b>6 720</b>	<b>6 800</b>	<b>6 446</b>
<b>Non-current liabilities</b>			
Hybrid capital	21 772	17 992	20 987
Other interest-bearing liabilities, group	232	221	232
Other interest-bearing liabilities	43 318	68 902	45 175
Deferred tax liabilities	313	—	—
Other noninterest-bearing liabilities	638	8 125	4 175
<b>Total non-current liabilities</b>	<b>66 273</b>	<b>95 240</b>	<b>70 569</b>
<b>Current liabilities</b>			
Hybrid capital	—	4 149	—
Other interest-bearing liabilities, group	57 894	92 587	55 571
Other interest-bearing liabilities	37 068	22 361	41 684
Current tax liabilities	599	—	144
Other noninterest-bearing liabilities, group	13 237	12 874	14 731
Other noninterest-bearing liabilities	8 353	21 348	8 711
<b>Total current liabilities</b>	<b>117 151</b>	<b>153 319</b>	<b>120 841</b>
<b>Total equity, provisions and liabilities</b>	<b>315 554</b>	<b>350 725</b>	<b>312 275</b>

# Definitions and calculations of key ratios

## Alternative Performance Measures

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

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

	<b>Definition</b>
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 EBIT:	Operating profit excluding items affecting comparability. This measure is intended to provide a better view on the operating result by excluding items affecting comparability that are of an infrequent nature.
FFO:	Funds From Operations, see Consolidated statement of cash flow
Free cash flow:	Cash flow from operating activities less maintenance investments
Interest-bearing liabilities	See Consolidated balance sheet - Supplementary Information
Net debt:	See Consolidated balance sheet - Supplementary Information
Adjusted net debt:	See Consolidated balance sheet - Supplementary Information
Capital employed:	Total assets less financial assets, noninterest-bearing liabilities and certain other interest-bearing provisions not included in adjusted net debt. see Consolidated balance sheet - Supplementary Information
<b>Other definitions</b>	<b>Definition</b>
Hybrid Capital:	Perpetual subordinated securities, junior to all Vattenfall's unsubordinated debt instruments.
LTIF:	Lost Time Injury Frequency (LTIF) is expressed in terms of the number of lost time work injuries (per 1 million hours worked), i.e., work-related accidents resulting in absence longer than one day, and accidents resulting in fatality.

## CALCULATION OF EBITDA, UNDERLYING EBITDA AND UNDERLYING EBIT

Amounts in SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Last 12 months
Operating profit (EBIT)	20 755	16 332	16 991	21 414
Depreciation, amortisation and impairment losses	- 5 775	- 4 968	- 22 694	- 23 501
<b>Operating profit before depreciation, amortisation and impairment losses (EBITDA)</b>	<b>26 530</b>	<b>21 300</b>	<b>39 685</b>	<b>44 915</b>
Items affecting comparability excl. impairment losses and reversed impairment losses	- 7 829	- 6 787	655	- 387
<b>Underlying EBITDA</b>	<b>18 701</b>	<b>14 513</b>	<b>40 340</b>	<b>44 528</b>
Operating profit (EBIT)	20 755	16 332	16 991	21 414
Items affecting comparability	- 6 871	- 6 787	3 014	2 930
<b>Underlying EBIT</b>	<b>13 884</b>	<b>9 545</b>	<b>20 005</b>	<b>24 344</b>

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

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**KEY RATIOS BASED ON CONTINUING OPERATIONS AND LAST 12-MONTH VALUES APRIL 2023 – MARCH 2024**

<b>Operating margin, %</b>	= 100 x	$\frac{\text{EBIT}}{\text{Net sales}}$	$\frac{21\,414}{269\,879}$	=	7.9
<b>Operating margin excl items affecting comparability, %</b>	= 100 x	$\frac{\text{Underlying EBIT}}{\text{Net sales}}$	$\frac{24\,344}{269\,879}$	=	9.0
<b>Pre-tax profit margin, %</b>	= 100 x	$\frac{\text{Profit before income taxes}}{\text{Net sales}}$	$\frac{20\,525}{269\,879}$	=	7.6
<b>Pre-tax profit margin excl items affecting comparability, %</b>	= 100 x	$\frac{\text{Profit before income taxes excl items affecting comparability}}{\text{Net sales}}$	$\frac{23\,455}{269\,879}$	=	8.7
<b>Return on equity, %</b>	= 100 x	$\frac{\text{Profit for the period attributable to owner of the Parent Company}}{\text{Average equity for the period attributable to owner of the Parent Company excl the Reserve for cash flow hedges}}$	$\frac{13\,553}{149\,670}$	=	9.1
<b>Return on capital employed, %</b>	= 100 x	$\frac{\text{EBIT}}{\text{Capital employed, average}}$	$\frac{21\,414}{323\,153}$	=	6.6
<b>Return on capital employed excl items affecting comparability, %</b>	= 100 x	$\frac{\text{Underlying EBIT}}{\text{Capital employed, average}}$	$\frac{24\,344}{323\,153}$	=	7.5
<b>EBIT interest cover, (x)</b>	=	$\frac{\text{EBIT} + \text{financial income}}{\text{Financial expenses excl discounting effects attributable to provisions}}$	$\frac{25\,049}{6\,379}$	=	3.9
<b>EBIT interest cover excl Items affecting comparability, (x)</b>	=	$\frac{\text{Underlying EBIT} + \text{financial income}}{\text{Financial expenses excl discounting effects attributable to provisions}}$	$\frac{27\,979}{6\,379}$	=	4.4
<b>FFO interest cover, (x)</b>	=	$\frac{\text{FFO} + \text{financial expenses excl discounting effects attributable to provisions}}{\text{Financial expenses excl discounting effects attributable to provisions}}$	$\frac{40\,167}{6\,379}$	=	6.2
<b>FFO interest cover, net, (x)</b>	=	$\frac{\text{FFO} + \text{financial items net excl discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund}}{\text{Financial items net excl discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund}}$	$\frac{36\,532}{2\,744}$	=	13.3

<b>Cash flow interest cover after maintenance investments, (x)</b>	=	Cash flow from operating activities less maintenance investments + financial expenses excl Discounting effects attributable to provisions and interest components related to pension costs	<u>989</u>	=	0.2
		Financial expenses excl discounting effects attributable to provisions and interest components related to pension costs	<u>5 291</u>		
<b>FFO/gross debt, %</b>	= 100 x	<u>FFO</u>	<u>33 788</u>	=	29.6
		Interest-bearing liabilities	<u>114 136</u>		
<b>FFO/net debt, %</b>	= 100 x	<u>FFO</u>	<u>33 788</u>	=	62.9
		Net debt	<u>53 719</u>		
<b>FFO/adjusted net debt, %</b>	= 100 x	<u>FFO</u>	<u>33 788</u>	=	26.8
		Adjusted net debt	<u>125 982</u>		
<b>EBITDA/net financial items, (x)</b>	=	<u>EBITDA</u>	<u>44 915</u>	=	16.4
		Financial items net excl discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	<u>2 744</u>		
<b>EBITDA excl items affecting comparability/net financial items, (x)</b>	=	<u>EBITDA excl items affecting comparability</u>	<u>44 528</u>	=	16.2
		Financial items net excl discounting effects attributable to provisions and return from the Swedish Nuclear Waste Fund	<u>2 744</u>		

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#### KEY RATIOS BASED ON THE BALANCE SHEET PER 31 MARCH 2024

<b>Equity/assets ratio, %</b>	= 100 x	<u>Equity</u>	<u>166 464</u>	=	27.9
		Balance sheet total	<u>596 892</u>		
<b>Gross debt/equity, %</b>	= 100 x	<u>Interest-bearing liabilities</u>	<u>114 136</u>	=	68.6
		Equity	<u>166 464</u>		
<b>Net debt/equity, %</b>	= 100 x	<u>Net debt</u>	<u>53 719</u>	=	32.3
		Equity	<u>166 464</u>		
<b>Gross debt/gross debt equity, %</b>	= 100 x	<u>Interest-bearing liabilities</u>	<u>114 136</u>	=	40.7
		Interest-bearing liabilities + equity	<u>280 600</u>		
<b>Net debt/net debt plus equity, %</b>	= 100 x	<u>Net debt</u>	<u>53 719</u>	=	24.4
		Net debt + equity	<u>220 183</u>		
<b>Net debt/EBITDA, (x)</b>	=	<u>Net debt</u>	<u>53 719</u>	=	1.2
		EBITDA	<u>44 915</u>		
<b>Adjusted net debt/EBITDA, (x)</b>	=	<u>Adjusted net debt</u>	<u>125 982</u>	=	2.8
		EBITDA	<u>44 915</u>		

**Interim report signature**

Solna, 30 April 2024

Anna Borg  
President and CEO

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

**Financial calendar**

Interim report January-June, 19 July 2024

Interim report January-September, 31 October 2024

Year-end report 2024, 6 February 2025 (preliminary)

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