Fortum
Interim Report
January-September 2024



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Powering a thriving world

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Financial results discussed in this report comprise the continuing operations of the Fortum Group.

Figures in brackets refer to the comparison period, i.e. the same period last year, unless otherwise stated.

Resilient performance amid seasonally low Nordic power prices

July–September 2024

- Comparable EBITDA was EUR 254 (318) million.
- Comparable operating profit was EUR 158 (226) million.
- Operating profit was EUR 123 (251) million.
- Comparable earnings per share were EUR 0.14 (0.23).
- Earnings per share were EUR 0.14 (0.21).
- Cash flow from operating activities totalled EUR 349 (429) million.

January–September 2024

- Comparable EBITDA was EUR 1,202 (1,443) million.
- Comparable operating profit was EUR 921 (1,186) million.
- Operating profit was EUR 935 (1,286) million.
- Comparable earnings per share were EUR 0.82 (0.93).
- Earnings per share were EUR 0.91 (1.23).
- Cash flow from operating activities totalled EUR 1,225 (1,561) million.
- In the second quarter of 2024, Fortum recorded in the comparable operating profit a sales gain of EUR 16 million from the divestment of its remaining share of its Indian solar power portfolio.
- On 18 July, Fortum signed an agreement to sell its recycling and waste business for approximately EUR 800 million. The transaction is expected to be completed in the fourth quarter of 2024.

Summary of outlook

- The Generation segment's Nordic outright generation hedges: approximately 80% at 44 EUR/MWh for the remainder of 2024, approximately 65% at 42 EUR/MWh for 2025 and approximately 40% at 41 EUR/MWh for 2026. As of the first quarter of 2024, the hedge ratios and prices also include the Group's wind generation volumes.
- The current annual outright portfolio amounts to approximately 47 TWh, an increase of approximately 2 TWh due to the commissioning of Olkiluoto nuclear power plant's third unit and the Pjelax wind farm.
- Capital expenditure in 2024 is expected to be approximately EUR 550 million, of which the maintenance capital expenditure is EUR 300 million.
- From 2025 onwards, the Group's annual maintenance capital expenditure is expected to be EUR 250 million. Due to the lower annual maintenance capital expenditure, Fortum's capital expenditure (excluding acquisitions) for 2024–2026 is expected to be up to EUR 1.6 billion.

Key figures, continuing operations

EUR million or as indicated	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Reported						
Sales	1,094	1,220	4,365	4,853	6,711	6,223
Operating profit	123	251	935	1,286	1,662	1,311
Share of profit/loss of associates and joint ventures	34	-9	57	-30	59	146
Net profit	133	187	822	1,102	1,515	1,235
Net profit (after non-controlling interests)	132	188	820	1,104	1,514	1,230
Earnings per share, EUR	0.14	0.21	0.91	1.23	1.68	1.36
Net cash from operating activities	349	429	1,225	1,561	1,710	1,374

EUR million or as indicated	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Comparable						
EBITDA	254	318	1,202	1,443	1,903	1,661
Operating profit	158	226	921	1,186	1,544	1,280
Share of profit/loss of associates and joint ventures	-5	9	5	-24	7	36
Net profit (after non-controlling interests)	117	204	731	833	1,150	1,048
Earnings per share, EUR	0.14	0.23	0.82	0.93	1.28	1.17

EUR million or as indicated	LTM	2023
Financial position		
Financial net debt (at period-end)	655	942
Financial net debt/comparable EBITDA	0.4	0.5

Key figures, total of continuing and discontinued operations

Fortum's condensed consolidated income statement and consolidated cash flow statement include the Russia segment as discontinued operations in 2023.

EUR million or as indicated	III/2024	III/2023	I-III/2024	III/2023	2023	LTM
Reported						
Net profit (after non-controlling interests)	132	188	820	-2,479	-2,069	1,230
Earnings per share, EUR	0.14	0.21	0.91	-2.76	-2.31	1.36
Net cash from operating activities	349	429	1,225	1,670	1,819	1,374
Comparable						
Net profit (after non-controlling interests)	117	204	731	867	1,184	1,048
Earnings per share, EUR	0.14	0.23	0.82	0.97	1.32	1.17

Fortum's President and CEO Markus Rauramo:

"The third quarter is typically a seasonally low quarter with lower power prices and volumes. In July and August, Nordic spot prices were pressured by high precipitation, good nuclear availability and increasing wind and solar output. In September, drier conditions and nuclear outages due to both planned maintenance and unexpected technical issues increased the prices. In Finland, the price coupled strongly with Estonia on low wind days especially after the Estlink 2 transmission line returned to operation in early September after a long break. Overall, Nordic energy demand has recovered to pre-crisis levels and non-industrial demand is strong throughout the Nordics; Finnish and Swedish industrial demand, however, is still lagging.

The lower spot prices affected especially the Generation segment's result, but with our versatile and competitive CO_2-free fleet, successful hedging and a solid optimisation premium our achieved power price reached a good level, and we recorded a resilient result. Compared to the third quarter of 2023, the main reasons for the Generation segment's lower result were the lower achieved power price and lower hydro volumes, partly offset by the improved result in the renewables and decarbonisation business. The result decreased in the Consumer Solutions segment and improved in the Other Operations segment.

The strategic review of our Circular Solutions business took a next step during the third quarter. In July, we signed an agreement to sell our recycling and waste business to Summa Equity for approximately EUR 800 million. Based on the balance sheet available at signing, we would record a tax-exempt capital gain of approximately EUR 110 million. However, the final capital gain will depend on the balance sheet value at closing, expected to take place in the fourth quarter. In September, we announced that we had signed an agreement to sell our ownership in Chempolis Oy, including all Fortum's biobased solutions businesses, and the shares in the holding company of Assam Bio Ethanol Pvt Ltd in India to AM Green Technology & Solutions B.V. The transaction will not have any material financial impact on Fortum Group's result.

We continue our strategy implementation. On our strategic priority to deliver reliable and clean energy, we are focused on optimising and strengthening our core operations for power generation. At the Loviisa nuclear power plant, we reached an important milestone in securing a reliable Western alternative for fuel supply by loading the first batch of Westinghouse fuel in August. The lifetime extension of our Loviisa nuclear power plant is also progressing well with, e.g., the automation upgrade of the turbine protection and control systems of both power plant units. We are very happy to see that there is demand for long Power Purchase Agreements (PPAs) also for nuclear power in other parts of the world. The Loviisa lifetime extension provides a 1,000-MW extension for 22 years until 2050, and we are well positioned to offer reliable CO_2-free base load power to our industrial customers. In Sweden, Fortum, together with its co-owned nuclear plants' other owners, has decided to investigate extending the operating lifetime of also the Oskarshamn and Forsmark plants to 80 years.

On our strategic priority to drive decarbonisation of industries we continued the development of several potential sites across Finland that can be offered to our customers for data centre or industrial use. One of these is a site in Rauma, where we are developing a site for a sustainable synthetic aviation fuel (eSAF) plant together with Norsk e-Fuel and Port of Rauma.

Within the scope of our strategic priority to transform and develop, we continued our efforts for the efficiency improvement programme with the target to gradually lower annual fixed costs by EUR 100 million (excluding inflation) by the end of 2025 with a full run-rate from the beginning of 2026. Fortum expects to reduce its recurring fixed cost base by more than EUR 50 million by the end of 2024.

In September, the new EU College of Commissioners was introduced with a view to formally take the office at the end of the year. Their mission letters emphasise industrial competitiveness alongside commitment to climate targets and energy affordability. Energy plays a significant role in these, and Fortum will actively engage in influencing these initiatives to ensure they support a competitive and sustainable future. Increased clean power supply through ambitious deployment of all low-carbon electricity sources is a necessity for competitive decarbonisation of Europe's industries."

Fortum's strategy

At the beginning of February, the Fortum Board of Directors resolved on clarifications to Fortum's strategy. As the operating environment shows increased uncertainty, reduced visibility and postponement of industrial investments, the company specified its business portfolio, clarified capital allocation and set new strategic targets with measurable key performance indicators (KPIs). Fortum's strategy, launched in March 2023, focuses on the Nordics with strategic priorities to 'deliver reliable clean energy', 'drive decarbonisation in industries', and 'transform and develop'.

The financial and environmental targets are as follows:

- To ensure a credit rating of at least BBB, Financial net debt-to-comparable EBITDA can be a maximum of 2.0–2.5 times. S&P Global Ratings currently rates Fortum as BBB+ with Stable Outlook and Fitch Ratings as BBB with Stable Outlook.
- For the 2024–2026 period, Fortum's capital expenditure is expected to be approximately EUR 1.6 billion (excluding acquisitions), of which growth capital expenditure is expected to be EUR 800 million and annual maintenance capital expenditure for 2024 at EUR 300 million and EUR 250 million from 2025 onwards.
- To ensure required returns for any potential new investments, Fortum continues to be selective and applies previously set investment criteria: project-based WACC + 150–400 investment hurdles depending on technology or investment project, as well as environmental targets.
- Fortum's dividend policy is a payout ratio of 60–90% of comparable EPS. The payout ratio will be used so that the upper end of the pay-out ratio range is applied in situations with a strong balance sheet and low investments, while the lower end of the range is applied in situations with high leverage and/or significant investments and high capital expenditure.
- Tightened environmental and decarbonisation ambitions with targets to reach carbon neutrality already by 2030, exit coal by the end of 2027, target for specific emissions, and commitment to SBTi (1.5°C) and biodiversity targets.

Strategic targets with measurable KPIs:

- Strengthen Nordic leadership with KPI: Fleet availability: >90% for nuclear, >95% for hydro.
- Ensure value creation from flexibility with KPI: Annual optimisation premium 6–8 EUR/MWh.
- Stabilise income streams with KPI: Hedged share of rolling 10-year outright generation volume >20% by end of 2026.
- Demand-driven renewables with KPI: Ready-to-build pipeline for solar and onshore wind >800 MW by end of 2026.

Financial results

Sales by segment

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Generation	644	847	2,853	3,081	4,420	4,192
Consumer Solutions	509	563	2,281	2,697	3,766	3,350
Other Operations	165	138	455	401	548	602
Netting of Nord Pool transactions	-114	-239	-886	-898	-1,510	-1,498
Eliminations	-110	-89	-338	-428	-514	-423
Total continuing operations	**1,094**	**1,220**	**4,365**	**4,853**	**6,711**	**6,223**

Comparable EBITDA by segment

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Generation	225	307	1,102	1,422	1,874	1,554
Consumer Solutions	26	27	121	78	108	151
Other Operations	3	-16	-21	-57	-80	-44
Total continuing operations	**254**	**318**	**1,202**	**1,443**	**1,903**	**1,661**

Comparable operating profit by segment

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Generation	176	262	953	1,289	1,679	1,343
Consumer Solutions	6	10	60	27	38	72
Other Operations	-24	-46	-92	-130	-173	-135
Total continuing operations	**158**	**226**	**921**	**1,186**	**1,544**	**1,280**

Operating profit by segment

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Generation	129	273	926	1,689	2,058	1,296
Consumer Solutions	18	23	95	-274	-215	153
Other Operations	-24	-45	-86	-129	-181	-138
Total continuing operations	**123**	**251**	**935**	**1,286**	**1,662**	**1,311**

July–September 2024

Sales decreased to EUR 1,094 (1,220) million, mainly due to lower power prices.

Comparable operating profit decreased to EUR 158 (226) million. The Generation segment results decreased to EUR 176 (262) million, mainly due to the lower spot and hedge prices. The result for the Consumer Solutions segment

decreased to EUR 6 (10) million, mainly driven by lower gas sales margins, the effect of which was partly offset by the reduced scope of the regulated electricity price cap for end users in Poland.

Operating profit for the period was impacted by EUR -35 (25) million of items affecting comparability.

Comparable share of profits of associates and joint ventures was EUR -5 (9) million. (Note 7)

Comparable earnings per share were EUR 0.14 (0.23).

January–September 2024

Sales decreased to EUR 4,365 (4,853) million, mainly due to lower power prices.

Comparable operating profit decreased to EUR 921 (1,186) million. The Generation segment results decreased to EUR 953 (1,289) million, mainly due to the lower spot and hedge prices, partly offset by higher hydro volumes. The result for the Consumer Solutions segment increased to EUR 60 (27) million, mainly driven by higher electricity sales margins and reduced scope of the regulated price cap for end users in Poland, the effect of which was partly offset by lower gas sales margins in Poland.

Operating profit for the period was impacted by EUR 14 (101) million of items affecting comparability.

Comparable share of profits of associates and joint ventures was EUR 5 (-24) million (Note 7).

Finance costs – net amounted to EUR 20 (-162) million. Net interest expenses turned positive due to lower interest expenses of EUR 174 (217) million and higher interest income of EUR 179 (115) million, mainly from deposits and cash. Interest income in January–September 2024 includes EUR 19 million interest income relating to the Belgian income tax assessment. Interest expenses in the comparison period included EUR 41 million related to the bridge financing loan provided by the Finnish state-owned holding company Solidium. Comparable finance costs – net amounted to EUR -22 (-130) million (Notes 8 and 9).

Income taxes totalled EUR -190 (7) million. In the comparison period, income taxes included EUR 224 million relating to the one-time positive tax impacts due to the impairment of the Russian assets. The comparable effective income tax rate was 19.6% (19.1%) (Note 9).

Net profit after non-controlling interests was EUR 820 (1,104) million and comparable net profit was EUR 731 (833) million. Comparable net profit is adjusted for items affecting comparability, adjustments to the share of profit of associates and joint ventures, finance costs – net, income tax expenses and non-controlling interests (Note 4.2).

Earnings per share were EUR 0.91 (1.23). Comparable earnings per share were EUR 0.82 (0.93) (Note 4).

Financial position and cash flow

Cash flow

In January–September, net cash from operating activities decreased and totalled EUR 1,225 (1,561) million due to the lower comparable EBITDA, lower positive change in working capital and realised foreign exchange losses included in non-cash and other items, the effect of which was partly offset by lower paid income taxes.

Net cash from investing activities turned negative and totalled EUR -110 (1,491) million. Capital expenditure amounted to EUR 351 (446) million. Net cash from investing activities was positively impacted by lower margin receivables, a decrease of EUR 322 (decrease 1,937) million.

Net cash used in financing activities was EUR -1,040 (-2,178) million. The net repayments of interest-bearing liabilities totalled EUR 453 (1,539) million, including a repayment of EUR 400 million of bank loans. The net repayments of interest-bearing liabilities in the comparison period included the EUR 1,000 million repayment of bonds, the EUR 1,100 million repayment of the liquidity revolving credit facilities and the EUR 350 million repayment of the Finnish

State bridge loan, which were partly offset by issued bonds of EUR 1,150 million. The first dividend payment of EUR 520 (413) million was paid in April. The second instalment was paid on 9 October.

Liquid funds increased by EUR 75 (875) million. Liquid funds at 30 September 2024 amounted to EUR 4,255 million.

For further details, see the ‘Financing’ section below.

Assets

At the end of the third quarter of 2024, total assets amounted to EUR 17,729 (18,739 at the end of 2023) million. The decrease of EUR 1,010 million was mainly due to lower margin receivables and trade and other receivables reflecting the seasonality of the business operations.

Equity

Total equity amounted to EUR 8,584 (8,499 at the end of 2023) million. Equity attributable to owners of the parent company totalled EUR 8,498 (8,438 at the end of 2023) million. Equity was positively impacted by the EUR 820 million net profit for the period and by the EUR 266 million fair valuation of cash flow hedges, which were almost entirely offset by the 2023 dividend of EUR 1,032 million.

The dividend for 2023, amounting to a total of EUR 1,032 million, was approved by the Annual General Meeting on 25 March 2024. The first dividend instalment of EUR 520 million was paid on 5 April 2024. The second dividend instalment of EUR 511 million is recorded as a liability and included in ‘Trade and other payables’ on the balance sheet at 30 September 2024. The second dividend instalment was paid on 9 October 2024.

Financing

The Group’s financial position continues to be very solid. At the end of September, the Group’s ratio for financial net debt-to-comparable EBITDA was very low, at 0.4 times for the last twelve months.

At the end of the third quarter, financial net debt was EUR 655 (942 at the end of 2023) million. Fortum’s total interest-bearing liabilities were EUR 5,351 (5,909 at the end of 2023) million and liquid funds amounted to EUR 4,255 (4,183 at the end of 2023) million.

At the end of the third quarter, Fortum’s long-term loans totalled EUR 4,781 million. Short-term loans amounted to EUR 476 million (Note 12).

In May, Fortum extended the EUR 800 million bilateral revolving credit facility maturing in June 2025 by one year, with a new maturity date in June 2026.

In June, Fortum signed its first green loan under the company’s Green Finance Framework, which was established in January. The EUR 300 million green loan is aimed to refinance renewable energy and energy-efficiency projects. The loan period is five years, and it has a one-year extension option by the lender. The loan partly refinanced a bank loan of EUR 700 million, of which Fortum prepaid the remaining EUR 400 million in June.

Additionally, Fortum extended the EUR 2,400 million Core revolving credit facility by two years, with a new maturity date in June 2027. After the original due date in June 2025, the facility size will be EUR 2,206 million.

At the end of the third quarter, Fortum had undrawn committed credit facilities of EUR 3,200 million. In addition, Fortum has EUR 100 million committed overdraft limits that are valid until further notice.

The current long-term credit rating for Fortum by S&P Global Ratings is BBB+ with Stable Outlook and by Fitch Ratings BBB with Stable Outlook.

Segment reviews

Generation

Generation is responsible for power generation mainly in the Nordics. The segment comprises CO_2-free hydro, nuclear, wind and solar power generation, as well as district heating and cooling, and decarbonisation of heat production assets. The Generation segment is responsible for hedging and value creation both in physical and financial power markets and is a customer interface for industrial and municipal customers to drive decarbonisation of industries and provide clean energy at scale. Furthermore, the business develops capabilities and projects in renewables and nuclear and explores clean hydrogen.

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Reported						
Sales	644	847	2,853	3,081	4,420	4,192
- power sales	571	778	2,478	2,725	3,889	3,642
of which Nordic outright power sales*	457	549	1,743	2,071	2,799	2,471
- heat sales	61	59	335	318	481	498
- other sales	13	10	39	37	50	53
Operating profit	129	273	926	1,689	2,058	1,296
Share of profit/loss of associates and joint ventures**	38	-11	60	-30	59	149
Capital expenditure and gross investments in shares	95	116	250	342	454	362
Number of employees			2,132		1,758	

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Comparable						
EBITDA	225	307	1,102	1,422	1,874	1,554
Operating profit	176	262	953	1,289	1,679	1,343
Share of profit/loss of associates and joint ventures**	-1	7	8	-24	7	40
Return on net assets, %					24.2	18.9
Net assets (at period-end)			7,533	7,016	7,263	

* Nordic outright power sales includes hydro, nuclear and wind generation. It does not include CHP and condensing power generation, minorities, customer business, or other purchases.
** Power plants are often built jointly with other power producers, and owners purchase power at cost. The share of profit/loss is mainly IFRS adjustments (e.g. accounting for nuclear-related assets and liabilities) and depreciations on fair-value adjustments from historical acquisitions (Note 18 in the Consolidated Financial Statements 2023).

Power generation by source

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Hydropower, Nordic	4.7	5.4	15.6	15.0	20.9	21.6
Nuclear power, Nordic	5.8	5.6	18.1	17.9	24.8	25.0
Wind power, Nordic	0.2	-	0.6	-	0.1	0.7
CHP and condensing power*	0.1	0.1	0.5	0.7	1.0	0.8
Total	**10.8**	**11.2**	**34.8**	**33.6**	**46.8**	**48.1**

* CHP and condensing power generation in Finland and Poland.

Sales volumes

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Power sales volume, Nordic	13.7	16.8	44.5	43.6	62.6	63.5
of which Nordic outright power sales volume*	10.4	10.7	33.0	31.9	44.4	45.6
Power sales volume, Other	0.1	0.0	0.4	0.4	0.6	0.5
Heat sales volume, Nordic	0.2	0.2	1.4	1.4	2.1	2.2
Heat sales volume, Other	0.2	0.2	2.0	2.2	3.4	3.2

* The Nordic outright power sales volume includes hydro, nuclear and wind generation. It does not include CHP and condensing power generation, minorities, customer business, or other purchases.

Achieved power price

EUR/MWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Generation's Nordic achieved power price*	44.1	51.2	52.8	65.0	63.1	54.2

* Generation's Nordic achieved power price includes hydro, nuclear and wind generation. It does not include CHP and condensing power generation, minorities, customer business, or other purchases.

July–September 2024

The Generation segment's total power generation decreased in the third quarter of 2024 compared to the previous year. Hydro generation volumes decreased by 13% due to lower water inflow. Nuclear volumes increased by 4%, mainly due to higher volumes in Oskarshamn and Forsmark. Volumes from wind generation increased by 0.2 TWh following the commissioning of the Pjelax wind farm. The weather was warmer both in Finland and Poland; consequently, heat generation was 4% lower while CHP-based power generation was at the same level as in the previous year.

The achieved power price decreased by 14%, or 7.1 EUR/MWh, and was 44.1 EUR/MWh. The decrease in the achieved power price was mainly attributable to both lower spot and hedge prices. The spot power price in Fortum's generation price areas declined to 19.8 EUR/MWh compared to 33.0 EUR/MWh in the third quarter of 2023.

Comparable operating profit decreased clearly, by 33%, impacted mainly by the lower spot and hedge prices. Lower hydro volumes due to lower inflow and somewhat higher costs for co-owned nuclear production negatively affected the result further. The result contribution of the Pjelax wind farm was marginally negative. The result of the district heat business improved, mainly due to the higher sales price for power in Poland.

Operating profit was affected by EUR -47 (11) million of items affecting comparability, related to the fair-value change of non-hedge-accounted derivatives (Note 3).

Comparable share of profits of associates and joint ventures totalled EUR -1 (7) million (Notes 3 and 7).

January–September 2024

The Generation segment's total power generation increased compared to January–September 2023. Hydro generation volumes increased by 4% due to higher water inflow compared to the previous year. Nuclear volumes increased by 1%. The volumes at the Oskarshamn nuclear power plant increased due to a shorter planned outage, while volumes at the Forsmark plant and at Olkiluoto's first and third units declined. Volumes from wind generation increased by 0.6 TWh following the commissioning of the Pjelax wind farm. Heat generation decreased by 4% compared to previous year due to warmer weather in Poland. CHP-based power volumes decreased by 10%.

The achieved power price decreased by 19%, or 12.2 EUR/MWh, and was 52.8 EUR/MWh. The decrease in the achieved power price was mainly attributable to both lower spot and hedge prices. The spot power price in Fortum's generation price areas declined to 38.9 EUR/MWh compared to 49.7 EUR/MWh in January–September 2023.

Comparable operating profit decreased clearly, by 26%, impacted mainly by the lower spot and hedge prices, partly offset by higher hydro volumes. The result of the renewables business was positively impacted by a sales gain of EUR 16 million from the divestment of Fortum's remaining share in the Indian solar power portfolio, which comprises four solar power plants with a total capacity of 185 MW. The result contribution of the Pjelax wind farm was slightly positive. The result of the district heating business improved, mainly due to lower fuel and CO2 costs supported by more electricity-based heat production in Finland and the higher sales price for heat and power in Poland.

Operating profit was affected by EUR -27 (400) million of items affecting comparability, related to the fair-value change of non-hedge-accounted derivatives (Note 3).

Comparable share of profits of associates and joint ventures totalled EUR 8 (-24) million (Notes 3 and 7).

Fortum and Huoltovarmuuskeskus, the Finnish National Emergency Supply Agency (NESA), have agreed on Fortum's Meri-Pori power plant being used to secure national supply during the period 1 April 2024–31 December 2026. NESA has reserved the production of the power plant to be used only in the event of severe disruptions or emergencies in the electricity system.

On 21 March, Fortum announced that it will build new emission-free, electricity-based district heat production in the Nuijala area of Espoo, Finland, as part of the Espoo Clean Heat programme. The production plant will have a 50-MW electric boiler and an 800-MWh heat accumulator. The electric boiler/heat storage combination will increase the flexibility of heat production and level out electricity demand by utilising time-variable electricity pricing. The construction work began in spring 2024 and production is expected to start for the 2025-2026 heating season. For further details, see the 'Capital expenditures' section.

In April, Fortum's biggest and Finland's third largest wind farm, the 380-MW Pjelax, became fully operational. It started commercial operations in the beginning of July through a power purchase agreement (PPA) with the Finnish Helen. Helen is purchasing 65% of the power generation through the 12-year "pay-as-produced" PPA. The farm will produce around 1.1 TWh of renewable energy annually from 56 wind turbines. Pjelax is fully consolidated on Fortum's balance sheet; Helen has a 40% minority ownership in the company.

On 17 April, Fortum announced that Fortum and the Swedish ferroalloys producer Vargön Alloys AB had signed a five-year power purchase agreement (PPA) with progressive pricing for delivery of approximately 0.4 TWh of electricity and Guarantees of Origin for nuclear power per annum in Sweden. The contract term starts in December 2024 and runs until the end of 2029. The power is sourced from Fortum's nuclear portfolio in the SE3 (Stockholm) price area in central Sweden.

On 28 April, Fortum closed its last coal-fired unit at the Suomenoja production plant in Espoo used for district heat production in Espoo, Finland. As a result of the decision, Fortum's Heating and Cooling business in Finland phased out coal one year earlier than expected.

On 3 May, Fortum signed an agreement to sell its remaining 43.75% share of its Indian solar power portfolio to Gentari Renewables India Pte. Ltd., a subsidiary of clean energy solutions provider Gentari Sdn. Bhd. The portfolio comprises four solar power plants with a total capacity of 185 MW. In the transaction, the other owners also sold their ownership. Fortum is expected to receive the total proceeds of EUR 33 million during the fourth quarter of 2024. Fortum recorded a sales gain of EUR 16 million in comparable operating profit from the divestment in connection with the closing in the second quarter of 2024.

Consumer Solutions

Consumer Solutions is responsible for offering energy solutions to consumers, including small- and medium-sized enterprises, predominantly in the Nordics and Poland. Fortum is the largest energy solutions provider across different brands in the Nordics, with over two million customers. The business provides electricity, as well as related value-added and digital services, mainly to retail customers.

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Reported						
Sales	509	563	2,281	2,697	3,766	3,350
- power sales	394	462	1,875	2,296	3,219	2,797
- gas sales	85	68	320	308	422	434
- other sales	29	33	86	92	125	119
Operating profit	18	23	95	-274	-215	153
Capital expenditure and gross investments in shares	18	41	53	81	103	75
Number of employees			1,121		1,281	

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Comparable						
EBITDA	26	27	121	78	108	151
Operating profit	6	10	60	27	38	72
Return on net assets, %					4.5	11.1
Net assets (at period-end)			543	537	838	

Sales volumes

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Electricity	6.4	6.2	24.8	22.8	33.0	35.0
Gas	1.3	1.0	4.9	3.6	5.2	6.5

Number of customers

Thousands*	30 Sep 2024	30 Sep 2023	31 Dec 2023
Electricity	2,240	2,320	2,290
E-mobility**	50	60	60
Gas	40	40	40
Total	**2,320**	**2,420**	**2,380**

* Rounded to the nearest 10,000.
** Measured as average monthly paying customers for the quarter.

July–September 2024

The electricity sales volume increased by 3%, while the gas sales volume increased by 30%. Higher gas volumes were driven by a larger customer base in the gas enterprise business in Poland, and electricity sales volumes were supported by the acquisition of Telge Energi at the end of August 2023. Total sales revenues decreased by 10% due to lower electricity and gas prices both in the Nordics and in Poland.

Comparable operating profit decreased by EUR 4 million to EUR 6 million mainly due to lower gas sales margin, the effect of which was partly offset by the reduced scope of the regulated price cap for end users in Poland.

January–September 2024

The electricity sales volume increased by 8% and the gas sales volume increased by 36%. Higher volumes were driven by colder weather in the first part of the year, a larger customer base in the gas enterprise business in Poland and the acquisition of Telge Energi AB in 2023. Total sales revenues decreased by 15% due to lower electricity and gas prices in the Nordics and in Poland.

Comparable operating profit increased by EUR 33 million to EUR 60 million, mainly due to higher electricity sales margins, the reduced scope of the regulated price cap for end users in Poland and higher sales margins for value-adding services, the effect of which was partly offset by lower gas sales margins in Poland and higher amortisations of customer acquisition costs.

In March, the Consumer Solutions segment and the IT unit concluded the change negotiations as part of Fortum's ongoing efficiency improvement programme to reduce fixed costs by EUR 100 million. As a result of the negotiations, the total number of redundancies was approximately 70, part of which was related to Consumer Solutions.

In 2023, Fortum started to simplify its brand structure within Consumer Solutions. The first phase was completed in December 2023 by merging the Göta Energi brand to the Fortum brand. In May 2024, the second phase was completed with the merger of Norges Energi and Fortum Ström in Norway. The final phase was completed in the beginning of October with the merger of Telge Energi and Fortum Markets in Sweden. The merger of Telge Energi creates personnel synergies in the amount of approximately 80 FTEs with full effect from the first quarter of 2025. The cost savings from the synergies will be approximately EUR 8 million in 2025.

Other Operations

The Other Operations segment includes the Circular Solutions business, which is responsible for operating, maintaining and developing Fortum's recycling and waste assets, as well as turbine and generator services and biobased solutions. The Other Operations segment also comprises innovation and venturing activities, enabling functions and corporate management.

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Reported						
Sales	165	138	455	401	548	602
- power sales	1	2	4	7	9	6
- heat sales	3	4	19	18	31	32
- waste treatment sales	58	60	164	163	226	228
- other sales	103	73	267	212	281	336
Operating profit	-24	-45	-86	-129	-181	-138
Share of profit/loss of associates and joint ventures	-4	2	-3	1	0	-3
Capital expenditure and gross investments in shares	20	21	59	72	107	94
Number of employees			2,341		2,186	

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Comparable						
EBITDA	3	-16	-21	-57	-80	-44
Operating profit	-24	-46	-92	-130	-173	-135
Share of profit/loss of associates and joint ventures	-4	2	-3	1	0	-3

July–September 2024

Comparable operating profit improved by EUR 22 million and amounted to EUR -24 million, mainly due to higher internal charges for services of enabling functions. The result of the Circular Solutions business was flat.

January–September 2024

Comparable operating profit improved by EUR 38 million and amounted to EUR -92 million, mainly due to higher internal charges for services of enabling functions and slightly higher earnings in the Circular Solutions business.

In March, the IT unit and the Consumer Solutions segment concluded the change negotiations as part of Fortum's ongoing efficiency improvement programme to reduce fixed costs by EUR 100 million. As a result of the negotiations, the total number of redundancies was approximately 70, part of which was related to the IT unit.

On 18 July, Fortum signed an agreement to sell its recycling and waste business to Summa Equity through its portfolio company NG Group. The total consideration on a debt- and cash-free basis is approximately EUR 800 million. Based on the balance sheet available at signing, Fortum would record a tax-exempt capital gain of approximately EUR 110 million; however, the final capital gain will depend on the balance sheet value at closing. The gain will be reported as Items Affecting Comparability in the Other Operations segment's results once the transaction is closed. The transaction is subject to customary closing conditions and is expected to be completed in the fourth quarter of 2024.

On 23 September, Fortum announced that it had signed an agreement to sell its 37.4% ownership in Chempolis Oy, including all Fortum's biobased solutions businesses, and the shares in the holding company owning 40.3% in Assam Bio Ethanol Pvt Ltd in India to AM Green Technology & Solutions B.V. The transaction will not have any material financial impact on Fortum Group's result. The transactions are subject to certain closing conditions.

Capital expenditures, divestments and investments in shares

In the third quarter of 2024, capital expenditures and investments in shares totalled EUR 133 (179) million. Capital expenditures were EUR 126 (153) million (Notes 3 and 6).

In January−September 2024, capital expenditures and investments in shares totalled EUR 362 (495) million. Capital expenditures were EUR 342 (453) million (Notes 3 and 6).

Fortum expects to start, or has started, power and heat production capacity of new power plants and expects to upgrade its existing plants as follows:

	Type	Electricity capacity, MW	Heat capacity, MW	Capital expenditure, MEUR	Supply starts/ started
Growth					
Loviisa, Finland	Nuclear	Lifetime extension		1,000	
Espoo Clean Heat, Finland				300	IV/2025
Espoo and Kirkkonummi	Waste heat utilisation		360		
Nuijala, Espoo	Electric boiler		50		
Pjelax, Finland	Wind	380		360	II/2024
Maintenance					
Hydro projects	Hydro	35			

Generation

Growth capital expenditure

On 22 December 2021, Fortum announced an investment decision to construct the 380-MW Pjelax wind farm in Närpes and Kristinestad in Finland in partnership with the Finnish energy company Helen Ltd. Construction of the wind farm started in January 2022 and testing of power generation in October 2023. The wind farm was fully operational in the second quarter of 2024. It will produce around 1.1 TWh of renewable energy annually from 56 wind turbines. Fortum and Helen have a 12-year “pay-as-produced” power purchase agreement (PPA) through which Helen will purchase 65% of the power generation starting from July 2024. Pjelax is fully consolidated on Fortum’s balance sheet; Helen has a 40% minority ownership in the company. The total capital expenditure of the project is approximately EUR 360 million, of which Fortum’s share is approximately EUR 216 million.

On 16 February 2023, the Finnish Government granted a new operating licence until the end of 2050 for both units at Fortum’s Loviisa nuclear power plant. Over the course of the new licence period, the plant is expected to generate up to 177 TWh of CO_2-free electricity. Investments related to the continuation of operations and lifetime extension will amount to an estimated EUR 1 billion during 2023-2050. On 29 May 2024, Fortum announced that it will modernise the Loviisa nuclear power plant’s low-pressure turbines as part of the lifetime extension-related investments. Over the past five years, Fortum has already invested approximately EUR 200 million in refurbishing of the Loviisa power plant. The Loviisa power plant is the first nuclear power plant in Finland and has two units: unit 1 started operating in February 1977, and unit 2 in November 1980. The units’ previous operating licences are valid until 2027 and 2030.

Fortum and the City of Espoo are committed to carbon-neutral district heat production and distribution in the Espoo, Kauniainen and Kirkkonummi areas by 2030. The project, Espoo Clean Heat, provides a flagship example of efficient decarbonisation and a transition to local self-sufficient heating on a large scale by, for example, increasing flexible electricity-based production through e.g. electric boilers and air-to-water heat pumps. Fortum’s total capital expenditure of the Espoo Clean Heat programme amounts to approximately EUR 300 million. In June 2023, Fortum announced that it had decided to invest approximately EUR 225 million during 2023-2027 in projects within the programme. During January–September 2024, EUR 52 million of the Espoo Clean Heat investments materialised, and, since the beginning of 2023, Fortum’s investments in the programme totalled approximately EUR 83 million. The use of coal was discontinued in April 2024, more than a year ahead of schedule. The largest sites currently under

construction are two sites in Espoo and Kirkkonummi with heat offtake from Microsoft's planned large-scale data centres and a new electricity-based district heat production plant in the Nuijala area in Espoo. These plants' heat capacity will be 410 MW, and operations are expected to begin for the 2025-2026 heating season. Once the waste heat recovery from Microsoft's data centres is in full operation, district heat production will be completely carbon neutral. In 2023, the share of emissions-free district heat production was already 63%.

Maintenance capital expenditure

Fortum continuously maintains and upgrades its hydropower fleet and currently has numerous hydropower plant refurbishment and modernisation projects underway. The resulting capacity increase is estimated to be approximately 35 MW in total by the year 2030.

Other Operations

In July 2022, Fortum and GIG (Green Investment Group, a specialist green investor within Macquarie Asset Management) agreed to invest in a new waste-to-energy plant in Glasgow, Scotland, through a 50/50 joint venture. In June 2024, Macquarie Asset Management announced that it had reached an agreement to sell its 50% stake in the plant to Gren Energy. When fully commissioned, the South Clyde Waste-to-Energy plant will have an annual processing capacity of 350,000 tonnes of waste. The plant will have a power generation gross capacity of 45 MWe, corresponding to the average annual electricity consumption of approximately 90,000 homes. The facility is expected to enter commercial operations by the end of 2026.

In August 2023, Fortum announced that it will assess strategic options, including potential divestments, of its Circular Solutions businesses. The Circular Solutions businesses comprise Fortum's recycling and waste assets, the batteries recycling business, the turbine and generator services as well as biobased solutions. In 2023, these business operations employed approximately 1,200 people, mainly in the Nordics (Finland, Sweden and Denmark), and its comparable EBITDA was approximately EUR 40 million. At the end of 2023, the net assets of the Circular Solutions businesses were approximately EUR 750 million. On 18 July, Fortum announced that it had signed an agreement to sell its recycling and waste business to Summa Equity for approximately EUR 800 million. The transaction is expected to be completed in the fourth quarter of 2024. On 23 September, Fortum announced that it has signed an agreement to sell its 37.4% ownership in Chempolis Oy, including all Fortum's biobased solutions businesses, and the shares in the holding company owning 40.3% in Assam Bio Ethanol Pvt Ltd in India to AM Green Technology & Solutions B.V. The transaction will not have any material financial impact on Fortum Group's result. After the divestments, Fortum is continuing the strategic review of its remaining Circular Solutions' businesses. The net assets of these remaining businesses total EUR 80 million and they have approximately 400 employees. For the last twelve months (including Q3 2024), the comparable EBITDA was approximately EUR -20 million.

Operating and regulatory environment

European power markets

During the third quarter, the performance of the energy commodities was mixed. The natural gas TTF front-month contract strengthened by 12% on multiple supply risks despite persistently weak demand. Carbon (EUA) price softened by 8%, as supply exceeds demand due to lower use of fossil fuels and higher emissions allowance supply as a consequence of frontloaded REPowerEU auction volumes.

Nordic electricity prices were pressured by high precipitation during July and August, which resulted in lower spot prices in the main hydro areas. Additionally, good nuclear availability during the summer months and increasing wind and solar output contributed to declining Nordic spot prices. In September, transmission line constraints and nuclear outages led to a tight Finnish power balance during days with low wind power output. After a long break, the Estlink 2 transmission line returned to operation in early September, which led to price coupling between Finland and Estonia.

According to preliminary statistics, power consumption in the Nordic countries was 82 (79) TWh during the third quarter of 2024. Following a continued recovery, Nordic power demand is now at the level prior to the energy crisis. During January–September 2024, power consumption in the Nordic countries was 289 (274) TWh.

In Central Western Europe (Germany, France, Austria, Switzerland, Belgium and the Netherlands), power consumption in the third quarter of 2024 was 295 (290) TWh, according to preliminary statistics. Power demand in Continental Europe continued to be clearly below the five-year average, affected by weaker industrial production. During January–September 2024 the power consumption in Central Western Europe was 941 (931) TWh.

At the beginning of the third quarter of 2024, the Nordic hydro reservoirs were at 86 TWh, which was 2 TWh above the long-term average and 4 TWh above the level of the previous year. The Nordic inflow was slightly below the normal level while hydro generation was close to normal. At the end of the quarter, the reservoir levels were at 102 TWh, which is 1 TWh above the long-term average and 4 TWh lower than in the previous year.

During the third quarter, Nordic spot prices were lower than a year ago due to lower Continental European power prices and increased renewable power output. The average system spot price at Nord Pool was 19.9 (27.8) EUR/MWh. The average area price in Finland was 28.1 (44.2) EUR/MWh. In Sweden, the average area price in the SE3 area (Stockholm) was 13.3 (28.0) EUR/MWh, and the price in the SE2 area (Sundsvall) was 11.6 (20.5) EUR/MWh. In Germany, the average spot price in the third quarter was 76.0 (90.8) EUR/MWh.

In January–September 2024, the average system spot price at Nord Pool was 37.8 (56.0) EUR/MWh. The average area price in Finland was 46.9 (54.9) EUR/MWh. In Sweden, the average area price in the SE3 area (Stockholm) was 33.5 (50.1) EUR/MWh, and the price in the SE2 area (Sundsvall) was 28.8 (38.6) EUR/MWh. In Germany, the average spot price in January–September was 71.8 (99.5) EUR/MWh.

In late October, the Nordic system electricity forward price on Nasdaq Commodities for the remainder of 2024 was around 48 EUR/MWh and for 2025 around 40 EUR/MWh. The Nordic water reservoirs were at 102 TWh, which is about 1 TWh above the long-term average and 5 TWh below the level one year earlier. The German electricity forward price for the remainder of 2024 was around 94 EUR/MWh and for 2025 around 91 EUR/MWh.

European commodity markets

Gas demand in Central Western Europe was 245 (249) TWh in the third quarter and 1,165 (1,205) TWh in January–September 2024. The Central Western European gas storage levels increased from 479 TWh at the beginning of the quarter to 601 TWh at the end of the quarter, which is 6 TWh lower than one year ago and 44 TWh higher than the five-year average (2019–2023).

The average gas front-month price (TTF) in the third quarter was 35.6 (33.8) EUR/MWh and 31.7 (40.8) EUR/MWh in January–September 2024. The 2025 forward price increased from 33.5 EUR/MWh at the beginning of the quarter to 39.0 EUR/MWh at the end of the quarter, which is 2.9 EUR/MWh lower than one year earlier.

The EUA (EU Allowance) price decreased from 68.1 EUR/tonne at the beginning of the third quarter to 65.6 EUR/tonne at the end of the quarter, which is 16.1 EUR/tonne lower than one year earlier.

The forward quotation for coal (ICE Rotterdam) for 2025 increased from 113.1 USD/tonne at the beginning of the third quarter to 124.4 USD/tonne at the end of the quarter, which is 5.9 USD/tonne lower than one year earlier.

In late October, the TTF forward price for gas for the remainder of 2024 was 43 EUR/MWh. The forward quotation for EUAs for 2024 was at the level of 66 EUR/tonne. The forward price for coal (ICE Rotterdam) for the remainder of 2024 was 120 USD/tonne.

Regulatory environment

New EU College of Commissioners

Following the European elections in June 2024, the new college of Commissioners has been nominated by the EU Member States and their portfolios have been provisionally allocated. The European Parliament will still assess the Commissioner candidates and the new Commission is expected to start in November–December.

Energy and climate topics will be under the mandates of several Commissioners. The most relevant high-level priorities for Fortum include the 2040 climate ambition, the Action Plan for affordable energy prices and the Clean Industrial Deal. We welcome that the political guidelines and mission letters guiding the work of the Commissioners recognise technology-neutrality, clean energy and small modular reactors (SMR) for nuclear. However, the stance of

the new Commission on nuclear and funding of nuclear projects in the context of the next EU budget negotiations are still open.

Mario Draghi's report on EU competitiveness

The report by the former President of the European Central Bank and former Italian Prime Minister Mario Draghi on the future of the EU's competitiveness was published on 9 September. The non-legally binding report includes a number of proposals to boost European competitiveness, especially in the industrial and energy sectors. Positively for Fortum, the identified key priorities in the report are investments in clean energy transition, including all net-zero technologies. Draghi proposes to lower the energy costs of the European industry via EU-level solutions that do not lead to further single-market fragmentation as well as through long-term contracts such as power purchase agreements (PPA) and contracts for difference (CfD).

The report calls for annual investments of EUR 800 billion to counter economic threats and enhance the EU's global competitiveness against the US and China. To achieve this, Draghi advocates for strengthened EU-level coordination and joint EU debt that will be one of the most contested topics in the upcoming negotiations for the next EU Multiannual Financial Framework (2028-2034).

Nuclear financing framework proposal in Sweden

On 12 August, the Swedish government's investigator Mats Dillén presented his proposal for a nuclear financing mechanism to meet the government's target for new nuclear. Inspired by the Czech nuclear support scheme, Dillén proposes low-interest-rate state loans initially covering 75 percent of the total investment cost estimated at EUR 36 billion, indexed contracts for difference (CfD) to guarantee the level of revenues for a 40-year period and a risk sharing mechanism to guarantee return on investment for investors. Fortum considers the proposal as a first important step to establishing a nuclear financing framework.

Real estate tax incentive in Sweden

In the state budget proposal for 2025, the Swedish government aims to incentivise municipalities to give consent for onshore wind farms through economic compensation based on the wind power real-estate tax. This establishes a new principle whereby the government will share tax revenues from power production with the municipalities. The final details for compensation are still pending, but this could be an important step towards increasing local acceptance of new renewable power production.

Finnish non-fossil flexibility support scheme under investigation

The Finnish Ministry of Economic Affairs and Employment has appointed a working group and commissioned a study to evaluate the need for flexibility in the energy market during the next ten years. The objective is to consider whether the supply of flexible capacity should be increased by governmental measures. A proposal for creating a non-fossil flexibility support scheme (NFFSS) under the EU Regulation is expected by the end of February 2025. Political decisions will follow thereafter.

Fortum welcomes the government's initiative. However, the impact of a possible NFFSS mechanism on Fortum depends on the working group's recommendations.

Key drivers and risks

Fortum's operations are exposed to a number of financial, operational, strategic and sustainability-related risks. Fortum is exposed to these risks both directly and indirectly through its subsidiaries, associated companies and joint ventures. The principal associated companies and joint ventures are Teollisuuden Voima Oyj, Forsmarks Kraftgrupp AB, OKG AB and Kemijoki Oy. For more information, see Fortum's Financials 2023.

Fortum's strategy, launched in March 2023, was developed partly in order to reduce the Group's business risks. With Fortum's core business consisting mainly of outright generation assets in the Nordics, the Nordic power price exposure remains the single largest key driver and financial risk for Fortum. It is a key priority for Fortum to

successfully mitigate this market risk, including managing the related credit and liquidity risks from hedging this exposure.

The main strategic risks are that the business and/or regulatory environment develop in ways that have not been foreseen and prepared for. The current geopolitical uncertainty continues to pose material operational and business risks for Fortum as the owner and operator of power and heat generation in the Nordics and Poland. Future energy market, regulation and climate scenarios, as well as scenarios for how the current geopolitical situation develops, including the impact of these to Fortum's existing and potential new businesses, are regularly updated and used in the development of the strategy.

Sustainability-related risks, including exposure to climate change, continue to be a focus area for Fortum, and we are well-positioned with our existing portfolio of largely CO_2-free assets to take advantage of opportunities in the green transition.

Business operating environment

Fortum operates in a global business environment, with a main operational focus in the Nordics, and is therefore exposed to political and other risks that affect the macroeconomic development and consumer behaviour in Fortum's markets.

The global landscape has experienced a further escalation of conflict and increasing geopolitical uncertainty. Several regional and territorial disputes have worsened, increasing instability and insecurity in energy-producing regions, potentially disrupting energy supply chains and raising concerns about energy security. Russia's attack on Ukraine in February 2022 severely impacted Fortum's businesses. A number of geopolitical risks have realised, while other risks remain on an elevated level as a result of the ongoing Russian aggression. Following the unlawful seizure by the Russian authorities and loss of control of the Russian operations in spring 2023, the Russian assets were fully written down, deconsolidated and discontinued. Fortum sent notices of dispute to the Russian Federation in order to protect its legal position and shareholder interests. In February 2024, Fortum initiated legal proceedings against the Russian Federation due to the violations of international investment treaty protection. A further escalation of the war may increase the risk of hostile actions by the Russian Federation against foreign companies. This could have severe implications, such as an increased risk of sabotage, including direct physical or cyber-attacks on, for example, energy infrastructure in Fortum's operating countries.

The current geopolitical uncertainty has also intensified the trend of nationalistic policies and protectionism, which may lead to further trade restrictions or sanctions, which, in turn, could affect demand for Fortum's products and services, production capabilities, asset values and access to financing. The EU, US and UK have implemented a broad range of sanctions on Russia, the scope of which may be further increased. The unpredictable nature of sanctions remains a risk for Fortum, despite having lost control of the Russian business.

Regulatory environment

The energy sector is heavily influenced by national and EU-level energy and climate policies and regulations. The overall complexity and possible regulatory changes in Fortum's operating countries pose risks and create opportunities for the generation and consumer businesses. Fortum analyses and assesses a number of future market and regulation scenarios, including the impact of these on different generation forms and technologies, as part of its strategy. Fortum maintains an active dialogue with different policymakers and legislators involved in the development of laws, policies and regulations in order to manage these risks and to proactively contribute to the development of the energy and climate policy and regulatory framework in line with Fortum's strategic objectives.

Nordic power price exposure and related risks

The earnings capability and profitability of Fortum's outright power generation, such as hydro, nuclear and wind power generation, are primarily exposed to fluctuations in the Nordic power prices. In the Nordics, power prices exhibit significant short- and long-term variations on the back of several factors, including, but not limited to, weather conditions, outage patterns in production and transmission lines, CO_2 emission allowance prices, commodity prices, energy mix and the supply-demand balance. An economic downturn, lower commodity prices, warm weather or wet hydrology could lead to significantly lower Nordic power prices, which would negatively impact earnings from Fortum's outright power production. The increased geopolitical uncertainty and fears of escalation of other conflicts may impact power and other commodity prices and volatility, especially in case of disturbances to other sources of power or gas

supply. In general, price volatility is expected to continue also with the increasing share of intermittent generation and the occasionally re-emerging concerns over security of energy supply. This also increases the risk of further political market interventions going forward. Fortum hedges its exposure to commodity market prices in order to improve predictability of future results by reducing volatility in earnings while ensuring that there is sufficient cash flow and liquidity to cover financial commitments.

Fortum's liquidity and refinancing risks are primarily related to the need to finance its business operations, including margining payments and collaterals issued to enable hedging of commodity market risk exposures. Higher and more volatile commodity prices increase the net margining payments toward clearing houses and clearing banks. Fortum mitigates this risk by entering into over-the-counter (OTC) derivatives contracts directly with bilateral counterparties without margining requirements. Consequently, credit exposure from hedges with OTC counterparties has increased. Due to Fortum's net short position in Nordic power hedges, the credit exposure would increase in line with the value of hedges if Nordic power prices decrease. OTC trading also exposes the Group to liquidity risk in case of a counterparty default. A default could trigger a termination payment in cases where the net market value of the bilateral contracts is positive for the counterparty.

Fortum targets to maintain a solid investment-grade rating of at least BBB. A lowering of the credit ratings, in particular to below investment-grade level (BB+ or below), could trigger counterparties' rights to demand additional cash or non-cash collateral. In March 2024, S&P Global Ratings upgraded Fortum's long-term credit rating to BBB+ with Stable Outlook (previously BBB with Stable Outlook). Also in March 2024, Fitch Ratings affirmed Fortum's BBB rating with Stable Outlook. Fortum continues to constantly monitor all rating-related developments and to regularly exchange information with the rating agencies. In 2023, Fortum deployed a new risk management framework to manage credit, liquidity and market risks holistically and to support the maintaining of its rating under different market scenarios.

Operational risks

Fortum's business activities include energy generation, storage and control of operations, as well as the construction, modernisation, maintenance and decommissioning of power plants or other energy-related industrial facilities. Any unwanted operational event (which could be caused by, e.g., technical failure, human or process error, natural disaster, sabotage, failure of key suppliers, or terrorist attack) can endanger personal safety or lead to environmental or physical damage, business interruptions, project delays and possible third-party liability. The associated costs can be high, especially in Fortum's largest units and projects.

Climate change

Fortum believes that the growing awareness and concern about climate change will increase the demand for low-carbon and resource- and energy-efficient energy products and services. The company is leveraging its know-how in CO_2-free hydro, nuclear, wind and solar power by offering its customers low-carbon energy solutions. The electrification of energy-intensive industry, services and transportation is likely to increase the consumption of low-carbon electricity in particular. The development of the hydrogen economy, and especially clean hydrogen produced with CO_2-free power, will potentially offer future business opportunities for Fortum.

Driving the transition to a lower-carbon economy is therefore an integral part of Fortum's strategy. Fortum's strategy includes ambitious sustainability and decarbonisation targets. However, the transition to a low-carbon economy poses a number of strategic and operative risks related to changes in energy and climate policy and regulation, technology development and the business environment in which Fortum operates.

Fortum's operations are exposed to the physical risks caused by climate change, including changes in weather patterns that could alter energy production volumes and energy demand. Fluctuating precipitation, flooding and extreme temperatures may affect, e.g., hydropower generation, dam safety, availability of cooling water, and the price and availability of biofuels. Hydrological conditions, precipitation, temperatures, and wind conditions also affect the short-term electricity price in the Nordic power market. In addition to climate change mitigation, we also aim to adapt our operations, and we take climate change into consideration in, among other things, the assessment of growth projects and investments as well as in operation and maintenance planning. Fortum identifies and assesses its assets' resilience towards different acute and chronic physical climate-related risks within different Intergovernmental Panel on Climate Change (IPCC) climate scenarios and creates adaptation plans for the most material risks.

For further information about Fortum's risks and risk management systems, see the Financial Statements for 2023.

Outlook

In the near-term, the energy sector is impacted by geopolitical tensions, the general negative economic outlook with high inflation and interest rates, tightening regulations and volatile commodity markets. In addition, in the short-term, price elasticity to counter high electricity prices has an impact on power consumption.

In the long-term, electricity is expected to continue to gain a significantly higher share of total energy consumption. The electricity demand growth rate will be largely determined by classic drivers, such as macroeconomic and demographic development, but also increasingly by decarbonisation of energy-intensive industrial, transport and heating sectors through direct electrification and green hydrogen.

Hedging

At the end of September, approximately 80% of the Generation segment's estimated Nordic power sales volume was hedged at 44 EUR/MWh for the remainder of 2024, approximately 65% at 42 EUR/MWh for 2025 (at the end of the second quarter of 2024: 60% at 42 EUR/MWh), and approximately 40% at 41 EUR/MWh for 2026. Fortum's hedge ratios and prices comprise its outright nuclear, hydro and, as of the first quarter of 2024, also the Group's wind generation volumes. The current outright portfolio amounts to approximately 47 TWh.

In February 2024, Fortum set a strategic target to have a hedged share of rolling 10-year outright generation volume of more than 20% by the end of 2026. The achievement of this target is updated once a year in connection with the Group's full-year results.

The reported hedge ratios are based on the hedges and power generation forecasts of the Generation segment.

The reported hedge ratios may vary significantly, depending on Fortum's actions on the electricity derivatives markets. Hedges are mainly financial contracts, most of which are electricity derivatives quoted on Nasdaq Commodities and traded either on Nasdaq Commodities or with bilateral counterparties. As an additional liquidity risk mitigation measure, Fortum has mainly been hedging with bilateral agreements, and the exposure on the Nasdaq Commodities exchange has been clearly lower during recent years. Fortum continues to utilise dual channels for its hedging: trading on the Nasdaq Commodities exchange, depending on the market liquidity and financial optimisation, and also through bilateral arrangements.

Generation

The Generation segment's achieved Nordic power price typically depends on factors such as hedge ratios, hedge prices, spot prices, availability and utilisation of Fortum's flexible generation portfolio, as well as currency fluctuations. The annual outright portfolio in hydro, nuclear and wind generation amounts to approximately 47 TWh, an increase of approximately 2 TWh from the previously guided 45 TWh, due to the commissioning of Olkiluoto nuclear power plant's new third unit and the new Pjelax wind farm in Finland.

The split of Fortum's blended price based on its price area exposure of the normalised outright generation portfolio is approximately: Finland 46%, Sweden SE3 37% and Sweden SE2 17%. The volumes depend on various criteria such as outages, hydrology and other market dynamics.

Excluding the potential effects from changes in the power generation mix, a 1 EUR/MWh change in the Generation segment's achieved Nordic power price will result in an approximately EUR 47 million change in the segment's annual comparable operating profit.

Fortum's achieved power price includes operations in the physical and financial commodity markets, as well as the optimisation premium of Fortum's outright generation portfolio. The annual optimisation premium included in the achieved power price is estimated to be in the range of 6–8 EUR/MWh, depending on overall market conditions, level of volatility and market prices for electricity and environmental value products.

In Sweden, the regular update of the property tax values occurring every six years is ongoing; based on preliminary estimates, this will result in an annual increase of approximately EUR 25 million in the property taxes in Sweden from the year 2025. The new run-rate is effective until and including 2030.

Efficiency improvement programme

Fortum targets to reduce its annual fixed costs by EUR 100 million (excluding inflation) gradually until the end of 2025 with a full run-rate from the beginning of 2026. The reduction of EUR 100 million corresponds to some 10% of the Group's fixed cost base for the year 2022. The divestment of Fortum's recycling and waste business will reduce the Group's fixed cost base by approximately EUR 150 million. Consequently, after the closing of the transaction, expected in the fourth quarter of 2024, the new fixed cost base will be approximately EUR 850 million. The lower cost base does not change the cost reduction target of EUR 100 million, and Fortum expects to reduce its recurring fixed cost base by more than EUR 50 million by the end of 2024. The programme is progressing according to plan and schedule.

The efficiency improvement programme includes strategic prioritisation, rescoping of the Group's focus areas and resources, turnaround actions for underperforming and loss-making businesses, and personnel reductions.

In the first three quarters of 2024, cost-saving initiatives have been ongoing across all business units and enabling functions. The efficiency improvement measures include reduction in the use of external services, insourcing of certain activities, re-designing and optimising IT services, and improving internal processes to increase efficiency and streamline the organisation. Change negotiations initiated in January in the Consumer Solutions segment and the IT unit were concluded in March. These negotiations resulted in a total of approximately 70 redundancies in these units. In addition, the merger of Fortum Markets and Telge Energi creates personnel synergies in the Consumer Solutions segment of approximately 80 FTEs with full effect from the first quarter of 2025. The cost savings from the synergies will be approximately EUR 8 million in 2025.

Income taxation

The comparable effective income tax rate for Fortum is estimated to be in the range of 18–20% for 2024–2026. Fortum's comparable effective tax rate is impacted by the weight of the profit in different jurisdictions and differences in standard nominal tax rates in these jurisdictions. The tax rate guidance excludes items affecting comparability.

Capital expenditure

Fortum estimates its capital expenditure, including maintenance but excluding acquisitions, to be approximately EUR 550 million in 2024, of which the share of maintenance capital expenditure is estimated to be approximately EUR 300 million, below the level of depreciation. For 2024–2026, Fortum's capital expenditure is expected to be approximately EUR 1.6 billion (excluding acquisitions), of which the growth capital expenditure is expected to be EUR 800 million. From 2025 onwards, the annual maintenance capital expenditure is expected to be EUR 250 million, clearly below depreciation. Of the growth capital expenditure of EUR 800 million, EUR 300 million is uncommitted.

Sustainability

In this interim report, Fortum's sustainability key performance indicators are presented for climate and resources as well as for personnel and society. In addition to interim reporting, Fortum's sustainability performance will be monitored and disclosed in the annual Sustainability Statement prepared according to the European Sustainability Reporting Standards (ESRS) of the Corporate Sustainability Reporting Directive (CSRD).

Fortum's material sustainability topics include climate change, pollution, water, biodiversity and ecosystems, circular economy, own workforce, workers in the value chain, as well as how business is conducted.

Fortum highlights the importance of decarbonisation and climate change mitigation, while simultaneously the necessity to secure reliable and affordable energy for all. Fortum also pays close attention to its impacts on biodiversity, personnel and society.

Climate and resources

Fortum's key performance indicators for climate and resources are related to CO_2 emissions, security of supply, and major environmental incidents. 100% of Fortum's production sites are certified according to the ISO 14001 environmental management system standard.

Fortum's position as a leading Nordic clean energy company is complemented by ambitious environmental targets with the aim to be a leader in sustainability. Fortum has set the following climate targets:

- carbon neutrality (Scopes 1, 2, 3) by 2030,
- coal exit in the company's own operations by the end of 2027,
- specific emissions at below 20 g CO_2/kWh for total energy production, and below 10 g CO_2/kWh for power generation by 2028.

Fortum is also committed to setting company-wide emission reduction targets in line with climate science with the Science Based Targets initiative (SBTi). Fortum has gone through the due diligence process after submitting the official commitment letter for the SBTi and has also submitted its transition plan, as well as near- and long-term company-wide emission reduction targets for SBTi validation. Fortum's climate targets will be revisited and aligned to correspond to the SBTi Net-Zero Standard during the target-setting process. Fortum's transition will include exit from coal and emissions reduction in the company's own operations and in its electricity sales footprint.

Group sustainability performance, climate and resources

	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Emissions						
Direct CO_2 emissions, million tonnes (Mt)	0.2	0.2	0.9	1.1	1.6	1.4
Specific CO_2 emissions from total energy production, gCO_2/kWh	16	22	26	33	32	27
Specific CO_2 emissions from power generation, gCO_2/kWh	9	15	12	17	16	12
Free emission allowances*, Mt					0.2	
Emissions subject to ETS, Mt	0.1	0.1	0.6	0.8	1.1	0.9
Emissions not subject to ETS, Mt	0.1	0.1	0.3	0.3	0.5	0.5
Other						
Major environmental incidents**, no.	0	2	2	2	2	2
Power generation, TWh	10.8	11.2	34.9	33.7	47.0	48.2
Share of CO_2-free power generation, %	99	99	98	98	98	98
Coal-based capacity, GW	1.0	1.3	1.0	1.3	1.3	
Coal-based power generation capacity, GW	0.7	0.7	0.7	0.7	0.7	
Coal-based heat production capacity, GW	0.4	0.6	0.4	0.6	0.6	
Coal-based power and heat production, TWh	0.1	0.1	1.0	1.3	1.9	1.5
Coal-based power generation, TWh	0.0	0.1	0.3	0.5	0.6	0.5
Coal-based heat production, TWh	0.0	0.0	0.7	0.8	1.2	1.1
Share of coal of revenues, %	1	1	3	3	3	3
Share of fossil fuels of production-based revenues, %	4	3	5	4	5	5
Share of fossil fuels of revenues***, %	11	9	13	11	11	12

* The estimate for Fortum's free emission allowances in 2024 is approximately 0.2 Mt.
** Number of environmental incidents that resulted in significant harm to the environment (ground, water, air) or an environmental non-compliance with legal or regulatory requirements.
*** Including fossil-based production and gas trading.

Fortum has a long-standing focus on mitigating climate change and has adopted the reporting recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) starting from the financial year 2019. From 2024 onwards, Fortum will continue to report climate-related disclosures similarly as in the requirements of the International Financial Reporting Standards (IFRS) sustainability disclosure standards S1 and S2.

Fortum has committed to the following biodiversity targets:

- no net loss of biodiversity (excluding any aquatic impacts) from existing and new operations (Scope 1, 2) from 2030 onwards,
- 50% reduction in dynamic terrestrial impacts in upstream Scope 3 by 2030 (base-year 2021),
- commitment to continue local initiatives and participate in the development of a science-based methodology to assess the aquatic impacts of hydropower.

In 2024, Fortum continues to implement local initiatives, participate in developing the aquatic segment of the Global Biodiversity Score® (GBS)® tool, and assess other potential tools and approaches to measure hydropower's aquatic biodiversity impacts. As an example, Fortum has started a pilot project to develop a water nature index at Emäjoki, Finland. In 2024, Fortum has also started building a process to qualitatively assess the aquatic impacts and mitigation possibilities of hydropower, following the steps of the ecological mitigation hierarchy, at the river level. In addition, Fortum continues to work with its wind (Borgvik, Sweden), solar (Tarvasjoki, Finland) and the new heat storage facility (Nuijala, Finland) case studies. The studies aim to create a process to analyse the biodiversity footprint and assess biodiversity impact mitigation possibilities (for adverse impacts) in order to reach the corporate-level No Net Loss target from 2030 onwards. In Tarvasjoki and Nuijala, Fortum is also modelling the implementation and validation of possible concrete biodiversity measures and their effectiveness.

Fortum uses large volumes of water in its power plants, district heating networks and other production operations. The majority of the water withdrawn is seawater for cooling purposes and is discharged back to the same water system without consumption.

Major environmental incidents are monitored, reported and investigated, and corrective actions are implemented. Major environmental incidents are incidents that resulted in significant harm to the environment (ground, water, air) or environmental non-compliances with legal or regulatory requirements. In January−September 2024, there were 2 (2) major environmental incidents: a transformer oil leakage in Bytom, Poland, which was classified as a potential non-compliance and its investigation is currently ongoing, and a major leakage of extinguishing water into the environment in connection with a large fire in an energy waste bunker in Turku, Finland.

Personnel and society

Fortum's key performance indicators for personnel and society are related to occupational safety and to employee health and wellbeing.

Fortum strives to be a safe workplace for the employees, contractors and service providers who work for the company. A certified ISO 45001 safety management system covers 100% of Fortum's production sites. Fortum's safety targets for 2024 are:

- Total Recordable Injury Frequency (TRIF) for own personnel and contractors to be below 1.0 by the end of 2030,
- no severe or fatal injuries,
- 60% execution rate for Safety improvement plans in 2024.

Group sustainability performance, personnel and society

	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Total Recordable Injury Frequency (TRIF), own personnel and contractors, injuries per million working hours*	3.3	5.0	3.5	5.1	5.0	3.8
Lost Time Injury Frequency (LTIF), own personnel and contractors, injuries per million working hours	2.7	4.2	2.4	4.3	3.9	2.5
Severe or fatal injuries, no.	1	0	1	0	0	1

* Figures III/2023 and I-III/2023 are updated from 2023 reporting due to reclassification of an incident.

Unfortunately, after two years without severe injuries, Fortum faced a severe accident. In July 2024, a contractor's employee in Wrocław (Heating and Cooling, Poland) fell from a height of approximately four metres, resulting in foot and spine vertebra fractures.

At the end of September 2024, 69% of safety improvement actions are proceeding according to plan and 20% have been completed.

Fortum's goal regarding workplace wellbeing activities is to promote its employees' health and occupational safety and the functionality of the work community. Fortum measures its employees' perceptions on health and wellbeing as well as Fortum's efforts to support them on mental, physical and social wellbeing through an employee survey carried out twice a year. Fortum's April 2024 health and wellbeing score was 7.7, which is slightly below the relevant energy and utility benchmark score (7.8).

Fortum expects its business partners to act responsibly and to comply with the requirements set forth in the Code of Conduct and Supplier Code of Conduct. Fortum assesses the performance of its business partners with supplier qualification, with supplier audits and with a Know Your Counterparty (KYC) process. In January−September 2024, Fortum conducted seven on-site supplier audits in China. Fortum is also a member of the Bettercoal initiative, and in June 2024, Fortum joined the Solar Stewardship Initiative to improve sustainability in the solar supply chains.

Fortum collaborates with communities and organisations at global, national and local levels through the Corporate Social Responsibility (CSR) programme. During the first quarter of 2024, the CSR programme priorities were revised to align with Fortum's strategy. With the CSR programme, Fortum strives for impactful collaboration on environmental topics (focus on climate change, biodiversity and water) and social topics (focus on education, climate change adaptation and equality). During the third quarter of 2024, Fortum supported several organisations through its CSR programme, for example, it entered into multi-year agreement with Save the Children organisation to support its activities in four main operating countries: Finland, Sweden, Norway and Poland. Fortum has also supported humanitarian work in conflict areas.

ESG ratings and recognitions

Fortum actively participates in the following ESG assessment schemes:

ESG Rating	Fortum score	Maximum score	Latest assessment
CDP Climate Change	A-	A	February 2024
CDP Supplier Engagement	A-	A	March 2024
MSCI ESG Ratings	A	AAA	July 2024
ISS ESG Corporate Rating	B- (Prime)	A+	September 2024
EcoVadis Rating	Gold	Platinum	September 2023
Moody's ESG Solutions	63	100	April 2024

In addition, Fortum is listed on the Nasdaq Helsinki stock exchange and is included in the OMX Sustainability Finland and ECPI® indices. Fortum has been certified as a Nasdaq ESG Transparency Partner.

Legal actions

There were no major developments in the ongoing legal actions during the third quarter of 2024. For further information on legal actions, see Events after the balance sheet date and Note 16.

Shares and share capital

Fortum shares on Nasdaq Helsinki

January–September 2024	No. of shares traded	Total value EUR	High EUR	Low EUR	Average EUR*	Last EUR
FORTUM	351,502,550	4,557,111,669	15.01	10.83	12.96	14.80

* Volume-weighted average.

	30 September 2024	30 September 2023
Market capitalisation, EUR billion	13.3	9.9
Number of shareholders	226,005	216,280
Finnish State holding, %	51.3	51.3
Nominee registrations and direct foreign shareholders, %	22.0	23.1
Households, %	14.2	12.8
Financial and insurance corporations, %	2.3	2.3
Other Finnish investors, %	10.4	10.6

In addition to Nasdaq Helsinki, Fortum shares were traded on several alternative market places, for example Boat, Cboe and Turquoise, and on the OTC market. In January–September 2024, approximately 70% of Fortum's shares were traded on markets other than Nasdaq Helsinki (source Bloomberg).

On 30 September 2024, Fortum Corporation's share capital was EUR 3,046,185,953 and the total number of registered shares was 897,264,465. Fortum Corporation does not hold any of the company's own shares.

Group personnel

Fortum's operations are mainly based in the Nordic countries. The total number of employees at the end of September 2024 was 5,594 (5,225 at the end of 2023).

At the end of September, the Generation segment had 2,132 (1,758 at the end of 2023) employees, the Consumer Solutions segment 1,121 (1,281 at the end of 2023), and the Other Operations segment 2,341 (2,186 at the end of 2023). During the second quarter of 2024, the Generation segment insourced 250 employees to its hydropower operations and maintenance team in Sweden and Finland.

Remuneration and share-based incentive plan 2024–2026

In December 2023, Fortum's Board of Directors decided to commence the 2024–2026 long-term incentive (LTI) plan as part of Fortum's ongoing long-term incentive programme; the maximum number of shares that may be delivered as reward amounts to approx. 1,100,000 shares.

As announced in connection with Fortum's first-quarter 2024 result, the Board of Directors has resolved the maximum share allocations for the President and CEO, other FLT members and other key individuals. The maximum number of shares granted (gross) to the President and CEO is 125,000. Respectively, the maximum number of shares granted (gross) to the other FLT members totals 280,000 shares. The total number of shares granted in the 2024–2026 LTI plan was 1,017,500. The outcome of the 2024–2026 LTI plan shall be confirmed in spring 2027.

Board authorisations

The AGM 2024 resolved to authorise the Board of Directors to decide on the repurchase and disposal of the company's own shares, up to 20,000,000 shares, which corresponds to approximately 2.23 per cent of all the shares in the company. Only the unrestricted equity of the company can be used to repurchase own shares on the basis of the authorisation. These authorisations cancelled the authorisations resolved by the AGM 2023 and will be effective until the next AGM and in any event no longer than for a period of 18 months. These authorisations have not been used as of 28 October 2024.

Further, the AGM resolved to authorise the Board of Directors to decide on contributions in the total maximum amount of EUR 500,000 for charitable or similar purposes, and, in addition, in the total maximum amount of EUR 1,000,000 for incidental emergency relief or similar purposes as needed, and to decide on the recipients, purposes and other terms of the contributions. These authorisations will be effective until the next AGM. As of 28 October 2024, EUR 225,000 of the authorisation for charitable or similar purposes and EUR 50,000 for incidental emergency relief has been used.

Events after the balance sheet date

On 10 October, Fortum announced that Fortum and Vestas have reached a settlement in a commercial dispute between the companies. The dispute concerned deliveries of equipment for wind parks in Russia for which Fortum had made advance payments to Vestas. The financial impact of the settlement will be recorded as items affecting

comparability in the fourth quarter of 2024. With the settlement agreement, the previously commenced International Chamber of Commerce arbitration process will be terminated.

On 22 October, Fortum announced that it has initiated legal proceedings before a Dutch civil court against Forward Energo (formerly known as PAO Fortum). The proceedings concern intercompany loans of approximately EUR 600 million granted to PAO Fortum. The claim, including interest and default interest, amounts to approximately EUR 800 million. The final amount will depend on the RUB/EUR foreign exchange rate and amount of due interest.

On 29 October, Fortum announced that it is advancing its exit from coal by investing EUR 100 million in the decarbonisation of the Czestochowa CHP plant in Poland. The plant's retrofit with biomass technology will decrease Fortum's coal capacity by 0.1 GW to 0.9 GW and direct CO_2 emissions by approximately 175,000 tonnes. The investment will take place over a period from the fourth quarter of 2024 until the fourth quarter of 2026.

Dividend payment

The 2024 Annual General Meeting approved a dividend of EUR 1.15 per share for the financial year that ended 31 December 2023. The dividend is paid in two instalments.

The record date for the first dividend instalment of EUR 0.58 per share was on 27 March 2024 and the dividend was paid on 5 April 2024.

The record date for the second dividend instalment of EUR 0.57 per share was on 2 October 2024 and the dividend was paid on 9 October 2024.

Espoo, 28 October 2024

Fortum Corporation
Board of Directors

Further information:

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The condensed Interim Report has been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the EU. The interim financials have not been audited.

Financial calendar

Fortum's Financial Statements Bulletin for the year 2024 will be published on 11 February 2025 at approximately 9.00 EET. The Financial Statements and Operating and Financial Review for 2024 will be published during week 8, starting on 17 February 2025, at the latest.

Fortum will publish three interim reports in 2025:

- January-March Interim Report on 29 April 2025 at approximately 9.00 EEST
- January-June Half-year Financial Report on 15 August 2025 at approximately 9.00 EEST
- January-September Interim Report on 29 October 2025 at approximately 9.00 EET

The Annual General Meeting 2025 of Fortum Corporation is planned to be held on 1 April 2025. The Board of Directors will summon the Annual General Meeting and publish the dates related to a possible dividend at a later date.

Distribution:

Nasdaq Helsinki
Key media
www.fortum.com

More information, including detailed quarterly information, is available at www.fortum.com/investors.

Interim Financial Statements are unaudited.

Condensed consolidated income statement

EUR million	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Sales	3	1,094	1,220	4,365	4,853	6,711	6,223
Other income		5	8	38	22	32	48
Materials and services		-611	-665	-2,474	-2,702	-3,808	-3,581
Employee benefits		-113	-105	-356	-316	-436	-476
Depreciation and amortisation	3	-96	-92	-281	-258	-359	-381
Other expenses		-123	-141	-371	-414	-595	-552
Comparable operating profit	3	**158**	**226**	**921**	**1,186**	**1,544**	**1,280**
Items affecting comparability	3, 4	-35	25	14	101	118	32
Operating profit	3	**123**	**251**	**935**	**1,286**	**1,662**	**1,311**
Share of profit/loss of associates and joint ventures	3, 7	34	-9	57	-30	59	146
Interest expense		-53	-62	-174	-217	-269	-226
Interest income		48	48	179	115	165	229
Other financial items - net		8	-3	15	-60	-34	40
Finance costs - net	8	3	-17	20	-162	-138	43
Profit before income tax		**160**	**224**	**1,012**	**1,095**	**1,583**	**1,500**
Income tax expense	9	-27	-38	-190	7	-69	-265
Net profit from continuing operations		**133**	**187**	**822**	**1,102**	**1,515**	**1,235**
Attributable to:							
Owners of the parent		132	188	820	1,104	1,514	1,230
Non-controlling interests		1	-1	2	-1	1	5
Net profit from discontinued operations	6.3	**-**	**-**	**-**	**-3,582**	**-3,582**	**-**
Attributable to:							
Owners of the parent		-	-	-	-3,583	-3,583	-
Non-controlling interests		-	-	-	1	1	-
Net profit, total Fortum		**133**	**187**	**822**	**-2,480**	**-2,067**	**1,235**
Attributable to:							
Owners of the parent		132	188	820	-2,479	-2,069	1,230
Non-controlling interests		1	-1	2	0	2	5
Earnings per share for profit attributable to the equity owners of the company (EUR per share)							
Basic, continuing operations		0.14	0.21	0.91	1.23	1.68	1.36
Basic, discontinued operations		-	-	-	-3.99	-3.99	-
Basic, total Fortum		0.14	0.21	0.91	-2.76	-2.31	1.36

As Fortum currently has no dilutive instruments outstanding, diluted earnings per share is the same as basic earnings per share.

Fortum's condensed consolidated income statement and consolidated cash flow statement include the Russia segment as discontinued operations in 2023. For further information, see Note 1 Significant accounting policies and Note 6 Acquisitions, disposals, assets held for sale and discontinued operations.

EUR million	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Comparable operating profit		**158**	**226**	**921**	**1,186**	**1,544**	**1,280**
Impairment charges and reversals		0	-	-2	-	-	-2
Capital gains and other related items		0	1	7	2	4	9
Changes in fair values of derivatives hedging future cash flow		-35	24	8	91	111	29
Other		0	0	1	8	3	-5
Items affecting comparability	3, 4	-35	25	14	101	118	32
Operating profit		**123**	**251**	**935**	**1,286**	**1,662**	**1,311**

See Note 19 Definitions and reconciliations of key figures.

Condensed consolidated statement of comprehensive income

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Net profit, total Fortum	**133**	**187**	**822**	**-2,480**	**-2,067**	**1,235**
Other comprehensive income						
Items that may be reclassified to profit or loss in subsequent periods:						
Cash flow hedges						
Fair value gains/losses [1)]	-120	694	293	2,762	2,185	-283
Transfers to income statement	3	6	40	38	150	152
Transfers to inventory/property, plant and equipment	-1	0	-1	-3	-3	-1
Deferred taxes	24	-138	-66	-573	-473	34
Net investment hedges						
Fair value gains/losses	-1	-6	2	-15	-16	1
Deferred taxes	0	1	0	3	3	0
Exchange differences on translating foreign operations [2)]	-6	14	4	-20	-43	-19
Share of other comprehensive income of associates and joint ventures	-6	3	-5	2	-17	-24
	-107	**574**	**266**	**2,194**	**1,788**	**-140**
Items that will not be reclassified to profit or loss in subsequent periods:						
Remeasurement of investments	-	1	1	1	1	1
Actuarial gains/losses on defined benefit plans	0	-2	0	-2	-9	-7
Actuarial gains/losses on defined benefit plans in associates and joint ventures	-	-	-	-	-3	-3
	0	**-1**	**1**	**-1**	**-11**	**-9**
Other comprehensive income/expense from continuing operations, net of deferred taxes	**-107**	**574**	**267**	**2,194**	**1,777**	**-149**
Recycling of FX including net investment hedges related to Russia [3)]	-	-	-	1,940	1,940	-
Other comprehensive income/expense from discontinued operations, net of deferred taxes	-	-	-	-69	-69	-
Total comprehensive income/expense	**26**	**761**	**1,089**	**1,585**	**1,581**	**1,085**
Total comprehensive income/expense for total Fortum attributable to:						
Owners of the parent	25	761	1,088	1,587	1,580	1,081
Non-controlling interests	1	-1	2	-2	1	4
	26	**761**	**1,089**	**1,585**	**1,581**	**1,085**

1) Fair valuation of cash flow hedges mainly relates to fair valuation of derivatives, such as futures and forwards, hedging commodity price for future transactions, where hedge accounting is applied. When commodity price is higher (lower) than the hedging price, the impact on equity is negative (positive).
2) Translation differences from translation of foreign entities, mainly SEK, NOK and PLN.
3) The deconsolidation of Russian operations in II/2023 resulted in the recycling of EUR 1.9 billion negative cumulative translation differences from equity to the income statement. The recycling did not have any impact on total equity.

Condensed consolidated balance sheet

EUR million	Note	30 Sep 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets		560	643
Property, plant and equipment and right-of-use assets		6,072	6,612
Participations in associates and joint ventures		1,237	1,059
Share in the State Nuclear Waste Management Fund	13	1,097	1,058
Other non-current assets		208	201
Deferred tax assets		889	958
Derivative financial instruments	5	174	216
Long-term interest-bearing receivables	11	539	644
Total non-current assets		**10,776**	**11,392**
Current assets			
Inventories		348	452
Derivative financial instruments	5	303	389
Short-term interest-bearing receivables	11	290	389
Income tax receivables		29	59
Margin receivables	12	269	590
Trade and other receivables		692	1,286
Liquid funds	12	4,255	4,183
Total current assets		**6,185**	**7,347**
Assets held for sale	6	**768**	**-**
Total assets		**17,729**	**18,739**
EQUITY			
Equity attributable to owners of the parent			
Share capital		3,046	3,046
Share premium		73	73
Retained earnings		5,391	5,592
Other equity components		-11	-273
Total		**8,498**	**8,438**
Non-controlling interests		85	60
Total equity		**8,584**	**8,499**
LIABILITIES			
Non-current liabilities			
Interest-bearing liabilities	12	4,843	4,573
Derivative financial instruments	5	228	216
Deferred tax liabilities		375	428
Nuclear provisions	13	1,097	1,058
Other provisions		97	125
Pension obligations, net		10	10
Other non-current liabilities		125	122
Total non-current liabilities		**6,774**	**6,532**
Current liabilities			
Interest-bearing liabilities	12	509	1,337
Derivative financial instruments	5	420	1,057
Other provisions		1	2
Margin liabilities	12	65	131
Trade and other payables		1,155	1,181
Total current liabilities		**2,149**	**3,708**
Liabilities related to assets held for sale	6	**222**	**-**
Total liabilities		**9,146**	**10,240**
Total equity and liabilities		**17,729**	**18,739**

Condensed consolidated statement of changes in total equity

			Retained earnings		Other equity components					
EUR million	**Share capital**	**Share premium**	**Retained earnings**	**Translation of foreign operations**	**Cash flow hedges**	**Other OCI items**	**OCI items asso-ciates and joint ventures**	**Owners of the parent**	**Non-controlling interests**	**Total equity**
Total equity 1 January 2024	**3,046**	**73**	**6,618**	**-1,026**	**-337**	**-14**	**79**	**8,438**	**60**	**8,499**
IS Net profit, total Fortum			820					820	2	822
Translation differences				6	-1	0	-1	4	0	4
Other comprehensive income					266	2	-5	263	-	263
Total comprehensive income for the period			820	6	265	2	-6	1,088	2	1,089
Cash dividend [1]			-1,032					-1,032	0	-1,032
Transactions with non-controlling interests								-	23	23
Other			4					4	0	4
BS Total equity 30 September 2024	**3,046**	**73**	**6,410**	**-1,019**	**-72**	**-12**	**73**	**8,498**	**85**	**8,584**
Total equity 1 January 2023	**3,046**	**73**	**9,499**	**-3,031**	**-2,182**	**172**	**93**	**7,670**	**67**	**7,737**
IS Net profit, total Fortum [2]			-2,479					-2,479	0	-2,480
Translation differences				-50	33	0	-2	-19	0	-20
Translation differences, recycled to Income statement				2,106		-166		1,940		1,940
Other comprehensive income					2,224	-13	2	2,213	-	2,213
OCI related to discontinued operations				-63	-9	0	5	-68	-2	-69
Total comprehensive income for the period			-2,479	1,992	2,248	-179	5	1,587	-2	1,585
Cash dividend			-817					-817	0	-817
Disposal of subsidiary companies								-	-22	-22
Transactions with non-controlling interests								-	15	15
Other			3					3	0	3
BS Total equity 30 September 2023	**3,046**	**73**	**6,206**	**-1,039**	**66**	**-6**	**98**	**8,444**	**57**	**8,501**
Total equity 1 January 2023	**3,046**	**73**	**9,499**	**-3,031**	**-2,182**	**172**	**93**	**7,670**	**67**	**7,737**
IS Net profit, total Fortum [2]			-2,069					-2,069	2	-2,067
Translation differences				-36	-6	0	0	-43	0	-43
Translation differences, recycled to Income statement				2,106		-166		1,940	-	1,940
Other comprehensive income					1,860	-21	-19	1,820	0	1,820
OCI related to discontinued operations				-63	-9	0	5	-68	-2	-69
Total comprehensive income for the period			-2,069	2,006	1,844	-186	-14	1,580	1	1,581
Cash dividend			-817					-817	0	-817
Deconsolidation of subsidiary companies								-	-22	-22
Transactions with non-controlling interests								-	15	15
Other			5					5	0	5
BS Total equity 31 December 2023	**3,046**	**73**	**6,618**	**-1,026**	**-337**	**-14**	**79**	**8,438**	**60**	**8,499**

1) The first dividend instalment of EUR 520 million was paid on 5 April 2024. The second dividend instalment of EUR 511 million, is recorded as a liability at 30 September 2024 and was paid on 9 October 2024.
2) Of which EUR -1,940 million is related to the recycling of the negative cumulative translation differences and related net investment hedges from Russian operations, to the income statement.

Translation differences

Translation of financial information from subsidiaries in foreign currency is done using the average rate for the income statement and the end rate for the balance sheet. The exchange rate differences arising from translation to EUR are recognised in equity (mainly from SEK, NOK and PLN).

For information regarding exchange rates used, see Note 1.5 Key exchange rates used in consolidated financial statements.

Equity impact from recycling of cumulative translation difference and related hedges relating to Russia in 2023

The deconsolidation of Russian operations in II/2023 resulted in the recycling of EUR 1.9 billion negative cumulative translation differences from translation of foreign operations from equity to the income statement. The recycling did not have any impact on total equity. The cumulative translation differences were due to the significant weakening of the Russian rouble since the acquisition of the Russian operations in 2008.

EUR million	Retained earnings	Translation of foreign operations	Other OCI items	Owners of the parent
Impact included in Net profit for the year 2023	-1,940			-1,940
Impact to other equity items		2,106	-166	1,940
Total equity impact 2023	**-1,940**	**2,106**	**-166**	**-**

Cash flow hedges

The impact on equity attributable to owners of the parent from fair valuation of cash flow hedges mainly relates to fair valuation of commodity derivatives, such as futures and forwards, hedging commodity sales price of future transactions, where hedge accounting is applied. When commodity market price is higher (lower) than the hedging price, the impact on equity is negative (positive).

Cash dividends

A dividend for 2023 of EUR 1.15 per share, amounting to a total of EUR 1,032 million, was decided in the Annual General Meeting on 25 March 2024. The dividend is paid in two instalments. The first dividend instalment of EUR 0.58 per share was paid on 5 April 2024, amounting to a total of EUR 520 million. The second dividend instalment of EUR 0.57, amounting to a total of EUR 511 million, is recorded as a liability and included in ‘Trade and other payables’ on the balance sheet at 30 September 2024 and was paid on 9 October 2024.

A dividend for 2022 of EUR 0.91 per share, amounting to a total of EUR 817 million, was decided in the Annual General Meeting on 13 April 2023. The dividend was paid in two instalments. See also note 10 Dividend per share.

Comparable non-controlling interests

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
IS Non-controlling interests	-1	1	-2	1	-1	-5
Adjustments to non-controlling interests	3	-1	5	1	5	9
Comparable non-controlling interests	**2**	**0**	**3**	**2**	**4**	**4**

Condensed consolidated cash flow statement

EUR million	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Cash flow from operating activities							
IS Net profit from continuing operations		**133**	**187**	**822**	**1,102**	**1,515**	**1,235**
Adjustments:							
Income tax expense		27	38	190	-7	69	265
Finance costs - net		-3	17	-20	162	138	-43
Share of profit/loss of associates and joint ventures	7	-34	9	-57	30	-59	-146
Depreciation and amortisation	3	96	92	281	258	359	381
Operating profit before depreciations (EBITDA)		**219**	**343**	**1,216**	**1,544**	**2,021**	**1,693**
Items affecting comparability	3, 4	35	-25	-14	-101	-118	-32
Comparable EBITDA		**254**	**318**	**1,202**	**1,443**	**1,903**	**1,661**
Non-cash and other items		33	106	-107	104	129	-81
Interest received		48	45	161	109	153	204
Interest paid		-27	-46	-186	-185	-228	-230
Dividends received		2	3	9	10	16	15
Income taxes paid		19	-51	-128	-413	-454	-169
Funds from operations		**329**	**375**	**951**	**1,070**	**1,519**	**1,400**
Change in working capital		20	54	274	491	191	-26
Net cash from operating activities, continuing operations		**349**	**429**	**1,225**	**1,561**	**1,710**	**1,374**
Cash flow from investing activities, continuing operations							
Capital expenditures	3	-133	-146	-351	-446	-576	-482
Acquisitions of shares	6	-7	-26	-21	-42	-53	-31
Proceeds from sales of property, plant and equipment		1	0	3	2	12	12
Divestments of shares and capital returns	6	0	1	6	5	5	6
Shareholder loans to associated companies and joint ventures	11	2	-58	-51	-21	-30	-60
Change in margin receivables		67	398	322	1,937	2,024	408
Change in other interest-bearing receivables	11	1	19	-17	57	52	-22
Net cash from/used in investing activities, continuing operations		**-69**	**188**	**-110**	**1,491**	**1,433**	**-168**
Cash flow before financing activities, continuing operations		**280**	**617**	**1,115**	**3,052**	**3,143**	**1,205**
Cash flow from financing activities, continuing operations							
Proceeds from long-term liabilities	12	0	0	6	1,747	1,755	14
Payments of long-term liabilities [1)]	12	-9	-6	-429	-1,608	-1,620	-441
Change in short-term liabilities	12	-40	-92	-30	-1,678	-1,757	-109
Dividends paid to the owners of the parent	10	0	0	-520	-413	-817	-924
Change in margin liabilities		-34	-132	-66	-239	-221	-48
Other financing items		1	0	0	15	19	5
Net cash from/used in financing activities, continuing operations		**-83**	**-231**	**-1,040**	**-2,178**	**-2,640**	**-1,502**
Net increase(+)/decrease(-) in liquid funds, continuing operations		**197**	**386**	**75**	**875**	**503**	**-297**
Cash flow from discontinued operations							
Net cash from/used in operating activities, discontinued operations		-	-	-	109	109	-
Net cash from/used in investing activities, discontinued operations [2)]		-	-	-	-333	-333	-
Net cash from/used in financing activities, discontinued operations		-	-	-	21	21	-
Net increase(+)/decrease(-) in liquid funds, discontinued operations	6.3	**-**	**-**	**-**	**-202**	**-202**	**-**
Cash flow, total Fortum							
Total net cash from/used in operating activities		349	429	1,225	1,670	1,819	1,374
Total net cash from/used in investing activities		-69	188	-110	1,148	1,095	-163
Total net cash from/used in financing activities		-83	-231	-1,040	-2,146	-2,614	-1,507
Net increase(+)/decrease(-) in liquid funds, total Fortum		**197**	**386**	**75**	**672**	**301**	**-297**
Liquid funds at the beginning of the period	12	**4,058**	**4,156**	**4,183**	**3,919**	**3,919**	**4,552**
Foreign exchange differences and expected credit loss allowance in liquid funds		1	10	-2	-39	-36	0
Liquid funds at the end of the period	12	**4,255**	**4,552**	**4,255**	**4,552**	**4,183**	**4,255**

1) The new green loan of EUR 300 million under the Green Finance Framework partly refinanced EUR 700 million bank loan and was netted without cash payments. Loan was partly prepaid and EUR 400 million is impacting the cash flow.
2) Cash flow from investing activities for discontinued operations in 2023 includes Russia related cash flows from I/2023 netted with liquid funds of EUR 284 million lost through the seizure of the Russian assets.

Additional cash flow information

Non-cash and other items

Non-cash and other items EUR -107 million in I-III/2024 (I-III/2023: 104) mainly relate to realised foreign exchange gains and losses EUR -74 million (I-III/2023: 188) and change in liability to return emission rights EUR -26 million (I-III/2023: -48). In I/2023 non-cash and other items included also paid commitment fee for Solidium bridge loan facility EUR -39 million.

Change in working capital

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Change in interest-free receivables, decrease(+)/increase(-)	41	35	576	777	348	148
Change in inventories, decrease(+)/increase(-)	13	4	53	110	-14	-71
Change in interest-free liabilities, decrease(-)/increase(+)	-34	14	-356	-395	-143	-103
CF Total	**20**	**54**	**274**	**491**	**191**	**-26**

Capital expenditure in cash flow

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Capital expenditure	126	153	342	453	611	500
Change in not yet paid investments, decrease(+)/increase(-)	9	-1	18	8	-16	-6
Capitalised borrowing costs	-2	-6	-8	-15	-20	-13
CF Total	**133**	**146**	**351**	**446**	**576**	**482**

Acquisition of shares in cash flow

Acquisition of shares, net of cash acquired, amounted to EUR 21 million during I-III/2024 (I-III/2023: 42). In III/2023 Fortum acquired the Swedish electricity solutions provider Telge Energi AB. For further information, see Note 6.1 Acquisitions.

Divestment of shares in cash flow

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Proceeds from sales of subsidiaries, net of cash disposed	0	1	6	1	1	6
Proceeds from sales and capital returns of associates and joint ventures	0	0	0	0	0	0
Proceeds from sales of other investments	0	0	0	3	3	0
CF Total	**0**	**1**	**6**	**5**	**5**	**6**

During II/2024 Fortum concluded the sale of the remaining 43.75% share of its Indian solar power portfolio. The total proceeds of EUR 33 million is expected to be received during the fourth quarter of 2024. See more information in Note 6 Acquisitions, disposals, assets held for sale and discontinued operations.

Change in financial net debt

EUR million	Note	I-III/2024	2023
Financial net debt, beginning of the period		**942**	**1,084**
Russia impact on Financial net debt, beginning of the period		-	43
Financial net debt excl. Russia, beginning of the period		**942**	**1,127**
Net cash flow:			
Comparable EBITDA		1,202	1,903
Non-cash and other items		-107	129
Paid net financial costs and dividends received		-16	-59
Income taxes paid		-128	-454
Change in working capital		274	191
Capital expenditures		-351	-576
Acquisitions		-21	-53
Divestments and proceeds from sale of property, plant and equipment		9	17
Change in interest-bearing receivables		-69	22
Dividends to the owners of the parent		-520	-817
Other financing activities		0	19
Net cash flow, continuing operations ('-' increase in financial net debt)		273	322
Foreign exchange rate differences and other changes		-15	137
Financial net debt, end of the period	12	**655**	**942**

Capital risk management

At the beginning of February 2024, the Fortum Board of Directors resolved on clarifications to Fortum's strategy.

Fortum's long-term financial targets are:

- To ensure a credit rating of at least BBB, Financial net debt-to-Comparable EBITDA can be a maximum of 2.0-2.5 times.
- For the period of 2024-2026, Fortum's capital expenditure is expected to be approximately EUR 1.6 billion (excluding acquisition) of which growth capital expenditure is expected to be EUR 800 million and annual maintenance capital expenditure for the year 2024 EUR 300 million and EUR 250 million from year 2025 and onwards.
- To ensure required returns for any potential new investments, Fortum continues to be selective and applies earlier set investment criteria; project based WACC + 150-400 investment hurdles depending on technology or investment project, as well as environmental targets.
- Fortum's dividend policy - a payout ratio of 60-90% of comparable EPS. The payout ratio will be used so that the upper end of the range of the pay-out ratio is applied in situations with a strong balance sheet and low investments, while the lower end of the range would be applied with high leverage and/or significant investments and high capital expenditure.

On 2 November 2023, Fortum initiated an efficiency programme targeting to reduce annual fixed costs by EUR 100 million gradually until the end of 2025.

Comparable EBITDA is defined as an alternative performance measure and used as a component in the capital structure target 'Financial net debt-to-Comparable EBITDA'.

On 25 March 2024, S&P Global Ratings (S&P) upgraded Fortum's current long-term credit rating to BBB+ with Stable Outlook. The previous rating was BBB with Stable Outlook.

On 18 March 2024, Fitch Ratings (Fitch) affirmed Fortum's current long-term credit rating at BBB with stable outlook.

Financial net debt/comparable EBITDA

EUR million	Note	LTM	2023
+ Interest-bearing liabilities		**5,351**	**5,909**
- BS Liquid funds		**4,255**	**4,183**
- Collateral arrangement		**237**	**325**
- BS Margin receivables		269	590
+ BS Margin liabilities		65	131
+/- Net margin liabilities/receivables		**-204**	**-459**
Financial net debt	12	**655**	**942**
IS Operating profit		1,311	1,662
+ IS Depreciation and amortisation		381	359
EBITDA		**1,693**	**2,021**
- IS Items affecting comparability		-32	-118
Comparable EBITDA from continuing operations		**1,661**	**1,903**
Financial net debt/comparable EBITDA		**0.4**	**0.5**

Key figures

Continuing operations

EUR million or as indicated	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Reported						
IS Sales	1,094	1,220	4,365	4,853	6,711	6,223
IS Operating profit	123	251	935	1,286	1,662	1,311
IS Share of profit/loss of associates and joint ventures	34	-9	57	-30	59	146
IS Net profit	133	187	822	1,102	1,515	1,235
IS Net profit (after non-controlling interests)	132	188	820	1,104	1,514	1,230
Earnings per share (basic), EUR	0.14	0.21	0.91	1.23	1.68	1.36
CF Net cash from operating activities	349	429	1,225	1,561	1,710	1,374
Capital expenditure and gross investments in shares	133	179	362	495	664	531
Capital expenditure	126	153	342	453	611	500

EUR million or as indicated	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Comparable						
EBITDA	254	318	1,202	1,443	1,903	1,661
IS Operating profit	158	226	921	1,186	1,544	1,280
Share of profit/loss of associates and joint ventures	-5	9	5	-24	7	36
Net profit (after non-controlling interests)	117	204	731	833	1,150	1,048
Earnings per share (basic), EUR	0.14	0.23	0.82	0.93	1.28	1.17

EUR million or as indicated	LTM	2023
Financial position		
Financial net debt, at period-end	655	942
Financial net debt/comparable EBITDA	0.4	0.5

EUR or as indicated	30 Sep 2024	31 Dec 2023
Equity per share, EUR	9.47	9.40
Average number of shares, 1,000 shares	897,264	897,264
Diluted adjusted average number of shares, 1,000 shares	897,264	897,264
Number of registered shares, 1,000 shares	897,264	897,264

Continuing and discontinued operations (total)

Fortum's condensed consolidated income statement and consolidated cash flow statement include the Russia segment as discontinued operations in 2023. For further information, see Note 1 Significant accounting policies and Note 6 Acquisitions, disposals, assets held for sale and discontinued operations.

EUR million or as indicated	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Reported						
Net profit (after non-controlling interests)	132	188	820	-2,479	-2,069	1,230
Earnings per share, EUR	0.14	0.21	0.91	-2.76	-2.31	1.36
Net cash from operating activities	349	429	1,225	1,670	1,819	1,374
Number of employees			5,594	5,393	5,225	
Comparable						
Net profit (after non-controlling interests)	117	204	731	867	1,184	1,048
Earnings per share, EUR	0.14	0.23	0.82	0.97	1.32	1.17

Notes to the condensed consolidated interim financial statements

1. Significant accounting policies

1.1 Basis of preparation

The unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the EU. The condensed interim financial report should be read in conjunction with the consolidated financial statements for the year ended 31 December 2023.

The figures in the consolidated interim financial statements have been rounded and consequently the sum of individual figures may deviate from the sum presented. Key figures have been calculated using exact figures.

Part of Fortum’s business operations are seasonal, with the comparable operating profit usually being higher for the first and fourth quarter of the year. Columns labelled as 'LTM' or 'last twelve months' present figures for twelve months preceding the reporting date.

The following symbols show which amounts in the notes reconcile to the items in the income statement, balance sheet and cash flow statement:

IS = Income statement
BS = Balance sheet
CF = Cash flow

1.2 Assets held for sale and discontinued operations

Assets held for sale at 30 September 2024 include Fortum’s recycling and waste business. See further information in note 6.3 Assets held for sale.

The Russian operations are presented as discontinued operations in 2023. Control over Fortum’s Russian operations was lost on 25 April 2023 following the Russian Presidential decree No. 302, which enabled the authorities to introduce temporary asset management to assets owned by certain foreign entities in Russia, and the subsequent nomination of the new external CEO to PAO Fortum. Consequently, in II/2023 Fortum’s Russia segment was deconsolidated, and classified as discontinued operations as required by IFRS 5 Non-current assets held for sale and discontinued operations. Fortum has not had access to financial or non-financial information from the Russia segment since the first quarter 2023 reporting, and therefore information for the deconsolidation was based on the 31 March 2023 balance sheet.

The deconsolidation in II/2023 resulted in EUR 3.6 billion one-time, non-cash negative effect. The amount consisted of the full write-down of the Russian assets of EUR 1.7 billion, and EUR 1.9 billion negative cumulative translation differences previously recognised in equity. These cumulative translation differences were recycled from equity to profit and loss on deconsolidation according to IFRS. The recycling did not have any impact on total equity.

1.3 Alternative performance measures

According to the ESMA Guidelines on Alternative Performance Measures, an Alternative Performance Measure (APM) is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Fortum uses APMs, such as Comparable operating profit and Comparable EBITDA, in the financial target setting and forecasting, management's follow-up of financial performance of segments and the Group, as well as for the allocation of resources in the Group's performance management process. Items affecting comparability are excluded from

Comparable operating profit and Comparable EBITDA and disclosed separately in Fortum's consolidated income statement to support the transparency of underlying business performance when comparing results between periods.

Fortum’s long-term financial target for capital structure measure is Financial net debt to comparable EBITDA (see Capital risk management and Note 19 Definitions and reconciliations of key figures).

Following the deconsolidation of Russia in II/2023, additional APMs excluding Russia are no longer presented.

See also Note 4 Comparable operating profit and comparable net profit and Note 19 Definitions and reconciliations of key figures.

1.4 Accounting policies

The same accounting policies that were applied in the preparation of the consolidated financial statements for the year ended 31 December 2023, have been applied in these condensed interim financial statements.

New standards, amendments and interpretations effective from 1 January 2024 have not had a material impact on Fortum's consolidated financial statements.

Pillar Two legislation was enacted in Finland from 1 January 2024. Fortum is assessing its exposure to the global minimum tax under Pillar Two rules. This assessment indicates that most of the operations are under Safe Harbour rules except two jurisdictions. Nevertheless, based on the current analysis for 2024, Fortum is not expected to be exposed to paying Pillar Two income taxes due to the application of the specific adjustments in the Pillar Two legislation.

1.5 Key exchange rates used in consolidated financial statements

The balance sheet date rate is based on the exchange rate published by the European Central Bank for the closing date. The average exchange rate is calculated as an average of daily closing rates from the European Central Bank.

Key exchange rates used in consolidated financial statements:

Average rate	Jan–Sep 2024	Jan–Jun 2024	Jan-Mar 2024	Jan–Dec 2023	Jan–Sep 2023	Jan–Jun 2023	Jan–Mar 2023
Norway (NOK)	11.5854	11.4926	11.4159	11.4248	11.3483	11.3195	10.9901
Poland (PLN)	4.3053	4.3169	4.3333	4.5420	4.5820	4.6244	4.7081
Sweden (SEK)	11.4120	11.3914	11.2792	11.4788	11.4789	11.3329	11.2030

Balance sheet date rate	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
Norway (NOK)	11.7645	11.3965	11.6990	11.2405	11.2535	11.7040	11.3940
Poland (PLN)	4.2788	4.3090	4.3123	4.3395	4.6283	4.4388	4.6700
Sweden (SEK)	11.3000	11.3595	11.5250	11.0960	11.5325	11.8055	11.2805

2. Critical accounting estimates and judgements

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these interim financial statements, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

3. Segment information

Fortum's reportable segments under IFRS are:

- The Generation segment, which includes Hydro Generation, Nuclear Generation, Corporate Customers and Markets, and Renewables and Decarbonisation business units.
- The Consumer Solutions segment, which consists of the Consumer Solutions business unit.
- The Other Operations segment, which includes the Circular Solutions business unit, Innovation and Venturing activities, enabling functions and corporate management.

Quarter

		Generation [1]		Consumer Solutions		Other Operations		Total continuing operations	
EUR million	**Note**	**III/2024**	**III/2023**	**III/2024**	**III/2023**	**III/2024**	**III/2023**	**III/2024**	**III/2023**
Income statement data by segment									
Power sales [1]		571	778	394	462	1	2	966	1,242
Heat sales		61	59	-	-	3	4	64	62
Gas sales		-	-	85	68	-	-	85	68
Waste treatment sales		1	1	-	-	58	60	60	61
Other sales		12	9	29	33	103	73	143	116
Sales		**644**	**847**	**509**	**563**	**165**	**138**	**1,318**	**1,548**
Internal eliminations		-61	-51	-11	-14	-38	-24	-110	-89
Netting of Nord Pool transactions [2]								-114	-239
IS External sales		583	796	498	549	128	114	1,094	1,220
Comparable EBITDA		**225**	**307**	**26**	**27**	**3**	**-16**	**254**	**318**
IS Depreciation and amortisation		-49	-45	-20	-17	-27	-31	-96	-92
IS Comparable operating profit		**176**	**262**	**6**	**10**	**-24**	**-46**	**158**	**226**
Impairment charges and reversals		-	-	-	-	0	-	0	-
Capital gains and other related items		0	0	0	0	0	1	0	1
Changes in fair values of derivatives hedging future cash flow		-47	11	12	13	0	0	-35	24
Other		-	0	-	-	0	0	0	0
IS Items affecting comparability	4	-47	11	12	13	0	1	-35	25
IS Operating profit		**129**	**273**	**18**	**23**	**-24**	**-45**	**123**	**251**
Comparable share of profit/loss of associates and joint ventures	4, 7	-1	7	-	-	-4	2	-5	9
IS Share of profit/loss of associates and joint ventures	7	38	-11	-	-	-4	2	34	-9
Gross investments / divestments by segment									
Gross investments in shares	6	-	0	0	23	7	3	7	26
Capital expenditure		95	116	18	19	13	18	126	153
Gross divestments of shares	6	0	0	0	0	0	1	0	1

1) Sales, both internal and external, include effects from realised hedging contracts. Effect on sales can be negative or positive depending on the difference between average contract price and realised spot price. Power sales contains realised result from commodity derivatives, which have not had hedge accounting status under IFRS 9, but have been considered operatively as hedges.
2) Sales and purchases with Nord Pool Spot are netted on Group level on an hourly basis and posted either as revenue or cost depending on if Fortum is a net seller or net buyer during any particular hour.

Year-to-date

EUR million	Note	Generation [1] I-III/2024	Generation [1] I-III/2023	Consumer Solutions I-III/2024	Consumer Solutions I-III/2023	Other Operations I-III/2024	Other Operations I-III/2023	Total continuing operations I-III/2024	Total continuing operations I-III/2023
Income statement data by segment									
Power sales [1]		2,478	2,725	1,875	2,296	4	7	4,357	5,029
Heat sales		335	318	-	-	19	18	355	337
Gas sales		-	-	320	308	-	-	320	308
Waste treatment sales		7	5	-	-	164	163	171	168
Other sales		32	32	86	92	267	212	386	337
Sales		**2,853**	**3,081**	**2,281**	**2,697**	**455**	**401**	**5,589**	**6,179**
Internal eliminations		-224	-336	-3	-17	-111	-75	-338	-428
Netting of Nord Pool transactions [2]								-886	-898
IS External sales		2,628	2,745	2,279	2,680	344	326	4,365	4,853
Comparable EBITDA		**1,102**	**1,422**	**121**	**78**	**-21**	**-57**	**1,202**	**1,443**
IS Depreciation and amortisation		-149	-133	-61	-52	-71	-73	-281	-258
IS Comparable operating profit		**953**	**1,289**	**60**	**27**	**-92**	**-130**	**921**	**1,186**
Impairment charges and reversals		-	-	-	-	-2	-	-2	-
Capital gains and other related items		0	1	0	0	7	1	7	2
Changes in fair values of derivatives hedging future cash flow		-27	391	35	-301	0	0	8	91
Other		-	8	-	-	1	0	1	8
IS Items affecting comparability	4	-27	400	35	-301	6	1	14	101
IS Operating profit		**926**	**1,689**	**95**	**-274**	**-86**	**-129**	**935**	**1,286**
Comparable share of profit/loss of associates and joint ventures	4, 7	8	-24	-	-	-3	1	5	-24
IS Share of profit/loss of associates and joint ventures	7	60	-30	-	-	-3	1	57	-30
Gross investments / divestments by segment									
Gross investments in shares	6	0	4	-	23	21	16	21	43
Capital expenditure		250	338	53	58	38	56	342	453
Gross divestments of shares	6	33	0	0	0	6	4	39	4

1) Sales, both internal and external, include effects from realised hedging contracts. Effect on sales can be negative or positive depending on the difference between average contract price and realised spot price. Power sales contains realised result from commodity derivatives, which have not had hedge accounting status under IFRS 9, but have been considered operatively as hedges.

2) Sales and purchases with Nord Pool Spot are netted on Group level on an hourly basis and posted either as revenue or cost depending on if Fortum is a net seller or net buyer during any particular hour.

Last twelve months

EUR million	Note	Generation[1] LTM	Generation[1] 2023	Consumer Solutions LTM	Consumer Solutions 2023	Other Operations LTM	Other Operations 2023	Total continuing operations LTM	Total continuing operations 2023
Income statement data by segment									
Power sales [1]		3,642	3,889	2,797	3,219	6	9	6,445	7,117
Heat sales		498	481	-	-	32	31	530	512
Gas sales		-	-	434	422	-	-	434	422
Waste treatment sales		9	7	-	-	228	226	237	234
Other sales		43	43	119	125	336	281	499	450
Sales		**4,192**	**4,420**	**3,350**	**3,766**	**602**	**548**	**8,144**	**8,734**
Internal eliminations		-282	-394	-6	-20	-135	-99	-423	-514
Netting of Nord Pool transactions [2]								-1,498	-1,510
IS External sales		3,910	4,026	3,344	3,745	467	449	6,223	6,711
Comparable EBITDA		**1,554**	**1,874**	**151**	**108**	**-44**	**-80**	**1,661**	**1,903**
IS Depreciation and amortisation		-211	-195	-79	-70	-91	-93	-381	-359
IS Comparable operating profit		**1,343**	**1,679**	**72**	**38**	**-135**	**-173**	**1,280**	**1,544**
Impairment charges and reversals		-	-	-	-	-2	-	-2	-
Capital gains and other related items		1	2	1	1	7	1	9	4
Changes in fair values of derivatives hedging future cash flow		-52	366	81	-254	0	-	29	111
Other		4	12	-	-	-8	-9	-5	3
IS Items affecting comparability	4	-47	380	82	-253	-3	-8	32	118
IS Operating profit		**1,296**	**2,058**	**153**	**-215**	**-138**	**-181**	**1,311**	**1,662**
Comparable share of profit/loss of associates and joint ventures	4, 7	40	7	-	-	-3	0	36	7
IS Share of profit/loss of associates and joint ventures	7	149	59	-	-	-3	0	146	59
Gross investments / divestments by segment									
Gross investments in shares	6	1	5	-1	22	31	26	31	53
Capital expenditure		361	450	76	81	63	81	500	611
Gross divestments of shares	6	33	0	0	0	6	4	39	4

1) Sales, both internal and external, include effects from realised hedging contracts. Effect on sales can be negative or positive depending on the difference between average contract price and realised spot price. Power sales contains realised result from commodity derivatives, which have not had hedge accounting status under IFRS 9, but have been considered operatively as hedges.

2) Sales and purchases with Nord Pool Spot are netted on Group level on an hourly basis and posted either as revenue or cost depending on if Fortum is a net seller or net buyer during any particular hour.

Segment assets and liabilities

EUR million	Note	Generation 30 Sep 2024	Generation 31 Dec 2023	Consumer Solutions 30 Sep 2024	Consumer Solutions 31 Dec 2023	Other Operations 30 Sep 2024	Other Operations 31 Dec 2023	Total continuing operations 30 Sep 2024	Total continuing operations 31 Dec 2023
Non-interest-bearing assets		6,801	6,864	793	1,311	1,100	1,094	8,694	9,269
BS Participations in associates and joint ventures		1,170	1,000	-	-	68	59	1,237	1,059
Eliminations								-110	-105
Total segment assets		**7,971**	**7,864**	**793**	**1,311**	**1,167**	**1,153**	**9,821**	**10,223**
Interest-bearing receivables	11							828	1,033
BS Deferred tax assets								889	958
Other assets								1,936	2,342
BS Liquid funds								4,255	4,183
BS Total assets								**17,729**	**18,739**
Segment liabilities		**438**	**601**	**250**	**472**	**284**	**313**	**971**	**1,387**
Eliminations								-110	-105
Total segment liabilities								**861**	**1,282**
BS Deferred tax liabilities								375	428
Other liabilities								2,558	2,621
Total liabilities included in capital employed								**3,794**	**4,331**
Interest-bearing liabilities	12							5,351	5,909
BS Total equity								8,584	8,499
BS Total equity and liabilities								**17,729**	**18,739**
Number of employees		2,132	1,758	1,121	1,281	2,341	2,186	5,594	5,225

Segment assets and liabilities include assets held for sale. See Note 6 Acquisitions, disposals, assets held for sale and discontinued operations.

Comparable operating profit including comparable share of profits of associates and joint ventures and Comparable return on net assets

EUR million	Note	Generation LTM	Generation 31 Dec 2023	Consumer Solutions LTM	Consumer Solutions 31 Dec 2023
Comparable operating profit		**1,343**	**1,679**	**72**	**38**
Comparable share of profit/loss of associates and joint ventures	4, 7	40	7	-	-
Comparable operating profit including comparable share of profit/loss of associates and joint ventures		**1,383**	**1,686**	**72**	**38**
Segment assets at the end of the period		7,971	7,864	793	1,311
Segment liabilities at the end of the period		438	601	250	472
Comparable net assets		**7,533**	**7,263**	**543**	**838**
Comparable net assets average [1)]		**7,307**	**6,959**	**646**	**847**
Comparable return on net assets, %		**18.9**	**24.2**	**11.1**	**4.5**

1) Average net assets are calculated using the opening balance of the financial year and each quarter's closing value.

4. Comparable operating profit and comparable net profit

4.1 Reconciliation of operating profit to comparable operating profit

Quarter

	Unadjusted		Impairment charges and reversals		Capital gains and other related items		Changes in fair values of derivatives hedging future cash flow		Other		Reported	
EUR million	**III/2024**	**III/2023**	**III/2024**	**III/2023**	**III/2024**	**III/2023**	**III/2024**	**III/2023**	**III/2024**	**III/2023**	**III/2024**	**III/2023**
Sales	1,143	1,223	-	-	-	-	-49	-3	-	-	1,094	1,220
Other income	-90	18	-	-	0	-1	96	-8	-	0	5	8
Materials and services	-497	-626	-	-	-	-	-114	-39	-	0	-611	-665
Employee benefits	-113	-105	-	-	-	-	-	-	-	-	-113	-105
Depreciation and amortisation	-96	-92	0	-	-	-	-	-	-	-	-96	-92
Other expenses	-225	-166	-	-	-	-	102	26	0	-	-123	-141
IS Comparable operating profit			**0**	**-**	**0**	**-1**	**35**	**-24**	**0**	**0**	**158**	**226**
IS Items affecting comparability			0	-	0	1	-35	24	0	0	-35	25
IS Operating profit	**123**	**251**									**123**	**251**

Year-to-date

	Unadjusted		Impairment charges and reversals		Capital gains and other related items		Changes in fair values of derivatives hedging future cash flow		Other		Reported	
EUR million	**I-III/2024**	**I-III/2023**	**I-III/2024**	**I-III/2023**	**I-III/2024**	**I-III/2023**	**I-III/2024**	**I-III/2023**	**I-III/2024**	**I-III/2023**	**I-III/2024**	**I-III/2023**
Sales	4,366	4,854	-	-	-	-	-1	-1	-	-	4,365	4,853
Other income	17	414	-	-	-7	-2	28	-390	-	0	38	22
Materials and services	-2,348	-2,568	-	-	-	-	-126	-126	-	-8	-2,474	-2,702
Employee benefits	-356	-316	-	-	-	-	-	-	-	-	-356	-316
Depreciation and amortisation	-282	-258	2	-	-	-	-	-	-	-	-281	-258
Other expenses	-461	-840	-	-	-	-	91	427	-1	-	-371	-414
IS Comparable operating profit			**2**	**-**	**-7**	**-2**	**-8**	**-91**	**-1**	**-8**	**921**	**1,186**
IS Items affecting comparability			-2	-	7	2	8	91	1	8	14	101
IS Operating profit	**935**	**1,286**									**935**	**1,286**

Last twelve months

	Unadjusted		Impairment charges and reversals		Capital gains and other related items		Changes in fair values of derivatives hedging future cash flow		Other		Reported	
EUR million	**LTM**	**2023**	**LTM**	**2023**	**LTM**	**2023**	**LTM**	**2023**	**LTM**	**2023**	**LTM**	**2023**
Sales	6,228	6,716	-	-	-	-	-5	-5	-	-	6,223	6,711
Other income	0	397	-	-	-10	-4	57	-361	-	0	48	32
Materials and services	-3,387	-3,606	-	-	-	-	-190	-190	-4	-12	-3,581	-3,808
Employee benefits	-476	-436	-	-	-	-	-	-	-	-	-476	-436
Depreciation and amortisation	-383	-359	2	-	-	-	-	-	-	-	-381	-359
Other expenses	-670	-1,049	-	-	0	0	109	444	8	9	-552	-595
IS Comparable operating profit			**2**	**-**	**-9**	**-4**	**-29**	**-111**	**5**	**-3**	**1,280**	**1,544**
IS Items affecting comparability			-2	-	9	4	29	111	-5	3	32	118
IS Operating profit	**1,311**	**1,662**									**1,311**	**1,662**

Impairment charges and reversals

Impairment charges are adjusted from depreciation and amortisation and presented in items affecting comparability.

Capital gains and other related items

Capital gains and transaction costs from acquisitions are adjusted from other income and other expenses and presented in items affecting comparability.

Changes in fair values of derivatives hedging future cash flow

Fair value changes of derivatives to which hedge accounting is not applied and which hedge future cash flows are adjusted from other income and other expenses and presented in items affecting comparability. Impacts from settlement of physical contracts that have been treated as derivatives are adjusted from other income and other expenses to sales and materials and services to reflect the contract pricing as opposed to market pricing.

4.2 Reconciliation from net profit to comparable net profit

Comparable net profit and comparable earnings per share

EUR million	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
IS Comparable operating profit		**158**	**226**	**921**	**1,186**	**1,544**	**1,280**
Comparable share of profit/loss of associates and joint ventures	7	-5	9	5	-24	7	36
Comparable finance costs - net	8	-5	-15	-22	-130	-137	-29
Comparable profit before income tax		**148**	**219**	**904**	**1,032**	**1,415**	**1,287**
Comparable income tax expense	9	-32	-16	-176	-202	-269	-243
Comparable non-controlling interests		2	0	3	2	4	4
Comparable net profit from continuing operations		**117**	**204**	**731**	**833**	**1,150**	**1,048**
Comparable net profit from discontinued operations	6.4	-	-	-	34	34	-
Comparable net profit, total Fortum		**117**	**204**	**731**	**867**	**1,184**	**1,048**
Comparable earnings per share, continuing operations EUR	19	**0.14**	**0.23**	**0.82**	**0.93**	**1.28**	**1.17**
Comparable earnings per share, discontinued operations EUR	19	**-**	**-**	**-**	**0.04**	**0.04**	**-**
Comparable earnings per share, total Fortum, EUR	19	**0.14**	**0.23**	**0.82**	**0.97**	**1.32**	**1.17**

Reconciliation from net profit to comparable net profit

EUR million	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
IS Net profit		133	187	822	1,102	1,515	1,235
- IS Items affecting comparability		35	-25	-14	-101	-118	-32
- Adjustments to share of profit/loss of associates and joint ventures	7	-39	18	-52	6	-52	-110
- Adjustments to finance costs - net	8	-8	2	-42	32	2	-72
- Adjustments to income tax expenses	9	-5	22	14	-209	-201	22
- IS Non-controlling interests		-1	1	-2	1	-1	-5
- Adjustments to non-controlling interests		3	-1	5	1	5	9
Comparable net profit from continuing operations		**117**	**204**	**731**	**833**	**1,150**	**1,048**
Comparable net profit from discontinued operations	6.4	-	-	-	34	34	-
Comparable net profit, total Fortum		**117**	**204**	**731**	**867**	**1,184**	**1,048**

See also Note 19 Definitions and reconciliations of key figures.

Comparable share of profit/loss of associates and joint ventures

Share of profit/loss of associates and joint ventures is adjusted for significant items, similar to adjustments made to arriving at comparable net profit. See Note 7 Share of profit/loss of associates and joint ventures for reconciliation.

Comparable finance costs - net

Finance costs – net are adjusted for e.g. nuclear-related items recognised in other financial items – net, fair value changes on financial items, as well as impairment charges and reversals of previously recorded impairment charges on financial items and other one-time adjustments. See Note 8 Finance costs – net for reconciliation.

Comparable income tax expense

Income tax expense is adjusted for tax impacts on items affecting comparability, adjustments to finance costs – net, tax rate changes and other one-time adjustments. In 2023, adjustments to income tax expense included EUR 225 million relating to one-time tax impacts mainly recognised in Ireland and in the Netherlands, due to the impairment of the Russian assets. See Note 9 Income taxes for reconciliation.

Comparable non-controlling interests

Non-controlling interests are adjusted for impacts relating to the non-controlling interests on items affecting comparability, adjustments to share of profit/loss of associates and joint ventures, adjustments to finance costs – net and adjustments to income tax expense. See Condensed consolidated statement of changes in total equity for reconciliation.

5. Financial risk management

See Fortum Group's consolidated financial statements for the year ended 31 December 2023 for current financial risk management objectives and policies, as well as accounting policies in Note 15 Financial assets and liabilities by fair value hierarchy.

Fair value hierarchy information

Financial instruments that are measured in the balance sheet at fair value are presented according to following fair value measurement hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: inputs for the asset or liability that is not based on observable market data (unobservable inputs).

Financial assets

	Level 1		Level 2		Level 3		Netting [1]		Total	
EUR million	**30 Sep 2024**	**31 Dec 2023**	**30 Sep 2024**	**31 Dec 2023**	**30 Sep 2024**	**31 Dec 2023**	**30 Sep 2024**	**31 Dec 2023**	**30 Sep 2024**	**31 Dec 2023**
In non-current assets										
Other investments [2]					128	123			128	123
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	1		42	59					43	59
Non-hedge accounting	16	10	9	14	31	20	-7	-1	49	42
Interest rate and currency derivatives										
Hedge accounting			80	113					80	113
Non-hedge accounting			1	2					1	2
Total in non-current assets	**17**	**10**	**133**	**188**	**159**	**143**	**-7**	**-1**	**302**	**339**
In current assets										
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	123	200	153	160			-84	-110	193	251
Non-hedge accounting	210	408	49	33	1	4	-160	-320	100	124
Interest rate and currency derivatives										
Hedge accounting			0	7					0	7
Non-hedge accounting			9	7					9	7
Interest-bearing receivables [3]	237	325							237	325
Total in current assets	**570**	**933**	**212**	**206**	**1**	**4**	**-243**	**-430**	**540**	**714**
Total in assets	**587**	**943**	**344**	**394**	**160**	**147**	**-250**	**-431**	**842**	**1,053**

1) Receivables and liabilities from electricity and other commodity standard derivative contracts against exchanges with same delivery period are netted.
2) Other investments includes shares in unlisted companies.
3) Interest-bearing receivables, Level 1, include collateral arrangement covering margin requirement. See also Note 11 Interest-bearing receivables and Note 12 Interest-bearing net debt.

Financial liabilities

	Level 1		Level 2		Level 3		Netting [1]		Total	
EUR million	30 Sep 2024	31 Dec 2023	30 Sep 2024	31 Dec 2023	30 Sep 2024	31 Dec 2023	30 Sep 2024	31 Dec 2023	30 Sep 2024	31 Dec 2023
In non-current liabilities										
Interest-bearing liabilities [2]			987	973					987	973
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	7	14	80	58					87	73
Non-hedge accounting	48	11	30	30	6	9	-7	-1	77	49
Interest rate and currency derivatives										
Hedge accounting			58	93					58	93
Non-hedge accounting			6	2					6	2
Total in non-current liabilities	**55**	**26**	**1,162**	**1,156**	**6**	**9**	**-7**	**-1**	**1,215**	**1,189**
In current liabilities										
Interest-bearing liabilities			285	376					285	376
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	261	606	111	264			-84	-110	288	761
Non-hedge accounting	166	238	49	138	3	2	-160	-320	58	58
Interest rate and currency derivatives										
Hedge accounting			10	6					10	6
Non-hedge accounting			63	232					63	232
Total in current liabilities	**427**	**844**	**518**	**1,016**	**3**	**2**	**-243**	**-430**	**705**	**1,432**
Total in liabilities	**482**	**870**	**1,680**	**2,172**	**9**	**11**	**-250**	**-431**	**1,920**	**2,621**

1) Receivables and liabilities from standard electricity and other commodity derivative contracts against exchanges with same delivery period are netted.
2) Fair valued part of bonds when hedge accounting is applied (fair value hedge).

At the end of September 2024, the net fair value of commodity derivatives was EUR -125 million, including assets of EUR 386 million and liabilities of EUR 511 million (EUR -464 million in December 2023, including assets of EUR 476 million and liabilities of EUR 940 million). The change from December 2023 mainly relates to impacts from decreased commodity market prices and maturity of contracts.

Net fair value amount of interest rate and currency derivatives was EUR -46 million, including assets of EUR 91 million and liabilities of EUR 137 million. Fortum has cash collaterals based on collateral agreements with some counterparties. At the end of September 2024, Fortum had received EUR 34 million and paid EUR 78 million from foreign exchange and interest rate derivatives under Credit Support Annex agreements.

Regarding derivative financial instruments, see Note 4 Comparable operating profit and comparable net profit. Regarding interest-bearing receivables and liabilities, see Note 11 Interest-bearing receivables, Note 12 Interest-bearing net debt and Note 15 Pledged assets and contingent liabilities.

There were no transfers in or out of level 3. Gains and losses of level 3 items in consolidated income statement are presented mainly in items affecting comparability. See note 4 Comparable operating profit and comparable net profit.

6. Acquisitions, disposals, assets held for sale and discontinued operations

6.1 Acquisitions

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Gross investments in shares in subsidiary companies	0	23	0	23	22	-1
Gross investments in shares in associated companies and joint ventures	1	3	11	9	12	14
Gross investments in other shares	7	1	9	11	19	17
Total	**7**	**26**	**21**	**43**	**53**	**31**

There were no material acquisitions in I-III/2024.

On 31 August 2023, Fortum acquired the Swedish electricity solutions provider Telge Energi AB from Telge AB. The total consideration for the entire shareholding in Telge Energi on a cash and debt-free basis was approximately SEK 450 million (EUR 39 million). The purchase price, net of cash acquired and other adjustments, was EUR 22 million. Telge Energi AB is included in the Consumer Solutions segment.

6.2 Disposals

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Gross divestments of shares in subsidiary companies	0	1	6	1	1	6
Gross divestments of shares in associated companies and joint ventures	0	-	33	0	0	33
Gross divestments of other investments	0	0	0	3	3	0
Total	**0**	**1**	**39**	**4**	**4**	**39**

On 28 June 2024, Fortum concluded the sale of the remaining 43.75% share of its Indian solar power portfolio to Gentari Renewables India Pte. Ltd., a subsidiary of clean energy solutions provider Gentari Sdn. Bhd. The portfolio comprises four solar power plants in India with the total capacity of 185 MW. The total proceeds of EUR 33 million is expected to be received during the fourth quarter of 2024. A tax-exempt capital gain of EUR 16 million was recorded in comparable operating profit in Generation segment's second quarter 2024 results.

6.3 Assets held for sale

EUR million	30 Sep 2024
Assets held for sale	
Intangible assets and property, plant and equipment and right-of-use assets	647
Other non-current and current assets	121
BS Total	**768**
Liabilities related to assets held for sale	
Interest-bearing liabilities	20
Deferred tax liabilities	81
Other liabilities and provisions	121
BS Total	**222**

Assets held for sale at 30 September 2024 include Fortum's recycling and waste business. On 18 July 2024, Fortum signed an agreement to sell its recycling and waste business to Summa Equity through its portfolio company NG Group. The total consideration on a debt- and cash-free basis is approximately EUR 800 million. Based on the balance sheet available at signing, Fortum would record a tax-exempt capital gain of approximately EUR 110 million; however, the final capital gain will depend on the balance sheet value at closing. The gain will be reported as Items Affecting Comparability in the Other Operations segment's results once the transaction is closed. The transaction is subject to customary closing conditions and is expected to be completed in the fourth quarter of 2024.

6.4 Discontinued operations

The Russia segment was classified as discontinued operations in II/2023. See also Note 1 Significant accounting policies. Financial performance and cash flow information for the discontinued operations is presented until 31 March 2023.

Financial performance

The result from discontinued operations is disclosed on one line on the face of the consolidated income statement. The following table presents breakdown of income statement information for discontinued operations. Discontinued operations include the Russia segment in I/2023. The effects of eliminations from internal sales and purchases have been included in the discontinued operations. The net financial costs are based on the historical financial costs in the separate companies.

EUR million	III/2023	I-III/2023	2023
Sales	-	287	287
Other income	-	6	6
Materials and services	-	-148	-148
Employee benefits	-	-20	-20
Depreciation and amortisation	-	-23	-23
Other expenses	-	-15	-15
Comparable operating profit	**-**	**86**	**86**
Deconsolidation effect	-	-3,608	-3,608
Items affecting comparability	-	0	0
Operating profit	**-**	**-3,521**	**-3,521**
Share of profit/loss of associates and joint ventures	-	26	26
Finance costs - net	-	-88	-88
Profit before income tax	**-**	**-3,584**	**-3,584**
Income tax expense	-	2	2
Net profit from discontinued operations	**-**	**-3,582**	**-3,582**
Attributable to:			
Owners of the parent	-	-3,583	-3,583
Non-controlling interests	-	1	1
Earnings per share, discontinued operations, EUR	-	-3.99	-3.99
Comparable net profit from discontinued operations	-	34	34
Comparable earnings per share, discontinued operations, EUR	-	0.04	0.04

Impact from the deconsolidation

The deconsolidation of Russian operations in II/2023 resulted in EUR 3.6 billion one-time, non-cash negative effect. The amount consists of the full write-down of the Russian assets of EUR 1.7 billion, and EUR 1.9 billion negative cumulative translation differences previously recognised in equity. These cumulative translation differences are recycled from equity to profit and loss on deconsolidation according to IFRS. The recycling did not have any impact on total equity. Fortum has not had access to financial or non-financial information from the Russia segment since the first quarter 2023 reporting, and therefore information for the deconsolidation is based on the 31 March 2023 balance sheet.

EUR million	31 Mar 2023
Net assets deconsolidated	**1,685**
Items recycled to Income statement	-1,922
Deconsolidation effect (negative)	**-3,608**

Cash flow information

In the cash flow statement, the net cash flows attributable to the operating, investing and financing activities of the discontinued operations are disclosed separately. The Russian operations were deconsolidated due to loss of control as opposed to sale (see Note 1 Significant accounting policies), i.e. no consideration has been received for the Russian operations. Cash flow from investing activities for discontinued operations in 2023 includes Russia related cash flows from I/2023 netted with liquid funds of EUR 284 million lost through the seizure of the Russian assets.

EUR million	III/2023	I-III/2023	2023
Net cash from/used in operating activities	-	109	109
Net cash from/used in investing activities	-	-333	-333
Net cash from/used in financing activities	-	21	21
Total net decrease/increase in liquid funds	**-**	**-202**	**-202**

7. Share of profit/loss of associates and joint ventures

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Principal associates						
Forsmarks Kraftgrupp AB	17	-10	28	-10	17	55
Kemijoki Oy	0	0	-2	-1	-1	-2
OKG AB	24	-6	33	-25	7	65
Principal joint ventures						
TVO Oyj	-1	3	-2	-4	25	27
Other associates	-1	2	2	1	1	2
Other joint ventures	-6	2	-3	8	9	-2
IS Share of profit/loss of associates and joint ventures	**34**	**-9**	**57**	**-30**	**59**	**146**

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
IS Share of profit/loss of associates and joint ventures	**34**	**-9**	**57**	**-30**	**59**	**146**
Adjustments to share of profit/loss of associates and joint ventures	-39	18	-52	6	-52	-110
Comparable share of profit/loss of associates and joint ventures	**-5**	**9**	**5**	**-24**	**7**	**36**

8. Finance costs – net

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Interest expense						
Borrowings	-54	-68	-180	-230	-286	-236
Leasing and other interest expenses	-1	-1	-2	-2	-2	-2
Capitalised borrowing costs	2	6	8	15	20	13
IS Total	**-53**	**-62**	**-174**	**-217**	**-269**	**-226**
Interest income						
Loan receivables and deposits	46	46	149	106	153	197
Leasing and other interest income	2	2	30	10	12	33
IS Total	**48**	**48**	**179**	**115**	**165**	**229**
Other financial items – net						
Return from nuclear fund	15	-	37	-	31	68
Nuclear fund adjustment	15	21	25	12	34	47
Unwinding of nuclear provisions	-8	-20	-24	-42	-63	-46
Fair value changes, impairments and reversals	-14	-3	-15	-2	-3	-16
Unwinding of discounts on other provisions and pension obligations	0	0	0	-1	0	1
Other financial expenses and income	-1	-1	-8	-27	-33	-13
IS Total	**8**	**-3**	**15**	**-60**	**-34**	**40**
IS Finance costs – net	**3**	**-17**	**20**	**-162**	**-138**	**43**

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
IS Finance costs – net	**3**	**-17**	**20**	**-162**	**-138**	**43**
Adjustments to finance costs – net						
Return from nuclear fund	-15	-	-37	-	-31	-68
Nuclear fund adjustment	-15	-21	-25	-12	-34	-47
Unwinding of nuclear provisions	8	20	24	42	63	46
Fair value changes, impairments, reversals and other adjustments[1)]	14	3	-4	2	3	-4
Comparable finance costs – net	**-5**	**-15**	**-22**	**-130**	**-137**	**-29**

1) Other adjustments in I-III/2024 include EUR 19 million interest income relating to Belgium income tax assessment. See Note 16 Legal actions and official proceedings.

Interest expenses on borrowings in I-III/2024 totalled EUR 180 million (I-III/2023: 230), including interest expenses on loans of EUR 162 million (I-III/2023: 197), and EUR 18 million (I-III/2023: 33) interest cost – net from derivatives hedging the loan portfolio. In I/2023, interest expenses on loans included EUR 41 million relating to the Finnish State bridge financing.

Interest income on loan receivables and deposits, EUR 149 million (I-III/2023: 106) in I-III/2024, includes EUR 128 million (I-III/2023: 91) from deposits and cash, and EUR 20 million (I-III/2023: 15) interest income from shareholder loan receivables and other loan receivables. Interest income from leases and other interest income EUR 30 million (I-III/2023: 10) include EUR 19 million interest income relating to Belgium tax assessment, see Note 16 Legal actions and official proceedings.

Return from nuclear fund, nuclear fund adjustment and unwinding of nuclear provisions relate to the Loviisa nuclear power plant.

Other financial expenses and income were EUR 8 million in I-III/2024 (I-III/2023: 27). In I/2023, other financial expenses and income included EUR 15 million costs relating to the Finnish State bridge financing.

9. Income taxes

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
IS Income tax expense	-27	-38	-190	7	-69	-265
Adjustments to income tax expense	-5	22	14	-209	-201	22
Comparable income tax expense	**-32**	**-16**	**-176**	**-202**	**-269**	**-243**

Income taxes during I-III/2024 totalled EUR 190 million (tax expense) (I-III/2023: 7 tax income). The effective income tax rate according to the income statement was 18.7% (I-III/2023: -0.7%). The comparable effective income tax rate was 19.6% (I-III/2023: 19.1%). Fortum’s comparable effective tax rate is impacted by the weight of the taxable profit in different jurisdictions and differences in standard nominal tax rates in these jurisdictions.

On 20 June 2024, the Belgian Supreme Court ruled in favour of Fortum in connection with Fortum's income tax assessment in Belgium for the year 2008. The amount of additional tax claimed for 2008 was EUR 36 million and it was refunded to Fortum in III/2024. For additional information, see Note 16 Legal actions and official proceedings. No material impact is expected from the Pillar Two legislation effective from January 2024 onwards. See further information in Note 1.4 Accounting policies.

10. Dividend per share

A dividend for 2023 of EUR 1.15 per share, amounting to a total of EUR 1,032 million, was decided in the Annual General Meeting on 25 March 2024. The dividend is paid in two instalments. The first dividend instalment of EUR 0.58 per share was paid on 5 April 2024, amounting to a total of EUR 520 million. The second dividend instalment of EUR 0.57, amounting to a total of EUR 511 million, is recorded as a liability and included in ‘Trade and other payables’ on the balance sheet at 30 September 2024 and was paid on 9 October 2024.

A dividend for 2022 of EUR 0.91 per share, amounting to a total of EUR 817 million, was decided in the Annual General Meeting on 13 April 2023. The dividend was paid in two instalments. The first dividend instalment of EUR 0.46 per share was paid on 24 April 2023, amounting to a total of EUR 413 million. The second dividend instalment of EUR 0.45 was paid on 10 October 2023, amounting to a total of EUR 404 million.

11. Interest-bearing receivables

EUR million	Carrying amount 30 Sep 2024	Fair value [1] 30 Sep 2024	Carrying amount 31 Dec 2023	Fair value [1] 31 Dec 2023
Long-term loan receivables from associates and joint ventures	539	550	644	670
Total long-term interest-bearing receivables	**539**	**550**	**644**	**670**
Collateral arrangement	237	237	325	325
Other short-term interest-bearing receivables	52	52	64	64
Total short-term interest-bearing receivables	**290**	**290**	**389**	**389**
Total	**828**	**840**	**1,033**	**1,059**

1) Fair values do not include accrued interest.

Long-term interest-bearing receivables from associated companies and joint ventures, EUR 539 million (31 Dec 2023: 644), include EUR 435 million from Swedish nuclear companies, Forsmarks Kraftgrupp AB and OKG AB (31 Dec 2023: 546), which are mainly funded with shareholder loans, pro rata to each shareholder's ownership. The decrease mainly relates to shareholder loans in Forsmark being converted to equity during I/2024 and thus reclassified to 'Participations in associates and joint ventures'. This conversion did not have any cash flow impact.

For more information on Finnish and Swedish nuclear related receivables, see Note 13 Nuclear related assets and liabilities.

Other short-term interest-bearing receivables include EUR 48 million collateral for default fund.

12. Interest-bearing net debt

Financial net debt

EUR million	30 Sep 2024	31 Dec 2023
+ Interest-bearing liabilities	**5,351**	**5,909**
- BS Liquid funds	**4,255**	**4,183**
- Collateral arrangement	**237**	**325**
- BS Margin receivables	269	590
+ BS Margin liabilities	65	131
+/- Net margin liabilities/receivables	**-204**	**-459**
Financial net debt	**655**	**942**

Interest-bearing liabilities, EUR 5,351 million, include Fortum's collateral arrangement to the Nordic Power Exchange totalling EUR 285 million (31 Dec 2023: 376). Equalling amount is included in short-term interest-bearing receivables of which collateral relating to margin requirement, EUR 237 million (31 Dec 2023: 325), is netted from the Financial net debt in the Collateral arrangement row. However, the collateral for default fund, EUR 48 million, is not netted from Financial net debt. See Note 11 Interest-bearing receivables.

Interest-bearing liabilities

EUR million	30 Sep 2024	31 Dec 2023
Non-current loans	4,765	4,475
Current loans	492	1,316
Total loans	**5,257**	**5,791**
Non-current lease liabilities	78	97
Current lease liabilities	16	21
Total lease liabilities	**94**	**118**
Total	**5,351**	**5,909**

Loans

EUR million	Carrying amount 30 Sep 2024	Fair value [3] 30 Sep 2024	Carrying amount 31 Dec 2023	Fair value [3] 31 Dec 2023
Bonds	2,751	2,753	2,736	2,729
Loans from financial institutions	898	905	1,306	1,314
Reborrowing from the Finnish State Nuclear Waste Management Fund [1]	951	963	951	952
Other long-term interest-bearing liabilities	181	188	200	199
Total long-term loans [2]	**4,781**	**4,809**	**5,192**	**5,194**
Collateral arrangement liability	285	285	376	376
Other short-term interest-bearing liabilities	191	191	224	224
Total short-term loans	**476**	**476**	**599**	**599**
Total	**5,257**	**5,284**	**5,791**	**5,793**

1) The reborrowing from the Finnish State Nuclear Waste Management Fund includes the part relating to Loviisa nuclear power plant as well as borrowing done through TVO.
2) Includes current portion of long-term liabilities of EUR 17 million (31 Dec 2023: 717).
3) Fair values do not include accrued interest.

Total current loans maturing within the next twelve months are EUR 492 million (31 Dec 2023: 1,316) and consist of short-term loans and the current portion of long-term loans. Short-term loans, EUR 476 million, include EUR 323 million collateral arrangements and use of commercial paper programmes of EUR 142 million.

The EUR 500 million bullet loan maturing in February 2025 with a one-year Fortum's extension option is reported as long-term.

In May, Fortum extended the EUR 800 million bilateral revolving credit facility maturing in June 2025 by one year, with a new maturity date in June 2026.

In June, Fortum signed its first green loan under the company's Green Finance Framework. The EUR 300 million green loan is aimed to refinance renewable energy and energy efficiency projects. The loan period is five years, and it has a one-year extension option by the lender. The loan partly refinanced a bank loan of EUR 700 million of which Fortum prepaid EUR 400 million in June.

Additionally, Fortum extended the EUR 2,400 million Core revolving credit facility by two years with new maturity in June 2027. After the original due date in June 2025 the facility size will be EUR 2,206 million.

The average interest rate for the portfolio of EUR loans was 3.9% at the balance sheet date (31 Dec 2023: 4.0%). The average interest rate on total loans and derivatives was 4.0% at the balance sheet date (31 Dec 2023: 4.3%).

Maturity of loans

EUR million	30 Sep 2024
2024	383
2025	615
2026	754
2027	16
2028	522
2029 and later	2,969
Total	**5,257**

Maturities in 2024 include EUR 323 million loans with no contractual due date.

Maturity of undiscounted lease liabilities

EUR million	30 Sep 2024
Due within a year	18
Due after one year and within five years	44
Due after five years	47
Total	**109**

Liquid funds

EUR million	30 Sep 2024	31 Dec 2023
Deposits and securities with maturity more than 3 months	30	-
Cash and cash equivalents	4,226	4,183
BS Total	**4,255**	**4,183**

At the end of the reporting period, the Group's liquid funds totalled EUR 4,255 million (31 Dec 2023: 4,183), and of these funds EUR 4,174 million (31 Dec 2023: 4,122) are placed with counterparties that have an investment grade credit rating.

The average interest rate for the liquid funds was 3.5% at the balance sheet date (31 Dec 2023: 3.9%).

Committed credit facilities

At the end of the reporting period, Fortum had undrawn committed credit facilities of EUR 3,200 million. These include the Core revolving credit facility, EUR 2,400 million (EUR 2,206 million from June 2025 onwards), with maturity in June 2027 and the EUR 800 million bilateral revolving credit facility with maturity in June 2026. In addition, Fortum has EUR 100 million committed overdraft limits that are valid until further notice.

13. Nuclear-related assets and liabilities

Fortum owns Loviisa nuclear power plant in Finland. On Fortum's consolidated balance sheet, Share in the State Nuclear Waste Management Fund and the Nuclear provisions relate to Loviisa nuclear power plant.

Fortum also has minority interests in nuclear power companies, i.e. Teollisuuden Voima Oyj (TVO) in Finland and OKG Aktiebolag (OKG) and Forsmarks Kraftgrupp AB (Forsmark) in Sweden. The minority shareholdings are classified as associated companies and joint ventures and are consolidated with equity method. Both the Finnish and the Swedish companies are non-profit making, i.e. electricity production is invoiced to the owners at cost according to local GAAP.

In Finland and Sweden nuclear operators are legally obligated for the decommissioning of the plants and the disposal of spent fuel (nuclear waste management). In both countries, the nuclear operators are obligated to secure the funding of nuclear waste management by paying to government managed nuclear waste funds. The nuclear operators also have to give securities to guarantee that sufficient funds exist to cover future expenses of decommissioning of the power plant and the disposal of spent fuel.

13.1 Nuclear-related assets and liabilities for consolidated nuclear power plants

EUR million	30 Sep 2024	31 Dec 2023
Carrying values on the balance sheet		
BS Nuclear provisions	1,097	1,058
BS Fortum's share in the State Nuclear Waste Management Fund	1,097	1,058
Fortum's share of the fair value of the net assets in the State Nuclear Waste Management Fund	1,253	1,197
Share of fund not recognised on the balance sheet	155	139

Nuclear provision and fund accounted for according to IFRS

Nuclear provisions include the provision for the decommissioning and the provision for the disposal of spent fuel. Provisions are based on the total cost estimate in which future costs are discounted to net present value.

The carrying value of nuclear provisions, calculated according to IAS 37, increased by EUR 39 million compared to 31 December 2023, totalling EUR 1,097 million at 30 September 2024.

Fortum's share of the State Nuclear Waste Management Fund is from an IFRS perspective overfunded by EUR 155 million, since Fortum's share of the Fund on 30 September 2024 was EUR 1,253 million and the carrying value on the balance sheet was EUR 1,097 million. The Fund on Fortum's balance sheet can at maximum be equal to the amount of the provisions according to IFRS. As long as the Fund is overfunded from an IFRS perspective, other financial items are adjusted positively if the provisions increase more than the Fund, and negatively if the provision decreases below the actual value of the Fund.

Legal liability for Loviisa nuclear power plant

The legal liability on 30 September 2024, decided by the Ministry of Economic Affairs and Employment in December 2023, was EUR 1,253 million.

The legal liability is based on a cost estimate, which is updated every year; and a technical plan, which is updated every three years. The legal liability is determined by assuming that the decommissioning would start at the beginning of the year following the assessment year and discounting is not applied in determining the amount.

Fortum's share in the Finnish Nuclear Waste Management Fund

According to the Nuclear Energy Act, Fortum is obligated to contribute funds in full to the State Nuclear Waste Management Fund to cover the legal liability. Fortum contributes funds to the Finnish State Nuclear Waste Management Fund based on the yearly funding obligation target decided by the governmental authorities in connection with the decision of size of the legal liability. The current funding obligation target decided in December 2023 is EUR 1,253 million.

Borrowing from the State Nuclear Waste Management Fund

Participants in the Finnish State Nuclear Waste Management Fund are allowed to borrow from the Fund according to certain rules. Fortum uses the right to borrow back and has pledged shares in Kemijoki Oy as security for the loans. The loans are renewed annually. See Note 12 Interest-bearing net debt and Note 15 Pledged assets and contingent liabilities.

13.2 Nuclear power plants in associated companies and joint ventures

OKG, Forsmark and TVO are non-profit making companies, i.e. electricity production is invoiced to the owners at cost. Invoiced cost is accounted according to local GAAP. In addition to the invoiced electricity production cost, Fortum makes IFRS adjustments to comply with Fortum's accounting principles. These adjustments include also Fortum's share of the companies' nuclear waste funds and nuclear provisions.

The tables below present the 100% figures relating to nuclear funds and provisions for the companies as well as Fortum's net share.

TVO's total nuclear-related assets and liabilities (100%)

EUR million	30 Sep 2024	31 Dec 2023
Carrying values in TVO with Fortum assumptions		
Nuclear provisions	1,624	1,614
Share of the State Nuclear Waste Management Fund	1,207	1,199
Net amount	**-417**	**-415**
of which Fortum's net share consolidated with equity method	**-104**	**-104**
TVO's legal liability and actual share of the State Nuclear Waste Management Fund		
Liability for nuclear waste management according to the Nuclear Energy Act	1,918	1,918
Share in the State Nuclear Waste Management Fund	1,525	1,458
Share of the fund not recognised on the balance sheet	318	259

TVO's legal liability, provision and share of the fund are based on same principles as described above for Loviisa nuclear power plant. The liabilities and shares in the Fund are calculated and recorded separately for OL1/OL2 plant units and OL3 plant unit, as the corresponding total cost estimates are prepared separately.

The difference between TVO's share in the State Nuclear Waste Management Fund and the carrying value of the TVO's share in the Fund is due to IFRIC 5, which requires that the carrying amount of the share in the State Nuclear Waste Management Fund is the lower of fair value or the value of the related liability. On 30 September 2024, the OL1/OL2 plant units' share in the Fund is higher than the provision according to IFRS. The OL3 plant unit's share in the Fund is on the other hand lower than the provision according to IFRS. TVO's share of the Finnish State Nuclear Waste Management Fund is from an IFRS perspective overfunded by EUR 318 million (of which Fortum's share is EUR 85 million), since TVO's share of the Fund on 30 September 2024 was EUR 1,525 million and the carrying value on the consolidated balance sheet with Fortum assumptions was EUR 1,207 million.

At 30 September 2024, Fortum had EUR 232 million (31 Dec 2023: 232) outstanding receivables regarding the construction of TVO's OL3 plant unit. The construction was funded through external loans, share issues and shareholder loans according to shareholders' agreement between the owners of TVO. TVO shareholder loan is classified as participation in joint ventures.

Participants in the Finnish State Nuclear Waste Management Fund are allowed to borrow from the fund according to certain rules. Fortum is using the right to reborrow funds through TVO based on its ownership. See more information in Note 12 Interest-bearing net debt.

OKG's and Forsmark's total nuclear-related assets and liabilities (100%)

EUR million	30 Sep 2024	31 Dec 2023
OKG's and Forsmark's nuclear-related assets and liabilities with Fortum assumptions		
Nuclear provisions	4,919	5,001
Share in the State Nuclear Waste Management Fund	3,694	3,506
Net amount	**-1,225**	**-1,495**
of which Fortum's net share consolidated with equity method	**-390**	**-472**

In Sweden, Svensk Kärnbränslehantering AB (SKB), a company owned by the nuclear operators, takes care of all nuclear waste management-related activities on behalf of nuclear operators. SKB receives its funding from the Swedish Nuclear Waste Fund, which in turn is financed by the nuclear operators.

Nuclear waste fees and guarantees are normally updated every three years by governmental decision after a proposal from the National Debt Office (Riksgälden). The proposal is based on cost estimates done by SKB and the license holders. An updated technical plan for nuclear waste management was decided by SKB in December 2022. In January 2022, the Swedish government decided the waste fees and guarantees for 2022–2023 only. In December 2023, the Swedish Government decided on nuclear waste fees and guarantees in accordance with the proposal from the National Debt Office, for the year 2024. Nuclear waste fees paid by licensees with a unit/units that are still in operation are currently based on future costs with the assumed lifetime of 50 years for each unit of a nuclear power plant. The fee is calculated in relation to the energy delivered.

14. Capital and other commitments

Capital and other commitments are contractual or regulatory obligations that are not recognised as liabilities on the balance sheet, or disclosed as contingent liabilities.

At 30 September 2024, Fortum had EUR 362 million (31 Dec 2023: 292) capital commitments for the acquisition of property, plant and equipment and intangible assets.

For more information on other commitments, see Note 34 Capital and other commitments of the consolidated financial statements 2023.

15. Pledged assets and contingent liabilities

Fortum has issued direct and indirect guarantees and warranties on own behalf and on behalf of associated companies and joint ventures, which may obligate Fortum to make payments on the occurrence of certain events.

For the Swedish nuclear companies there are two types of guarantees given. The Financing Amount is given to cover Fortum's share of the uncovered part in the Nuclear Waste Management Fund, assuming no further production and that no further nuclear waste fees are paid in. The uncovered amount is calculated by the authorities and is based on the difference between the expected costs and the funds to cover these costs at the time of the calculation. The Supplementary Amount constitutes a guarantee for deficits that can arise as a result of unplanned events.

The guarantee given on behalf of Teollisuuden Voima Oyj to the Ministry of Economic Affairs and Employment amounts to EUR 151 million (31 Dec 2023: 142). The guarantee covers the unpaid legal liability due to periodisation, as well as risks for unexpected future costs. For more information, see Note 13 Nuclear-related assets and liabilities.

Further, Fortum has pledged shares in Kemijoki Oy as a security for the reborrowing from the Finnish State Nuclear Waste Management Fund for the Loviisa nuclear power plant part, amounting to EUR 718 million (31 Dec 2023: 718). Fortum has also pledged real estate mortgages in Pyhäkoski hydro plant as security for the uncovered part of the legal nuclear liability to the Ministry of Economic Affairs and Employment amounting to EUR 125 million (31 Dec 2023: 122).

Pledged assets include securities of EUR 237 million (31 Dec 2023: 325) to the Nordic Power Exchange (Nasdaq Commodities), margin receivables of EUR 269 million (31 Dec 2023: 590) and restricted cash of EUR 3 million (31 Dec 2023: 13). Margin receivables consist of cash collaterals for trading in commodities exchanges, as well as foreign exchange and interest rate derivatives under Credit Support Annex agreements.

Pledged assets on behalf of others consist of restricted cash of EUR 48 million (31 Dec 2023: 51) posted as collateral toward Nasdaq Clearing AB covering Fortum’s required contribution to the Commodity Market Default Fund (default fund). The default fund is a mutualised fund whereby all participants on the Nordic power exchange (Nasdaq Commodities) post collateral in relation to their exposure on the market in order to cover potential defaults by members which may cause losses exceeding the members' own collateral.

For more information, see Note 35 Pledged assets and contingent liabilities of the consolidated financial statements 2023.

16. Legal actions and official proceedings

Various routine court actions, arbitration proceedings, tax and regulatory investigations and proceedings are currently pending against entities of the Group, and further actions or proceedings may be instituted or asserted in the future. For more information, see Note 36 Legal actions and official proceedings of the consolidated financial statements 2023.

Income tax assessments in Belgium for the year 2008

On 20 June 2024, the Belgian Supreme Court ruled in favour of Fortum in connection with Fortum's income tax assessments in Belgium for the year 2008. The decision concerns Fortum's Belgian financing company, Fortum EIF NV, which provided internal financing to a Swedish group company to finance an acquisition in Russia. The amount of additional tax claimed for 2008 was EUR 36 million. The tax had been paid and recognised as a receivable and it was repaid to Fortum in III/2024. In addition, Fortum will receive EUR 19 million pre-tax in interest income, which was recorded as financial items in II/2024. The decision is final and this is the last open year in Fortum's Belgian tax audits. The previous court ruling was made in Fortum’s favour in 2022.

Investment arbitration proceedings against the Russian Federation

Fortum has in February 2024 initiated arbitration proceedings against the Russian Federation and will claim compensation for the unlawful expropriation of its assets, in order to protect its legal position and shareholder rights. The arbitration proceedings are the result of the Russian Federation’s violations of its investment treaty obligations under the Bilateral Investment Treaties that Russia has with the Netherlands and Sweden, and the Russian Federation’s failure to engage in any settlement discussions with Fortum. The dispute stems from the hostile actions taken by the Russian Federation which culminated with the Presidential Decree No. 302 issued on 25 April 2023, whereby Fortum lost control of its Russian operations. The arbitration proceedings are expected to take several years,

followed by enforcement of the arbitral award. The outcome of the enforcement measures can be assessed once the award has been obtained.

Fennovoima’s Hanhikivi nuclear power plant project

RAOS Project Oy and JSC Rusatom Energy International and Fennovoima Oy are engaged in International Chamber of Commerce (ICC) arbitration proceedings regarding Fennovoima's EPC Contract for the Hanhikivi nuclear power plant project. RAOS Project Oy has requested also Fortum and certain other parties to be joined in these proceedings. Fortum disputes the existence of any contractual relation, obligation, or arbitration agreement between Fortum and RAOS Project Oy. Therefore, Fortum is of the opinion that an arbitral tribunal has no jurisdiction to decide any claims against Fortum. As Fortum is not a party to the agreement under dispute, it considers the request to be completely unfounded and strongly opposes it.

17. Related party transactions

Related parties are described in more detail in the consolidated financial statements for the year ended 31 December 2023.

Transactions with associates and joint ventures

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Sales	1	2	8	7	12	13
Purchases	147	145	451	418	602	635
Other income	0	-	0	-3	-3	0
Interest income on loan receivables	3	3	11	8	10	13

Balances with associates and joint ventures

EUR million	30 Sep 2024	31 Dec 2023
Long-term interest-bearing loan receivables	538	644
Trade and other receivables	22	30
Long-and short-term loan payables	240	239
Trade and other payables	45	72

Other transactions with related parties

At the end of 2023, the Finnish State owned 51.26% of Fortum's shares. There has been no change in the number of shares the Finnish State owns in Fortum during 2024.

On 30 October 2023, Fortum announced that an agreement has been signed with the National Emergency Supply Agency (NESA). Under this agreement, NESA reserves the production of the Meri-Pori power plant for severe disruption and emergencies to guarantee security of supply in the electricity system in Finland. The agreement period is from 1 April 2024 (amended on 26 February 2024 from 1 March 2024) until 31 December 2026.

Fortum had a bridge financing arrangement with the Finnish State from September 2022 until March 2023. In 2023, interest expenses and fees relating to the bridge loan facility amounted to EUR 56 million and were recognised in Finance costs - net. See Note 37 Related party transactions in the consolidated financial statements for the year ended 31 December 2023 for details.

18. Events after the balance sheet date

On 10 October, Fortum announced that Fortum and Vestas have reached a settlement in a commercial dispute between the companies. The dispute concerned deliveries of equipment for wind parks in Russia for which Fortum had made advance payments to Vestas. The financial impact of the settlement will be recorded as items affecting comparability in the fourth quarter of 2024. With the settlement agreement, the previously commenced International Chamber of Commerce arbitration process will be terminated.

On 22 October, Fortum announced that it has initiated legal proceedings before a Dutch civil court against Forward Energo (formerly known as PAO Fortum). The proceedings concern intercompany loans of approximately EUR 600 million granted to PAO Fortum. The claim, including interest and default interest, amounts to approximately EUR 800 million. The final amount will depend on the RUB/EUR foreign exchange rate and amount of due interest.

19. Definitions and reconciliations of key figures

Alternative performance measures

Business performance	Definition	Reason to use the measure	Reference to reconciliation
Comparable EBITDA	Operating profit + depreciations and amortisations - items affecting comparability	Comparable EBITDA is representing the underlying cash flow generated by the total Group and segments. Used as a component in the capital structure target of Financial net debt to Comparable EBITDA.	Key ratios after cash flow statement
Comparable operating profit	Operating profit - items affecting comparability	Comparable operating profit is used in financial target setting and forecasting, management's follow up of financial performance and allocation of resources in the group's performance management process.	Income statement
Items affecting comparability	Impairment charges and reversals + capital gains and other related items + changes in fair values of derivatives hedging future cash flow + other	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement
Impairment charges and reversals	Impairment charges and related provisions (mainly dismantling), as well as the reversal of previously recorded impairment charges. Impairment charges are adjusted from depreciation and amortisation, and reversals from other income.	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement
Capital gains and other related items	Capital gains and transaction costs from acquisitions, which are adjusted from other income and other expenses respectively. Profits are reported in comparable operating profit, if this reflects the business model.	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement
Changes in fair values of derivatives hedging future cash flow	Effects from financial derivatives hedging future cash flows where hedge accounting is not applied or own use exemption cannot be used according to IFRS 9 and are adjusted from other income or expense to sales and materials and services respectively when calculating Fortum's alternative performance measures.	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement
Other	Restructuring and cost management expenses, and other miscellaneous non-operating items, which are adjusted mainly from materials and services or other expenses.	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement

Business performance	Definition	Reason to use the measure	Reference to reconciliation
Comparable share of profit/loss of associates and joint ventures	Share of profit/loss of associates and joint ventures +/- significant adjustments for share of profit /loss in associates and joint ventures.	Component used in calculating comparable net profit and comparable return on net assets.	Note 4 Comparable operating profit and comparable net profit
Comparable finance costs – net	Finance costs – net +/- return from nuclear funds, nuclear fund adjustment and unwinding of nuclear provisions +/- fair value changes on financial items +/- impairment charges and reversals of previously recorded impairment charges on financial items and other one-time adjustments.	Component used in calculating comparable net profit.	Note 4 Comparable operating profit and comparable net profit
Comparable profit before income tax	Comparable operating profit +/- comparable share of profit/loss of associates and joint ventures +/- comparable finance costs – net.	Subtotal in comparable net profit calculation.	Note 4 Comparable operating profit and comparable net profit
Comparable income tax expense	Income tax expense excluding taxes on items affecting comparability, adjustments to finance costs – net, tax rate changes and other one-time adjustments.	Component used in calculating comparable net profit.	Note 4 Comparable operating profit and comparable net profit
Comparable net profit	Comparable operating profit +/- comparable share of profit/loss of associates and joint ventures +/- comparable finance costs - net +/- comparable income tax expense +/- comparable non-controlling interests.	Comparable net profit is used to provide additional financial performance indicators to support meaningful comparison of underlying net profitability between periods.	Note 4 Comparable operating profit and comparable net profit
Comparable earnings per share	$\frac{\text{Comparable net profit}}{\text{Average number of shares during the period}}$	Comparable earnings per share is used to provide additional financial performance indicators to support meaningful comparison of underlying net profitability between periods.	Note 4 Comparable operating profit and comparable net profit
Comparable return on net assets, %	$\frac{\text{Comparable operating profit + comparable share of profit /loss of associates and joint ventures}}{\text{Comparable net assets average}} \times 100$	Comparable return on net assets is used in financial target setting and forecasting, management's follow up of financial performance and allocation of resources in the group's performance management process.	Note 3 Segment information
Comparable net assets	Non-interest-bearing assets - non-interest-bearing liabilities - provisions (non-interest-bearing assets and liabilities do not include finance-related items, tax and deferred tax and assets and liabilities from fair valuations of derivatives used for hedging future cash flows).	Comparable net assets is a component in Comparable return on net assets calculation where return on capital allocated directly to the businesses is measured.	Note 3 Segment information

Capital structure	Definition	Reason to use the measure	Reference to reconciliation
Financial net debt / comparable EBITDA	Financial net debt / Comparable EBITDA	Financial net debt to Comparable EBITDA is Fortum's long-term financial target measure for capital structure.	Key ratios after cash flow statement
Financial net debt	Interest-bearing liabilities - liquid funds - securities in interest-bearing receivables +/- net margin liabilities/receivables	Financial net debt is used in the follow-up of the indebtedness of the group and it is a component in the capital structure target of Financial net debt to Comparable EBITDA.	Note 12 Interest-bearing net debt

Other key figures

Share based key figures

Earnings per share (EPS)

$$\frac{\text{Profit for the period - non-controlling interests}}{\text{Average number of shares during the period}}$$

Equity per share

$$\frac{\text{Shareholder's equity}}{\text{Number of shares at the end of the period}}$$

Other key figures

Capital expenditure

Capitalised investments in property, plant and equipment and intangible assets including maintenance, productivity, growth and investments required by legislation including borrowing costs capitalised during the construction period. Maintenance investments expand the lifetime of an existing asset, maintain usage/availability and/or maintains reliability. Productivity investments improve productivity in an existing asset. Growth investments' purpose is to build new assets and/or to increase customer base within existing businesses. Legislation investments are done at certain point of time due to legal requirements.

Gross investments in shares

Investments in subsidiary shares, shares in associated companies and joint ventures and other investments. Investments in subsidiary shares are net of liquid funds and grossed with interest-bearing liabilities and other items included in financial net debt in the acquired company.

Last twelve months (LTM)

Twelve months preceding the reporting date.

Tax key figures

Effective income tax rate, %

$$\frac{\text{Income tax expense}}{\text{Profit before income tax}} \times 100$$

Comparable effective income tax rate, %

$$\frac{\text{Comparable income tax expense}}{\text{Comparable profit before income tax excluding comparable share of profit/loss of associated companies and joint ventures}} \times 100$$

Reconciliations of alternative performance measures

Comparable EBITDA

EUR million	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
IS Operating profit		123	251	935	1,286	1,662	1,311
+ IS Depreciation and amortisation		96	92	281	258	359	381
EBITDA		219	343	1,216	1,544	2,021	1,693
- IS Items affecting comparability	4	35	-25	-14	-101	-118	-32
Comparable EBITDA		**254**	**318**	**1,202**	**1,443**	**1,903**	**1,661**

Comparable operating profit

EUR million	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
IS Operating profit		123	251	935	1,286	1,662	1,311
- IS Items affecting comparability	4	35	-25	-14	-101	-118	-32
IS Comparable operating profit	4	**158**	**226**	**921**	**1,186**	**1,544**	**1,280**

Items affecting comparability

EUR million	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Impairment charges and reversals		0	-	-2	-	-	-2
Capital gains and other related items		0	1	7	2	4	9
Changes in fair values of derivatives hedging future cash flow		-35	24	8	91	111	29
Other		0	0	1	8	3	-5
IS Items affecting comparability	4	**-35**	**25**	**14**	**101**	**118**	**32**

Comparable net profit

EUR million	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
IS Net profit		133	187	822	1,102	1,515	1,235
- IS Items affecting comparability	4	35	-25	-14	-101	-118	-32
- Adjustments to share of profit/loss of associates and joint ventures	7	-39	18	-52	6	-52	-110
- Adjustments to finance costs - net	8	-8	2	-42	32	2	-72
- Adjustments to income tax expenses	9	-5	22	14	-209	-201	22
- IS Non-controlling interests		-1	1	-2	1	-1	-5
- Adjustments to non-controlling interests		3	-1	5	1	5	9
Comparable net profit from continuing operations	4	**117**	**204**	**731**	**833**	**1,150**	**1,048**
Comparable net profit from discontinued operations	6.4	-	-	-	34	34	-
Comparable net profit, total Fortum		**117**	**204**	**731**	**867**	**1,184**	**1,048**

Comparable earnings per share

	Note	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Comparable net profit from continuing operations, EUR million	4	117	204	731	833	1,150	1,048
Average number of shares during the period, 1,000 shares		897,264	897,264	897,264	897,264	897,264	897,264
Comparable earnings per share from continuing operations, EUR		**0.14**	**0.23**	**0.82**	**0.93**	**1.28**	**1.17**
Comparable net profit from discontinued operations, EUR million	4	-	-	-	34	34	-
Average number of shares during the period, 1,000 shares		897,264	897,264	897,264	897,264	897,264	897,264
Comparable earnings per share from discontinued operations, EUR		**-**	**0.00**	**-**	**0.04**	**0.04**	**-**
Comparable net profit, total Fortum, EUR million	4	117	204	731	867	1,184	1,048
Average number of shares during the period, 1,000 shares		897,264	897,264	897,264	897,264	897,264	897,264
Comparable earnings per share, total Fortum, EUR		**0.14**	**0.23**	**0.82**	**0.97**	**1.32**	**1.17**

Financial net debt

EUR million	Note	30 Sep 2024	31 Dec 2023
+ Interest-bearing liabilities		**5,351**	**5,909**
- BS Liquid funds		**4,255**	**4,183**
- Collateral arrangement		**237**	**325**
- BS Margin receivables		269	590
+ BS Margin liabilities		65	131
+/- Net margin liabilities/receivables		**-204**	**-459**
Financial net debt	12	**655**	**942**

Financial net debt/comparable EBITDA

EUR million	Note	LTM	2023
+ Interest-bearing liabilities		**5,351**	**5,909**
- BS Liquid funds		**4,255**	**4,183**
- Collateral arrangement		**237**	**325**
- BS Margin receivables		269	590
+ BS Margin liabilities		65	131
+/- Net margin liabilities/receivables		**-204**	**-459**
Financial net debt	12	**655**	**942**
IS Operating profit		1,311	1,662
+ IS Depreciation and amortisation		381	359
EBITDA		**1,693**	**2,021**
- IS Items affecting comparability		-32	-118
Comparable EBITDA from continuing operations		**1,661**	**1,903**
Financial net debt/comparable EBITDA		**0.4**	**0.5**

Market conditions and achieved power prices

Power consumption

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Nordic countries	82	79	289	274	387	401

Average prices

	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Spot price for power in Nord Pool power exchange, EUR/MWh	19.9	27.8	37.8	56.0	56.4	42.8
Spot price for power in Finland, EUR/MWh	28.1	44.2	46.9	54.9	56.5	72.6
Spot price for power in Sweden, SE3, Stockholm EUR/MWh	13.3	28.0	33.5	50.1	51.7	39.2
Spot price for power in Sweden, SE2, Sundsvall EUR/MWh	11.6	20.5	28.8	38.6	40.0	32.6
Spot price for power in Germany, EUR/MWh	76.0	90.8	71.8	99.5	95.2	74.4
CO_2, (ETS EUA next Dec), EUR/tonne CO_2	68	86	67	88	85	69
Coal (ICE Rotterdam front month), USD/tonne	115	117	110	126	125	112
Oil (Brent front month), USD/bbl	79	86	82	82	82	82
Gas (TTF front month), EUR/MWh	36	34	32	41	41	35

Hydro reservoir

TWh	30 Sep 2024	30 Sep 2023	31 Dec 2023
Nordic hydro reservoir level	102	106	77
Nordic hydro reservoir level, long-term average	101	101	84

Export/import

TWh (+ = import to, - = export from Nordic area)	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Export / import between Nordic area and Continental Europe + Baltics	-13	-13	-29	-34	-41	-34

Achieved power prices

EUR/MWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Generation segment's Nordic achieved power price	44.1	51.2	52.8	65.0	63.1	54.2

Fortum's production and sales volumes

Power generation

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Nordic countries	10.8	11.1	34.6	33.3	46.4	47.7
Other European countries	0.1	0.0	0.4	0.4	0.6	0.5
Total continuing operations	**10.8**	**11.2**	**34.9**	**33.7**	**47.0**	**48.2**

Heat production

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Nordic countries	0.4	0.4	2.2	2.1	3.2	3.3
Other European countries	0.1	0.1	0.6	0.7	1.1	1.0
Total continuing operations	**0.4**	**0.4**	**2.8**	**2.8**	**4.3**	**4.3**

Power generation capacity by segment

MW	30 Sep 2024	31 Dec 2023
Generation [1)]	9,282	9,223
Other Operations	25	25
Total	**9,307**	**9,248**

1) Including Meri-Pori power plant capacity 565 MW. The production of the Meri-Pori power plant is reserved for severe disruption and emergencies under an agreement with the National Emergency Supply Agency.

Heat production capacity by segment

MW	30 Sep 2024	31 Dec 2023
Generation	1,842	2,022
Other Operations	171	171
Total	**2,013**	**2,193**

Power generation by source in the Nordic area

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Hydropower	4.7	5.4	15.6	15.0	20.9	21.6
Nuclear power	5.8	5.6	18.1	17.9	24.8	25.0
Wind power	0.2	-	0.6	-	0.1	0.7
CHP and condensing power	0.0	0.1	0.3	0.4	0.5	0.4
Total	**10.8**	**11.1**	**34.6**	**33.3**	**46.4**	**47.7**

Power generation by source in the Nordic area

%	III/2024	II/2023	I-III/2024	I-II/2023	2023	LTM
Hydropower	44	48	45	45	45	45
Nuclear power	54	51	52	54	54	52
Wind power	2	-	2	-	0	1
CHP and condensing power	0	1	1	1	1	1
Total	**100**	**100**	**100**	**100**	**100**	**100**

Power generation by source in other European countries

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
CHP	0.1	0.0	0.4	0.4	0.6	0.5

Power sales

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Nordic countries	590	725	2,684	3,103	4,311	3,893
Other European countries	190	213	560	674	879	766
Other countries	0	0	1	1	2	2
Total continuing operations	**780**	**938**	**3,245**	**3,778**	**5,193**	**4,660**

Heat sales

EUR million	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Nordic countries	22	25	136	135	208	208
Other European countries	42	38	219	201	304	322
Total continuing operations	**64**	**62**	**355**	**337**	**512**	**530**

Power sales by area

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Finland	5.1	5.3	17.2	17.1	23.6	23.8
Sweden	6.8	6.7	21.2	19.0	27.1	29.4
Norway	0.9	2.8	5.5	9.0	12.8	9.3
Other countries	1.4	1.5	4.2	4.5	6.0	5.8
Total continuing operations	**14.3**	**16.3**	**48.2**	**49.5**	**69.5**	**68.2**

Nord Pool transactions are calculated as a net amount of hourly sales and purchases at the Group level.

Heat sales by area

TWh	III/2024	III/2023	I-III/2024	I-III/2023	2023	LTM
Finland	0.2	0.3	1.7	1.7	2.6	2.7
Poland	0.2	0.2	2.0	2.2	3.4	3.2
Other countries	0.1	0.1	0.3	0.3	0.4	0.4
Total continuing operations	**0.5**	**0.5**	**4.0**	**4.1**	**6.4**	**6.3**