Vattenfall Capital Markets Day

Presentation by

Hans von Uthmann
Senior Executive Vice President, Vattenfall AB

Head of Business Group Vattenfall Nordic

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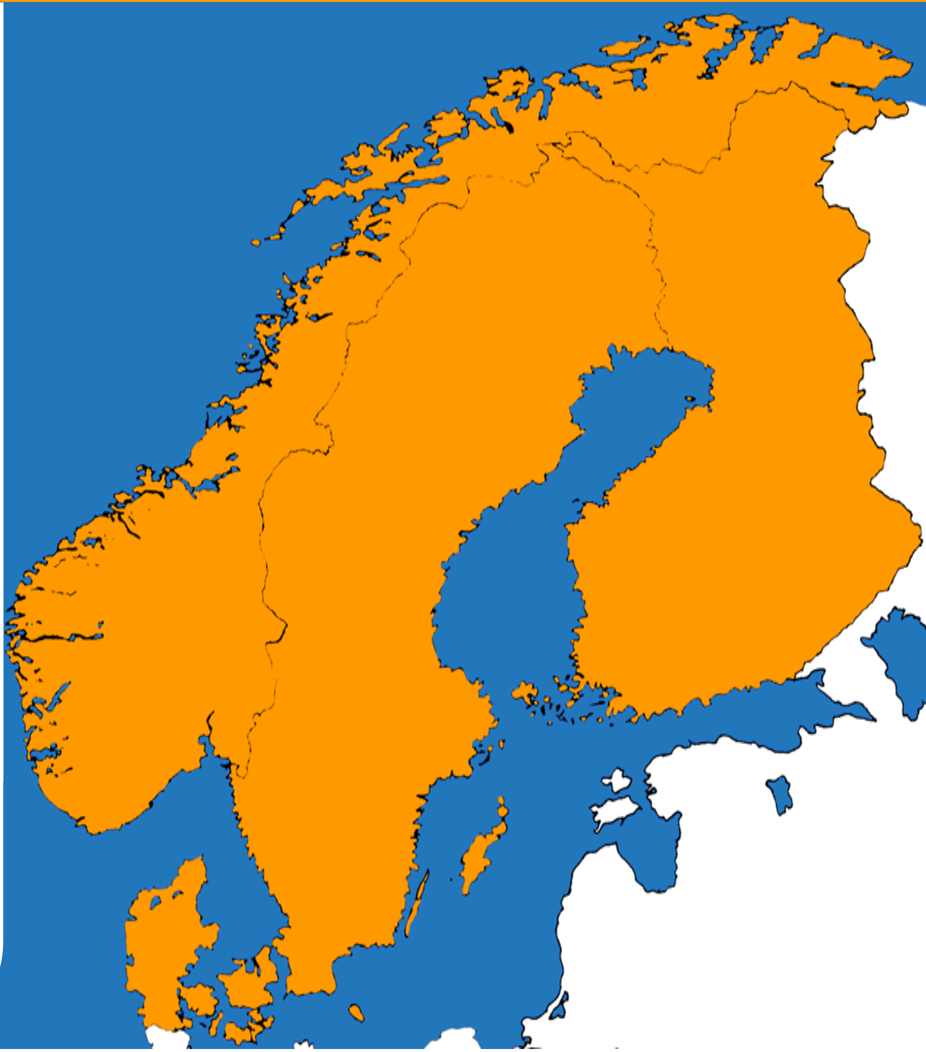
VATTENFALL

This is Business Group Nordic

	Total Market consumption	Vattenfall's sales	Population	Customers
Sweden	**146** TWh	**45.2** TWh	**9 025** M	ca **900.000**
Finland	**87** TWh	**6.2** TWh	**5 200** M	ca **400.000**
Denmark	**35** TWh	**1.1** TWh	**5 400** M	n.a
Norway	**120** TWh	**1.4** TWh	**4 500** M	n.a

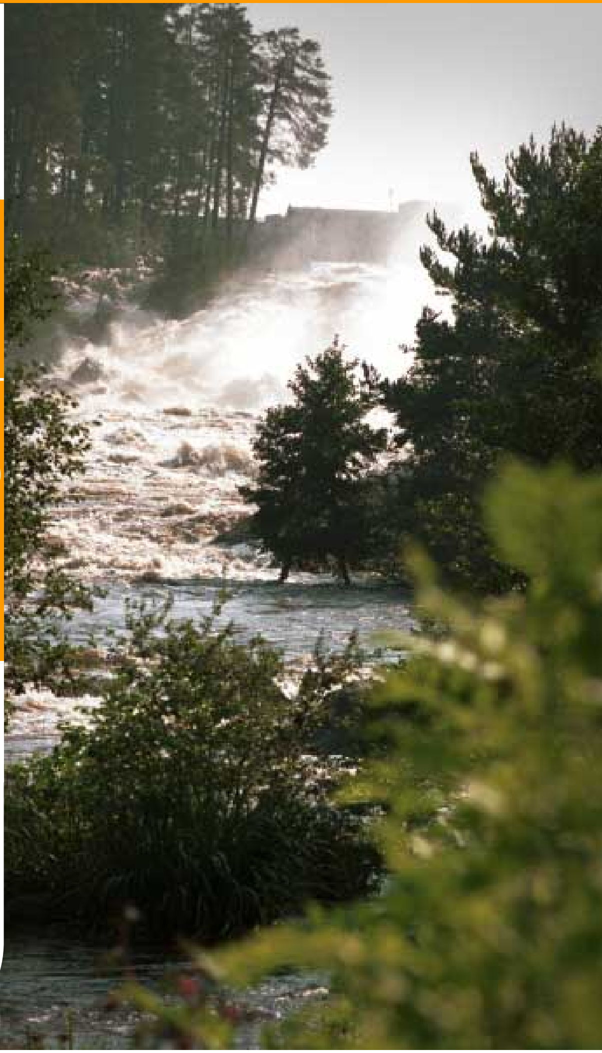
2004 – full year figures



Development 2003-2005

Business Group Nordic

	2003	2004	2005
EBIT, MSEK	8 990	12 215	12 378 (LTM as of 30 June)
Net Assets*, MSEK	58 180	57 186	67 735 (30 June)
Employees (FTE)	8 531 **	8 744	8 899 (30 June)



* The figure for Net Assets 2003 is calculated according to Swedish GAAP and is not comparable with the figures for 2004-2005 which are calculated according to IFRS.

** Sweden + Finland

Changes in Base Power 2005 – 2015

Norway	11,3 TWh
Wind	5,4
Natural gas	3,5
Hydro	2,4*

* Additional 10 TWh hydro power if green certificates are introduced in Norway

Denmark	0,3 TWh
Wind	2,8
Decommissioning of coal condensing units	-2,5

Sweden	20,7 TWh
Wind	5,2
Hydro	1,9
Nuclear power upgrading	8,9
Natural gas CHP	1,6
Biofuel CHP	5,1
Decommissioning of nuclear units	- 4,4
Karlshamn 3	2,4

Finland	14,6 TWh
Wind	0,9
Hydro	0,3
CHP	4,7
Nuclear	12,0
Decommissioning of coal condensing units	-3,3

Total: 46,9 TWh

(* 56,9 TWh)

Increased electricity use 24,9 TWh

Market position in the Nordic area

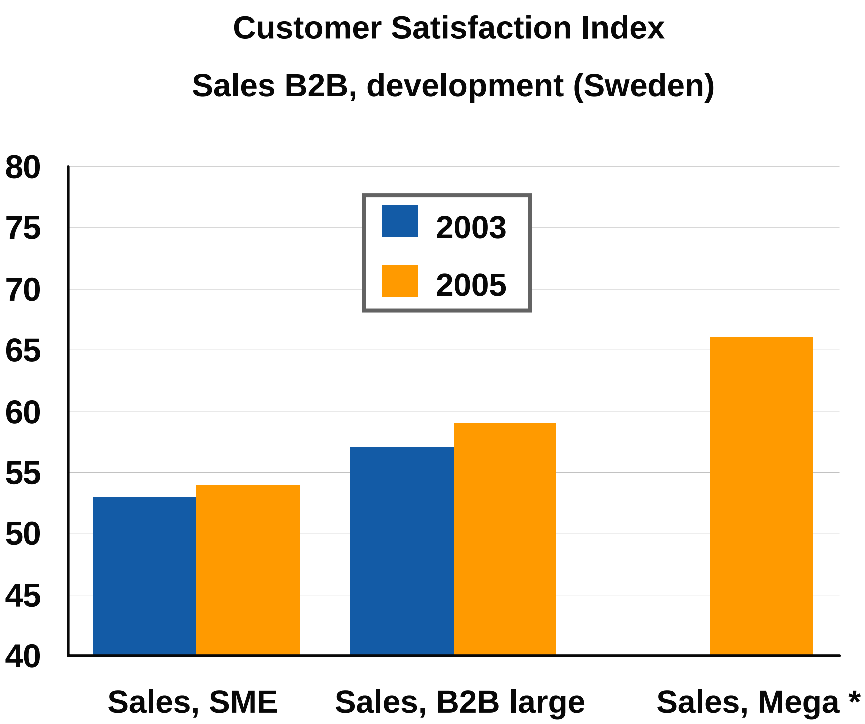
Generation:		18% of 380 TWh
Networks:		
	Local:	
	Sweden	17% of 5 200 000 customers
	Finland	12% of 3 000 000 customers
	Regional:	
	Sweden	50% of 150 TWh
Sales:		
	Sweden	33% of 150 TWh
	Finland	6% of 85 TWh
Heat:		
	Sweden	11 % of 45 TWh
	Finland	3% of 30 TWh

VATTENFALL

Important events in 2005

- The storm ”Gudrun”
- Windpower investments
- Closure of Barsebäck 2
- Major investment in Denmark

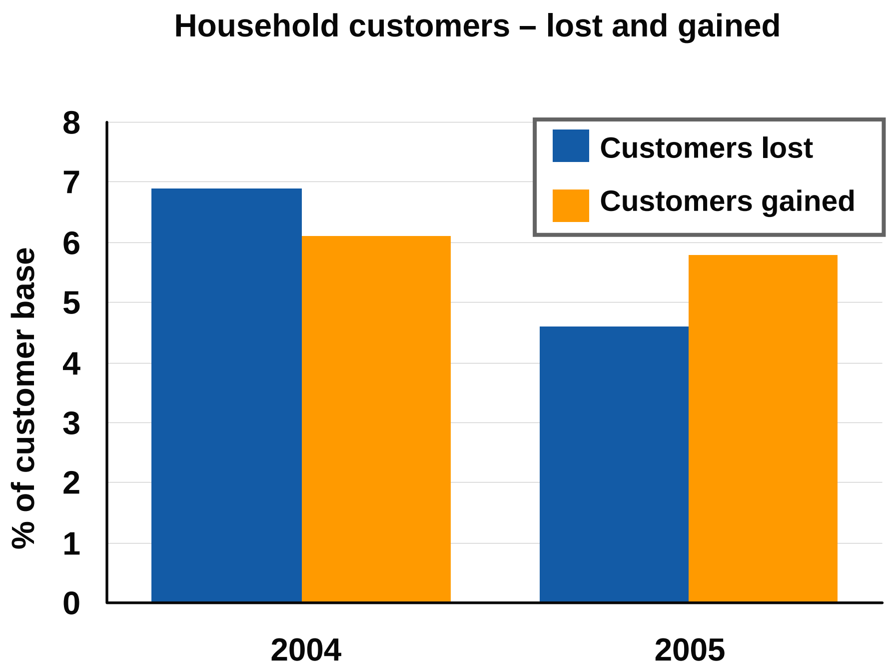
Customer satisfaction for business unit Sales



- Not possible to make a comparison between 2003 and 2005 in the case of the Mega category, but the overall customer satisfaction has increased.

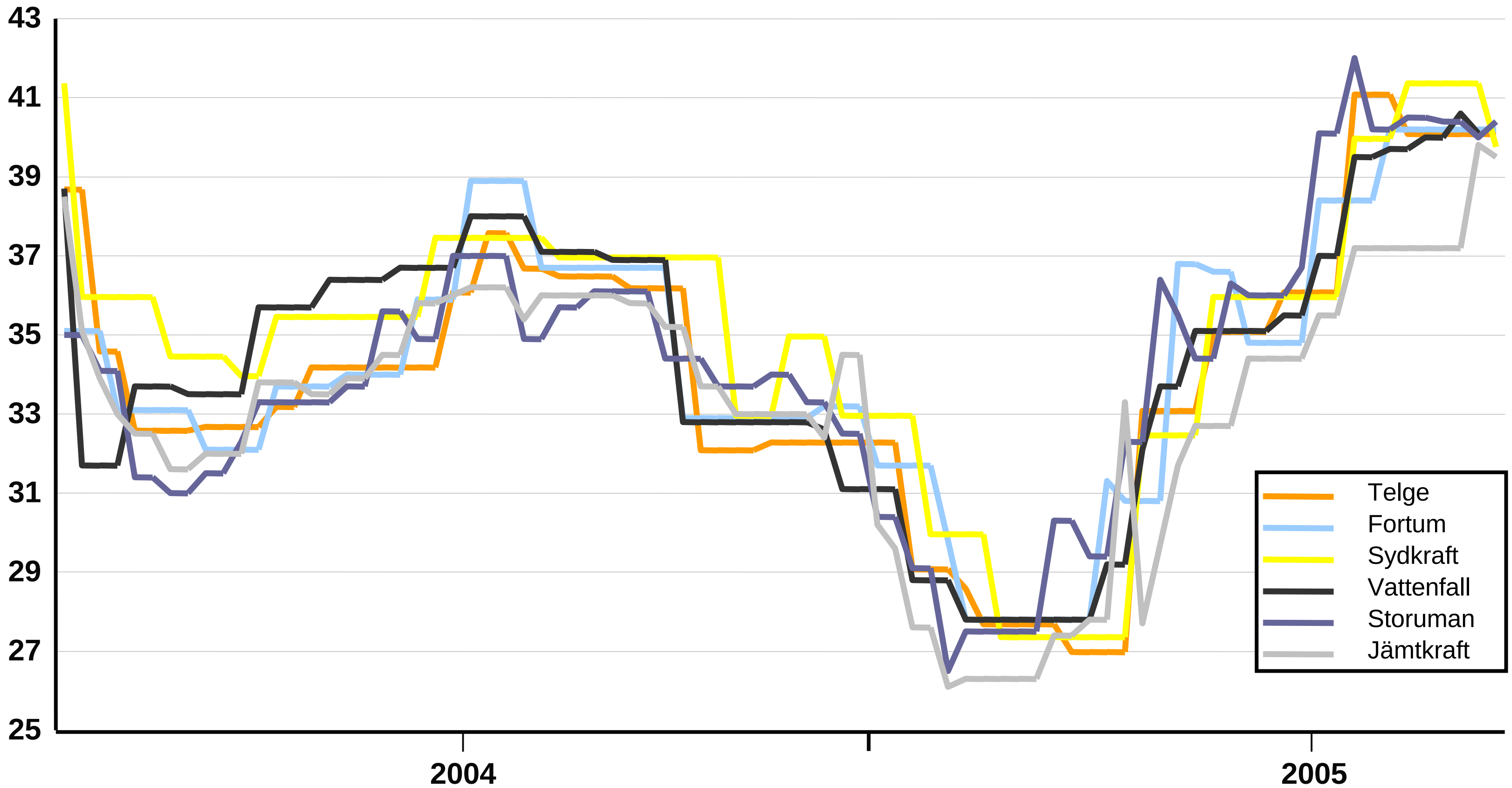
Household customers gained and lost

YEAR	Percentage of customer base lost	Percentage of customer base gained
2004	6.9%	6.1%
2005 (Jan. 1 - Aug. 31)	4.6%	5.8%



Price Benchmark 2004-2005

Competitor benchmark 2004-2005; 1-year contract incl. fixed fee (20 0000 kWh/year)



Investments in Sweden

Investments in the coming 10 years

Hydro power – renewal of plants	6.5	bn
Örestad's wind power farm	1.5	bn
Distribution network – quality improvement (5 years)	10.0	bn
AMR-project	1.2	bn
Nuclear – renewal of plants	18.0	bn
Nuclear – increase in power (+5,6 TWh)	6.0	bn
Customer service programme – "Number 1 for the customer"	2.0	bn
	45.2	**bn SEK**

Renewable energy

Windpower

In Sweden we have 40 windpower plants that generate 60 GWh and thus we are one of Sweden's largest windpower generators. Our market share is approximately 9%.

Biofuels and waste

Vattenfall is one of the largest users of biofuel in the world. Over 50% (4 TWh) of Vattenfall's total heat production in the Nordic countries is based on bio fuels and waste.

Hydro power

In the course of a normal year we generate 32 TWh. We are one of the biggest hydro power generators in the Nordic countries with a market share of approximately 17%.

Vattenfall aims to be the leading windpower producer

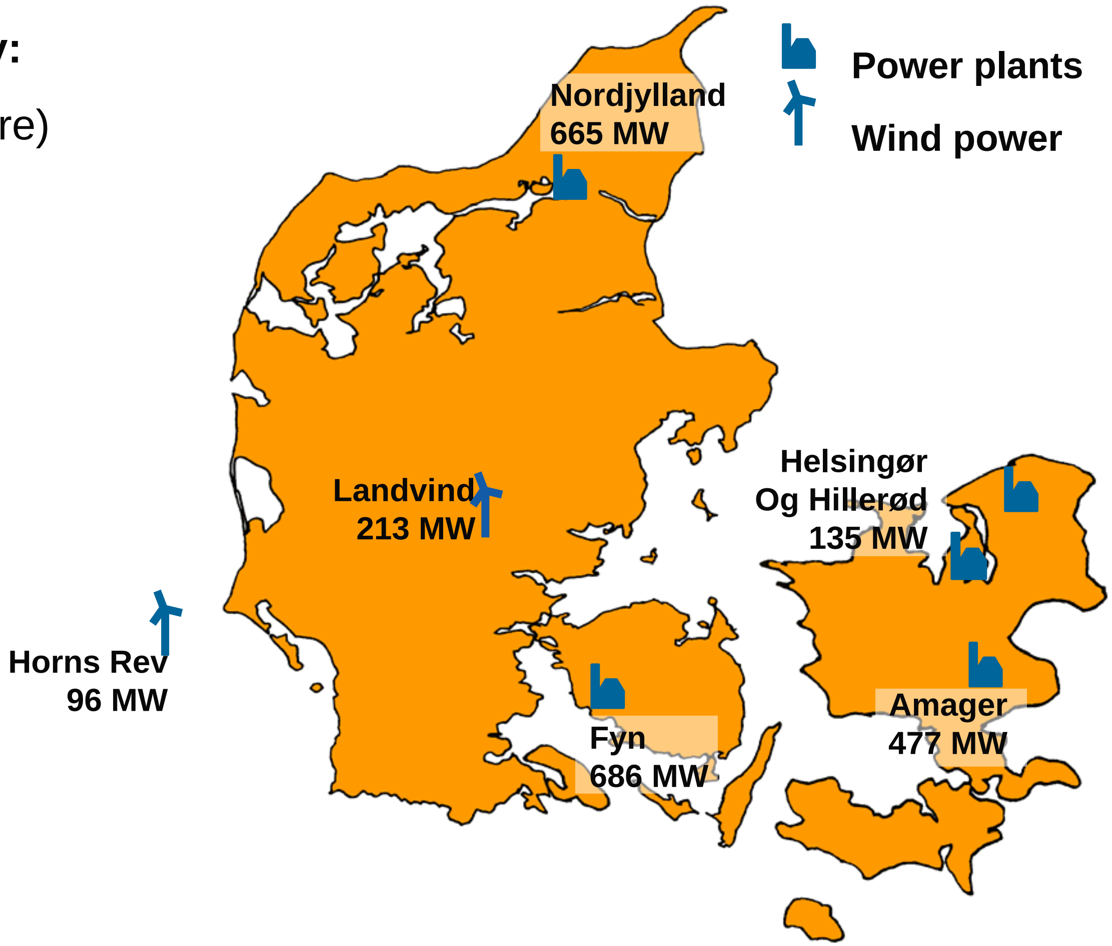
- Today 60 GWh of 679 GWh = 9 %
- Including Karlskrona (60 GWh) = 739 GWh
- Including Örestad (330 GWh) = 1,069 GWh
- Including Krigers flak (1640 GWh) = 2,709 GWh
- Including Denmark (323 GWh) = 3,032 GWh

Denmark

- **Vattenfall's production capacity:**

  approx. 2,300 MW_{el} (pro rata share)
- **Annual production:**

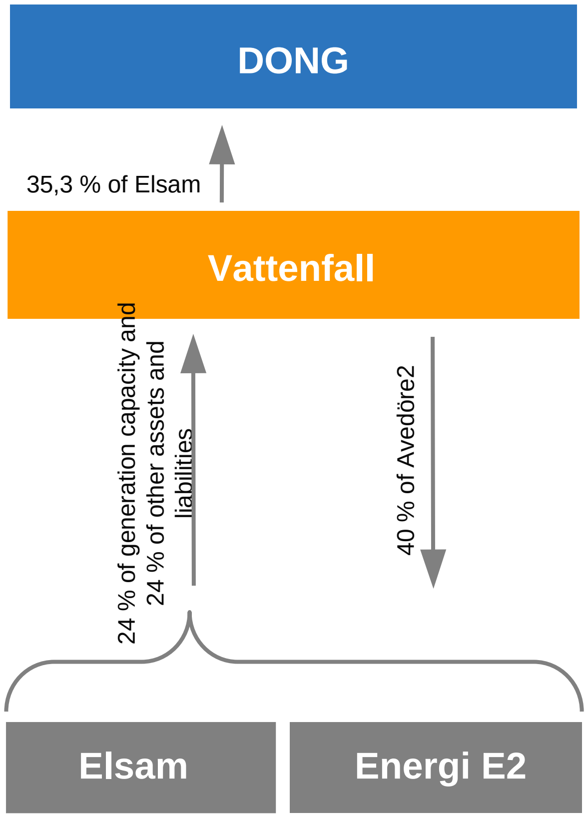
  9 TWh elecricity and 6 TWh heat
- **Employees:** approx. 650



Vattenfall will take over 60 % (= 96 MW) of Horns Rev

Transaction – main terms and conditions

- In exchange for its 35.3% stake in Elsam and its share in Avedöre2, Vattenfall shall take over approx. 24% of the generation capacity of Elsam/Energi E2
- Vattenfall shall take over approx. 24% of the remaining assets and liabilities of Elsam/Energi E2 (excl. Nesa) such as employees, stock, tax items and net liabilities
- Co-operation agreement and joint ownership of certain assets such as harbours, waste product facilities etc
- Management agreement in place
- EU competition authorithies



Key issues and challenges going forward

- EU rules
- Network regulation
- Future for nuclear power
- Electricity prices
- Heat prices
- Image and Customer Satisfaction
- Renewables
- Integration of Danish assets

SWOT

Strenghts

- Low cost production
- Market leadership in retail and production Sweden
- Strong asset base and Nordic market presence
- Large and growing share of CO2-free production in portfolio
  - Hydro
  - Nuclear
  - Wind

Threats

- Customer confidence
- Political pressure
- Unstable tax regimes

Thanks for listening!