


Item 7

Deal structure for a lignite divestment

BoD material

29th of October 2014

1 Confidentiality - High (C3)

VATTENFALL 

HEMLIG 30 29
 enligt 19 kap. 1 § offentlighets-
 och sekretesslagen (2009:400)
 20.11.14 - 12.10.10
 REGERINGSKAMMARET
 Finansdepartementet

7111

F 2014 / 4300
08

7111 N2015 / 73/SB

Storytelling

HEADLINE:

“Vattenfall sells within 3 years its lignite operations to an Industrial Partner and safeguards final investments in new mine. At the same time Vattenfall will invest into [Renewables, Heat, Downstream] to reshape its portfolio and to become the leader in sustainable energy production [in Germany, Continental Europe, tbd].”

Magnus Hall, CEO Vattenfall explains

“In our newly agreed strategy with our shareholder we can not make any new investments in lignite and coal power generation. In our Lusatian area, Vattenfall was faced with large investments for opening a new mine in Nochten. We as Vattenfall can not make such investment with the consequence that the local activities would have to be stopped by 2027. In [EPH; we have found a strategic partner who is willing to make this investment in return for a share in our integrated lignite activities. It is more than logic that [EPH; want to have operational control over such investment. We therefore agreed to a gradual handover our integrated lignite activities whereby we transfer our final shares in 2017.

At the same time we needed to make sure that

funds for that. [EPH;

This is not an exit of Germany, Vattenfall will...

Timeline (and key decisions upcoming)