

PARENT COMPANY

Parent Company income statement

Amounts in SEK million, 1 January–31 December	Note	2006	2005
Net sales	4, 5	33,049	26,843
Cost of products sold	6	-22,335	-16,415
Gross profit		10,714	10,428
Selling expenses		-947	-872
Administrative expenses		-1,485	-1,320
Research and development costs		-183	-165
Other operating income	7	688	162
Other operating expenses	8	-462	-90
Operating profit	9, 10	8,325	8,143
Result from participations in Group companies	11	4,829	414
Result from participations in associated companies	12	160	26
Result from other shares and participations	13	11	-3
Interest income and similar profit/loss items	14	3,752	1,853
Interest expenses and similar profit/loss items	15	-3,029	-6,037
Group contributions		2,068	1,771
Profit before appropriations and tax		16,106	6,167
Appropriations	16	-2,071	-709
Profit before tax		14,035	5,458
Income tax expense	17	-2,486	-1,873
Profit for the year		11,549	3,585

Parent Company balance sheet

Amounts in SEK million	Note	31 Dec. 2006	31 Dec. 2005
Assets			
Non-current assets			
Intangible assets: non-current	18		
Capitalised development costs		120	237
Concessions and similar rights		10	10
Renting and similar rights		23	23
Total intangible assets: non-current		153	270
Property, plant and equipment	19		
Buildings and land		11,234	11,009
Plants and machinery and other technical installations		7,197	7,147
Equipment, tools, and fixtures and fittings		28	33
Construction in progress		1,360	1,224
Total property, plant and equipment		19,819	19,413
Other non-current assets			
Participations in Group companies	20, 21	55,715	41,742
Receivables from Group companies	22	5,195	4,316
Participations in associated companies	20, 21	520	10,860
Receivables from associated companies	22	392	2,183
Other shares and participations	20, 21	38	37
Deferred tax assets	17	395	937 ¹
Other non-current receivables	22	3,433	261
Total other non-current assets		65,688	60,336
Total non-current assets		85,660	80,019
Current assets			
Inventories	23	770	276 ¹
Intangible assets: emission allowances	24	5	-
Current receivables	25	50,215	43,488
Cash and cash equivalents	26	181	2,360
Total current assets		51,171	46,124
Total assets		136,831	126,143
Equity, provisions and liabilities			
Equity			
Restricted equity			
Share capital (131,700,000 shares with a par value of SEK 50)		6,585	6,585
Statutory reserve		1,286	1,286
Non-restricted equity			
Retained earnings		16,295	18,974 ¹
Profit for the year		11,549	3,585
Total equity		35,715	30,430
Untaxed reserves	16	11,445	9,374¹
Provisions	27	115	120
Non-current interest-bearing liabilities	28	63,904	58,700
Non-current noninterest-bearing liabilities	29	2,661	2,826
Total non-current liabilities		66,565	61,526
Current interest-bearing liabilities	30	8,763	10,383
Current tax liabilities	17	663	156
Other current noninterest-bearing liabilities	31	13,565	14,154¹
Total current liabilities		22,991	24,693
Total equity, provisions and liabilities		136,831	126,143
Pledged assets	32	2,953	4,875
Contingent liabilities	33	107,544	95,122
Commitments under consortium agreements	34		

1) These figures are adjusted compared to previously published information in Vattenfall's 2005 Annual Report. See page 103, Parent Company statement of changes in equity and Note 2 to the consolidated accounts, Accounting principles.

Parent Company statement of changes in equity

Amounts in SEK million	Share capital	Statutory reserve	Non-restricted equity	Total
Balance carried forward 2004	6,585	1,286	17,078	24,949
Adjustment of profit carried forward ¹	-	-	6,478	6,478
Dividend to shareholders	-	-	-5,600	-5,600
Group contribution	-	-	-136	-136
Tax effect of Group contributions	-	-	38	38
Result from mergers	-	-	1,116	1,116
Profit for the year	-	-	3,585	3,585
Balance carried forward 2005	6,585	1,286	22,559	30,430
Dividend to shareholders	-	-	-5,800	-5,800
Group contribution	-	-	-647	-647
Tax effect of Group contributions	-	-	181	181
Result from mergers	-	-	2	2
Profit for the year	-	-	11,549	11,549
Balance carried forward 2006	6,585	1,286	27,844	35,715

As of 31 December 2006 the registered share capital comprised 131,700,000 shares with a par value of SEK 50 each.

1) Reappraisal decision by the Swedish Tax Agency

Vattenfall AB has previously been the subject of an extensive tax audit which dealt with Vattenfall's transition from a public utility (affärsverk) to a limited liability company in 1992. The County Administrative Court and Administrative Court of Appeal, after appeals on verdicts, have established that the Swedish Parliament's decision at the time of the conversion of Vattenfall into a limited liability company did not take applicable tax legislation into account to a sufficient extent. One consequence of this, according to the reappraisal decision, has been that Vattenfall AB's opening balance sheet as a limited liability company has been corrected, entailing that an adjustment has been made of untaxed reserves in the amount of SEK 5,604 million, with a corresponding increase in the Parent Company's profit carried forward in equity. The adjustment of profit carried forward includes (also related to the reappraisal decision) SEK 397 million pertaining to an extra provision for depreciation, and SEK 477 million pertaining to a reduction of the Company's tax for the 2000 tax year.

Parent Company cash flow statement

Amounts in SEK million, 1 January–31 December

	2006	2005
Operating activities		
Funds from operations (FFO)		
Profit for the year	11,549	3,585
Adjustments for the effect of items not included in cash flow:		
Income tax expense	2,486	1,873
Appropriations	2,071	709
Depreciation and amortisation	926	731
Dividend-contingent Group contributions	-2,068	-1,771
Taxes paid	-1,437	-1,142
Unrealised exchange rate effects	-1,743	1,852
Increase in provisions	-5	34
Other	-180	-150
Cash flow from changes in operating assets and operating liabilities	-8,352	-11,827
Cash flow from operating activities	3,247	-6,106
Investing activities		
Investments in Group companies, associated companies and other shares and participations	-1,045	-11,607
Investments in property, plant and equipment and intangible assets: non-current	-1,308	-1,445
New share issue/shareholder contribution rendered	-13,140	-
Divestments of property, plant and equipment and intangible assets: non-current	93	1,166
Divestments of shares and participations	10,419	157
Cash flow from investing activities	-4,981	-11,729
Cash flow before financing activities	-1,734	-17,835
Financing activities		
Loans raised	3,584	23,133
Group contribution received	1,771	2,520
Dividend paid to shareholders	-5,800	-5,600
Cash flow from financing activities	-445	20,053
Cash flow for the year	-2,179	2,218
Cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	2,360	142
Cash flow for the year	-2,179	2,218
Cash and cash equivalents at the end of the year	181	2,360

Interest paid totalled SEK 3,040 million (2,519) and interest received totalled SEK 1,181 million (806). Dividends received totalled SEK 4,833 million (373).

PARENT COMPANY NOTES

(Amounts in SEK million unless stated otherwise.)

Note 1 Company information

Vattenfall AB's 2006 Annual Report was approved in accordance with a decision by the Board of Directors of 7 March 2007. Vattenfall AB, which is the Parent Company in the Vattenfall Group, is a limited liability company with its registered office in Stockholm and with the address SE-162 87 Stockholm, Sweden. The balance sheet and income statement of the Parent Company will be submitted at the Annual General Meeting (AGM).

Note 2 Accounting principles

General

The Parent Company Vattenfall AB's accounts are prepared according to Swedish GAAP, i.e., in accordance with the Swedish Annual Accounts Act and Recommendation RR32:05 of the Swedish Financial Accounting Standards Council on accounting for legal entities. Vattenfall AB has adopted the exemption rule regarding IAS 39 according to RR32:06.

The accounting principles applied are stated in the applicable parts of Note 2 to the consolidated accounts with the following amendments for the Parent Company Vattenfall AB.

Financial instruments are reported at cost.

Depreciation and amortisation

As in the consolidated accounts, depreciation and amortisation are based on cost and are applied on a straight-line basis over the estimated useful life of the asset in question. In addition, certain accelerated depreciation/amortisation (the difference between depreciation/amortisation according to plan and depreciation/amortisation for tax purposes) in the Parent Company is reported under Appropriations and Untaxed reserves, respectively.

Pension provisions

Pension obligations in the Parent Company are calculated in accordance with generally accepted Swedish actuarial principles. The provision reported in the balance sheet corresponds to these pension obligations, entered net against plan assets of Vattenfall's Pension Foundation.

Income tax expense

Tax legislation in Sweden allows companies to defer tax payments by making provisions to untaxed reserves. In the Parent Company, untaxed reserves are reported as a separate item in the balance sheet that includes deferred tax. In the Parent Company's income statement, provisions to untaxed reserves and dissolution of untaxed reserves are reported under Appropriations.

The recognised income tax expense of the Parent Company, Vattenfall AB, consists of income tax on profit after appropriations.

Note 3 Exchange rates

See Note 4 to the consolidated accounts.

Note 4 Net sales

	2006	2005
Sales including excise taxes		
sale of goods (electricity, heat, etc.)	34,182	28,176
rendering of services	993	929
Excise taxes	-2,126	-2,262
Net sales	33,049	26,843

Net sales per geographic area

	2006	2005
Nordic countries	32,278	25,723
Germany	639	739
Poland	132	321
Other	-	60
Total	33,049	26,843

Net sales per segment

	2006	2005
Electricity Generation	9,594	6,834
Electricity Market	21,046	17,656
Heat	2,244	2,253
Other	165	100
Total	33,049	26,843

Note 5 Intra-Group transactions

Of the Parent Company's total income from sales and total purchase costs, transactions with Group companies account for 12% (9%) of sales and 41% (52%) of purchase costs.

Note 6 Cost of products sold

Direct costs include production taxes and duties of SEK 199 million (191) and property taxes of SEK 837 million (260).

Note 7 Other operating income

Other operating income consists primarily of capital gains from the sale of non-current assets, rental income, insurance compensation and operationally derived foreign exchange gains.

Note 8 Other operating expenses

Other operating expenses consist primarily of capital losses on divestments of non-current assets and operationally derived exchange rate losses.

Note 9 Depreciation and amortisation

Amortisation of non-current intangible assets and depreciation of property, plant and equipment in the income statement are broken down as follows:

	2006	2005
Cost of products sold	736	721
Selling expenses	75	8
Administrative expenses	1	2
Total	812	731

Amortisation of non-current intangible assets is included in Cost of products sold above in the amount of 2 SEK million (9) and in Selling expenses in the amount of 73 SEK million (0).

Note 10 Impairment losses

Impairment losses of non-current intangible assets, property, plant and equipment in the income statement are broken down as follows:

	2006	2005
Selling expenses	114	-
Total	114	-

Impairment losses of non-current intangible assets are included above in Selling expenses in the amount of SEK 114 million (0).

The development of a new customer handling system has resulted in higher outlays than originally estimated. The future gains that the new system was to generate do not match the higher cost. Consequently, operating profit has been charged with impairment losses of SEK 114 million.

Note 11 Result from participations in Group companies

	2006	2005
Dividends	4,817	351
Impairment losses	-2	-11
Capital gains/losses on divestments	14	74
Total	4,829	414

Note 12 Result from participations in associated companies

Attributable to dividends from associated companies, totalling SEK 16 million (26), and a capital gain from the sale of associated companies, in the amount of SEK 144 million (0).

Note 13 Result from other shares and participations

	2006	2005
Dividends	2	2
Impairment losses	-	-1
Capital gains/losses on divestments	9	-4
Total	11	-3

Note 14 Interest income and similar profit/loss items

	2006	2005
Interest income from subsidiaries	717	362
Other interest income	464	444
Foreign exchange gains	2,271	1,047
Total	3,752	1,853

Note 15 Interest expenses and similar profit/loss items

	2006	2005
Interest expenses to subsidiaries	3,017	2,494
Other interest expenses	22	25
Foreign exchange losses	-	3,518
Total	3,039	6,037

Note 16 Appropriations and untaxed reserves

	Balance brought forward	Provision/Dis-solution (-)	Balance carried forward
Accelerated depreciation	6,412	-261	6,151
2001 Tax allocation reserve	464	-464	-
2002 Tax allocation reserve	1,371	-	1,371
2003 Tax allocation reserve	966	-	966
2004 Tax allocation reserve	1,295	-	1,295
2005 Tax allocation reserve	2,733	-	2,733
2006 Tax allocation reserve	1,737	-	1,737
2007 Tax allocation reserve	-	2,796	2,796
Other untaxed reserves	-5,604	-	-5,604
Total	9,374	2,071	11,445

Note 17 Income tax expense

The reported income tax expense is broken down as follows:

	2006	2005
Current tax	2,420	1,855
Deferred tax	66	18
Total	2,486	1,873

The income tax expense for the year attributable to previous years amounts to SEK 110 million (-396). Deferred tax assets according to the balance sheet amount to SEK 395 million (937). Current tax liabilities amount to SEK 663 million (156). The tax effect of the standard tax interest on tax allocation reserves amounts to SEK 56 million (61).

The difference between the nominal Swedish tax rate and the effective tax rate is explained as follows:

	2006	2005
Swedish income tax rate	28.0	28.0
Appropriations	-3.6	-3.2
Tax adjustment for previous periods	-0.7	6.4
Non-taxable income	-9.2	-2.6
Non-deductible expenses	0.7	1.1
Other	0.2	0.7
Effective tax rate¹	15.4	30.4

Tax rate, current tax²

	15.0	30.1
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1) Tax expense according to the Parent Company income statement in relation to profit before appropriations and tax.

2) Tax expense according to the Parent Company income statement excluding reported deferred tax in relation to profit before appropriations and tax.

Note 18 Intangible assets: non-current

	Capitalised development costs		Goodwill		Concessions and similar rights		Renting and similar rights		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Cost										
Cost brought forward	237	-	13	13	344	340	61	61	655	414
Investments	64	161	-	-	6	-	3	-	73	161
Divestments/Disposals	-	-	-	-	-	-	-1	-	-1	-
Reclassifications	-	76	-	-	-	4	-	-	-	80
Accumulated cost carried forward	301	237	13	13	350	344	63	61	727	655
Accumulated amortisation according to plan										
Amortisation brought forward	-	-	-13	-13	-334	-327	-38	-36	-385	-376
Amortisation for the year	-67	-	-	-	-6	-7	-2	-2	-75	-9
Accumulated amortisation carried forward	-67	-	-13	-13	-340	-334	-40	-38	-460	-385
Impairment losses										
Impairment losses for the year	-114	-	-	-	-	-	-	-	-114	-
Accumulated impairment losses carried forward	-114	-	-	-	-	-	-	-	-114	-
Residual value according to plan carried forward	120	237	-	-	10	10	23	23	153	270
Accumulated excess amortisation	-36	-71	-	-	-3	-10	-7	-23	-46	-104
Book value	84	166	-	-	7	-	16	-	107	166

At 31 December 2006, there are no contractual commitments for the acquisition of non-current intangible assets.

Note 19 Property, plant and equipment

	Buildings and land ¹		Plants and machinery and other technical installations		Equipment tools, and fixtures and fittings		Construction in progress		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Cost										
Cost brought forward	16,612	16,422	15,112	14,867	166	176	1,224	1,919	33,114	33,384
Investments	-	-	-	2	11	12	1,235	1,270	1,246	1,284
Grants received	-	-	-	-	-	-	-11	-	-11	-
Transfer from construction in progress	458	684	630	953	-	1	-1,088	-1,896	-	-258
Divestments/Disposals	-14	-485	-237	-946	-48	-23	-	-4	-299	-1,458
Reclassifications	10	-9	-7	236	-	-	-	-65	3	162
Accumulated cost carried forward	17,066	16,612	15,498	15,112	129	166	1,360	1,224	34,053	33,114
Accumulated depreciation according to plan										
Depreciation brought forward	-5,603	-5,449	-7,965	-7,633	-133	-141	-	-	-13,701	-13,223
Depreciation for the year	-239	-239	-489	-470	-9	-13	-	-	-737	-722
Divestments/Disposals	10	83	156	138	41	21	-	-	207	242
Reclassifications	-	2	-3	-	-	-	-	-	-3	2
Accumulated depreciation carried forward	-5,832	-5,603	-8,301	-7,965	-101	-133	-	-	-14,234	-13,701
Residual value according to plan carried forward	11,234	11,009	7,197	7,147	28	33	1,360	1,224	19,819	19,413
Accumulated excess depreciation	-	-	-6,077	-6,275	-28	-33	-	-	-6,105	-6,308
Book value	11,234	11,009	1,120	872	-	-	1,360	1,224	13,714	13,105

1) Cost for land and buildings includes cost for land and water rights amounting to SEK 6,617 million (6,618), which are not subject to depreciation.

Tax assessment values (for Swedish real estate)

	2006	2005
Buildings	33,947	34,389
Land	20,743	20,970
Total	54,690	55,359

Distribution lines and transformer stations are not subject to tax assessment values.

At 31 December 2006, there are no contractual commitments for the acquisition of property, plant and equipment.

Note 20 Participations in Group companies, associated companies and other shares and participations

	Participations in Group companies		Participations in associated companies		Other shares and participations	
	2006	2005	2006	2005	2006	2005
Balance brought forward	41,742	40,533	10,860	540	37	55
Investments/acquisitions	1,044	1,276	–	10,331	1	–
Shareholder contributions ¹	2	–	–	–	–	–
Divestments ¹	–78	–56	–10,340	–4	–	–23
New share issue	13,139	–	–	–	–	–
Reclassifications	–	–	–	–7	–	7
Merged shareholdings	–133	–	–	–	–	–
Impairment losses	–1	–11	–	–	–	–2
Balance carried forward	55,715	41,742	520	10,860	38	37

1) Shareholder contributions and divestments are mainly attributable to restructuring in the Group.

Note 21 Shares and participations

For a breakdown of the Parent Company's shares and participations in Group companies, associated companies and other shares and participations, see Notes 21–23 to the consolidated accounts.

Note 22 Receivables from Group companies, associated companies and other non-current receivables

	Receivables from Group companies		Receivables from associated companies		Other non-current receivables	
	2006	2005	2006	2005	2006	2005
Balance brought forward	4,316	4,335	2,183	1,790	261	148
New receivables	902	260	–	1	3,347	122
Payments received	–23	–	–1,791	–49	–175	–2
Reclassifications	–	–279	–	441	–	–7
Balance carried forward	5,195	4,316	392	2,183	3,433	261

Note 23 Inventories

	2006	2005
Biofuels	62	28
Fossil fuels	242	212
Materials and spare parts	21	20
Other	445	16
Total	770	276

The amount of inventories recognised as an expense in 2006 totalled SEK 803 million. No impairment losses of inventories or reversal of impairment losses were recognised during the year.

Note 24 Intangible assets: emission allowances

Relates to emission allowances purchased during 2006. See Note 2 to the consolidated accounts, Accounting principles.

Note 25 Current receivables

	2006	2005
Accounts receivable – trade	3,255	2,717
Receivables from Group companies	39,915	34,421
Receivables from associated companies	1,442	55
Other receivables	3,015	4,209
Prepaid expenses and accrued income	2,588	2,086
Total	50,215	43,488

Breakdown of prepaid expenses and accrued income:

	2006	2005
Prepaid insurance premiums	35	9
Prepaid expenses, other	552	163
Prepaid expenses and accrued income, electricity	1,786	1,839
Accrued income, other	215	75
Total	2,588	2,086

Note 26 Cash and cash equivalents

The Parent Company's cash and bank balances are administered by the subsidiary Vattenfall Treasury AB. Funds in the Group account amounted to SEK 30,965 million (30,892) and are reported in the balance sheet as current receivables from Group companies.

The Parent Company's external cash and bank balances amount to SEK 181 million (2,360).

Note 27 Provisions

	2006	2005
Personnel-related provisions for non-pension purposes	115	120
Total	115	120

	2006	2005
Pension obligations ^{1,2}	2,647	2,617
Less: Plan assets	–2,647	–2,617
Total pension provisions at year-end	–	–

1) Information registered by PRI
2) Of which, covered by credit insurance with FPG/PRI

The Parent Company's pension obligations are subject in their entirety to the Pension Obligations Vesting Act.

	2006	2005
Fair value of plan assets at the beginning of the year	2,617	2,606
Return on plan assets	30	11
Fair value of plan assets at the end of the year	2,647	2,617

	2006	2005
Plan assets consist of the following:		
Equity securities	1,319	1,109
Debt instruments	1,072	1,169
Other	256	339
Total	2,647	2,617

Note 28 Non-current interest-bearing liabilities

Fully attributable to liabilities to Group companies in the amount of SEK 63,904 million (58,700), of which SEK 17,886 million (18,615) falls due after more than five years.

Liabilities to Group companies are mainly attributable to long-term borrowings from Vattenfall Treasury AB.

Note 29 Non-current noninterest-bearing liabilities

	2006	2005
Liabilities to Group companies	2,164	2,134
Other liabilities	497	692
Total	2,661	2,826

Liabilities to Group companies are mainly attributable to long-term liabilities to Forsmarks Kraftgrupp AB for power charges. For this liability there shall be, in accordance with an agreement between the co-owners, no interest payable on the debt. Of other liabilities, SEK 289 million (333) falls due after more than five years.

Note 30 Current interest-bearing liabilities

Fully attributable to liabilities to Group companies, totalling SEK 8,763 million (10,383).

Note 31 Other current noninterest-bearing liabilities

	2006	2005
Advance payments from customers	29	37
Accounts payable - trade	711	629
Liabilities to Group companies	11,127	12,013
Liabilities to associated companies	26	29
Other liabilities	607	606
Accrued expenses and deferred income	1,065	840
Total	13,565	14,154

Breakdown of accrued expenses and deferred income:

	2006	2005
Accrued personnel - related costs	150	215
Other accrued expenses	253	352
Deferred income and accrued expenses, electricity	599	267
Other deferred income	63	6
Total	1,065	840

Note 32 Pledged assets

	2006	2005
Blocked bank funds as security for trading on Nord Pool	40	2246
Blocked bank funds as security for redemption of minority shares	2,913	2,629
Total	2,953	4,875

Note 33 Contingent liabilities

	2006	2005
Guarantees		
of which:		
for Vattenfall Treasury's:		
lending to subsidiaries	23,178	20,797
lending to associated companies	36	36
external borrowing for subsidiaries	46,259	54,223
borrowing from Group companies	10,209	-
borrowing from associated companies	4,978	-
for lending by:		
other than Group companies	9	14
Group companies	5,504	4,768
associated companies	2	-
Swedish Nuclear Waste Fund	5,643	5,377
Contract guarantees	255	677
Other guarantees	11,471	9,230
Total	107,544	95,122
Other contingent liabilities		
Compensatory and free power deliveries:		
Wholesale power deliveries		
Number of commitments	13	13
Power MW	223	223
Energy deliveries, TWh/year	0.9	0.9

SEK 102,406 million (91,088) of the Parent Company's contingent liabilities are attributable to its subsidiaries. Vattenfall AB has guaranteed Vattenfall Treasury AB's commitments.

As security for the energy trading of the subsidiary Vattenfall Europe Trading GmbH, Vattenfall AB has provided guarantees at a total value of EUR 713 million (525), equivalent to SEK 6,451 million (4,951). On the balance sheet date, utilised guarantees totalling EUR 280 million (271), equivalent to SEK 2,537 million (2,558), were included in the reported contingent liabilities.

As security for the subsidiaries Forsmarks Kraftgrupp AB and Ringhals AB, Vattenfall AB has made guarantee commitments for a combined value of SEK 5,643 million (5,377) to cover the risk that the existing funds in the Swedish Nuclear Waste Fund should, over time, prove to be insufficient. Two types of guarantee commitments have been made. The one guarantee commitment is intended to cover the requisite need for fees that has been decided on for the fees that have not yet been paid in during the so-called earnings period (25 years of operation). The other guarantee commitment pertains to future cost increases stemming from unforeseen events. Both amounts are determined from a probability-based risk analysis, where the former amount has been determined as such that there is a 50% probability that it, together with currently funded amounts (median value), will provide full cost coverage. The latter amount consists in principle of the supplement that would be required if the corresponding probability was 90%. See also Note 42 to the consolidated accounts.

Note 34 Commitments under consortium agreements

See Note 43 to the consolidated accounts.

Note 35 Average number of employees and personnel costs

Average number employees	2006			2005		
	Men	Women	Total	Men	Women	Total
Sweden	805	285	1,090	844	360	1,204
Other countries	4	–	4	2	1	3
Total	809	285	1,094	846	361	1,207

Personnel costs	2006	2005
Salaries and other remuneration	615	501
Social security charges (of which pension costs) ¹	465	426
	(212)	(194)
Total	1,080	927

1) SEK 8 million (8) of the pension costs are attributable to the group of individuals comprising current senior executives and former senior executives. The Company's outstanding pension obligations attributable to these executives total SEK 51 million (44).

None of the Company directors receives any pension benefits in connection with board duties.

Salaries and other remuneration	2006			2005		
	Board members and senior executives ¹	Other employees	Total	Board members and senior executives ¹	Other employees	Total
Sweden	19	593	612	24	476	500
Other countries	–	3	3	–	1	1
Total²	19	596	615	24	477	501

1) Board members and senior executives also include deputy board members and vice presidents, and former presidents and vice presidents.

2) Total salaries and other remuneration to board members and presidents include bonuses of SEK 1 million (8).

For benefits to senior executives at Vattenfall, see Note 44 to the consolidated accounts.

Note 36 Sickness-related absence

Sickness-related absence as a percentage of normal working hours during the year

	Parent Company Vattenfall AB		Vattenfall Group, Swedish operations	
	2006	2005	2006	2005
Total sickness-related absence	2.8	3.5	3.5	4.1
Total sickness-related absences:				
–for women	5.0	6.2	5.5	6.3
–for men	2.0	2.2	2.8	3.4
–for employees aged 29 and younger	1.4	4.5	3.1	3.4
–for employees aged 30–49 years	2.7	3.4	3.3	3.6
–for employees aged 50 and above	2.7	2.9	4.2	5.3
Percentage of sickness-related absence lasting 60 days or more	38.9	38.6	48.5	43.8

Note 37 Gender distribution among senior executives

	Women, %		Men, %	
	2006	2005	2006	2005
Gender distribution among board members	20	15	80	85
Gender distribution among other senior executives	11	10	89	90

Note 38 Leasing

Leasing expenses

Future payment commitments, as of 31 December 2006, for leasing contracts and rental contracts break down as follows:

	Finance leases	Operating leases
2007	–	19
2008	–	22
2009	–	3
Total	–	44

Leasing expenses for the year attributable to the Parent Company amounted to SEK 6 million (11).

Leasing revenues

Vattenfall AB owns and operates energy facilities on behalf of customers. Revenues from customers are broken down into two components – a fixed component to cover capital expenses and a variable component based on the quantity delivered.

Facilities are classified in accordance with standard leasing principles, based on the fixed revenue component.

On 31 December 2006, the cost of assets reported under Operating leases amounted to SEK 979 million (1,016). Accumulated depreciation amounted to SEK 334 million (341) and accumulated impairment losses to SEK 30 million (30).

Future payments for this type of facility are broken down as follows:

	Finance leases	Operating leases
2007	–	42
2008	–	41
2009	–	39
2010	–	34
2011	–	33
2012 and beyond	–	205
Less: Financial income	–	–150
Total	–	244

Note 39 Auditors' fees, etc.

	2006	2005
Statutory audit		
Ernst & Young	8	7
Swedish National Audit Office	1	1
Total	9	8
Other fees		
Ernst & Young ¹	6	5
PricewaterhouseCoopers	–	1
Total	6	6

1) SEK 3 million (3) is attributable to consultations for personnel based outside Sweden.

Note 40 Related party disclosures

See Note 48 to the consolidated accounts.