Production

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Today's focus

- Organisation and key figures
- Installed capacity
- Focus areas
- Main activities and achievements
- Future challenges

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Organisation and key figures

Key figures

- Installed capacity (2011): 34,600 MW_{el}
- Electricity Production: 149 TWh_{el}
- FTE: ~ 15,200

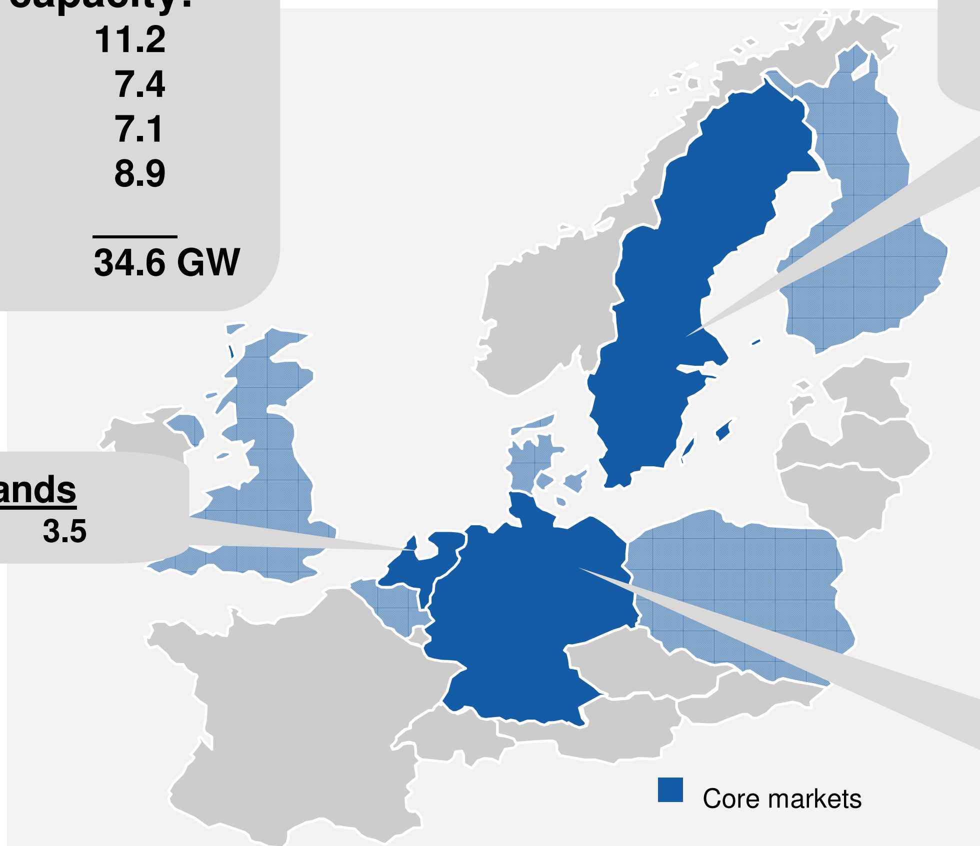
Production

Lignite	Nuclear	Hydro	Thermal (Fossil & CHP)
• Operations in Germany • 5 Lignite mines • 12 Lignite units • ~ 7.660 FTE	• Operations in Sweden and Germany • 2 of 3 units decom. in Germany • 7 units in Sweden • ~ 4.220 FTE	• Operations in Sweden, Finland and Germany • More than 100 units • ~ 640 FTE	• Operations in Germany, the Netherlands and Denmark • almost 50 units • mainly Hard coal and Gas based • ~ 2.640 FTE

Installed capacity (GW)

Total installed capacity:

Hydro	11.2
Lignite	7.4
Nuclear	7.1
Thermal	8.9
	34.6 GW



Nordic

Hydro	8.4
Nuclear	6.8
Thermal	1.5

Netherlands

Thermal	3.5

Germany

Hydro	2.8
Nuclear	0.3
Lignite	7.4
Thermal	3.9

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Focus areas

- Improve safety and commercial availability
- Optimise plant operations and maintenance to reduce costs
- Secure lignite mining reserves to fully utilize the remaining life time of existing capacities
- Prepare for the decommissioning of German nuclear plants
- Review the asset portfolio to identify and fix underperforming assets
- World class safety in nuclear

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Our main activities and achievements so far

- Priority for Safety
  - Top-KPI "*Lost Time Injury Frequency*" (LTIF) closely monitored
  - LTIF is decreasing (H1 2011: 4.3), continued positive development
- Availability at 82% during H1 2011 (2010: 80%)
  - however nuclear plants and some thermal plants lower than expected
- Division-wide cost reduction and continuous improvement programmes have been initiated
  - Positive development of cost cutting efforts during H1 2011
  - Maintenance costs lower than plan
  - Organisational streamlining ongoing
- Asset portfolio review has been completed and low performing assets identified
- Benchmarking of operations is under way

Future challenges

Nuclear phase-out Germany	• No restart of Vattenfall's nuclear plants Brunsbüttel and Krümmel • All German nuclear plants to be shut down at the latest by 2022
Nuclear Availability Sweden	• Unsatisfactory due to a number of delayed outages in Q2
CCS* legislation Germany	• Vattenfall will not build any lignite or hard coal fired plants until CCS is commercially viable
Start of full auction of CO_2 in 2013	• Abatement of CO_2 by higher techn. efficiency and co-firing of biomass • Expected additional costs 2013 vs. 2012 due to full auctioning: ~EUR 750 million
Fees and taxes	• Continued discussion about increasing fees and taxes (e.g. property tax Sweden)

* Carbon Capture and Storage

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