Fortum

INTERIM REPORT

January-March 2025

fortum
Powering a thriving world

Contents

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

Solid achieved power price driven by successful power generation optimisation

January–March 2025

- Comparable EBITDA was EUR 538 (622) million.
- Comparable operating profit was EUR 462 (530) million.
- Operating profit was EUR 470 (571) million.
- Comparable earnings per share were EUR 0.42 (0.48).
- Earnings per share were EUR 0.40 (0.53).
- Cash flow from operating activities totalled EUR 453 (538) million.

Summary of outlook

- The Generation segment's estimated Nordic generation hedges: approximately 75% at EUR 40 per MWh for the remainder of 2025 and approximately 50% at EUR 41 per MWh for 2026.
- UPDATE: For 2025, the annual optimisation premium included in the achieved power price for the whole outright portfolio is estimated to be in the range of 7–9 EUR/MWh (previously: 6–8 EUR/MWh).
- Capital expenditure for 2025–2027, including maintenance but excluding acquisitions, is expected to be approximately EUR 1.4 billion, of which annual growth capital expenditure is expected to be EUR 150–300 million and annual maintenance capital expenditure EUR 250 million.

Key figures

EUR million or as indicated	I/2025	I/2024	2024	LTM
Reported				
Sales	1,642	2,015	5,800	5,427
Operating profit	470	571	1,325	1,224
Share of profit of associates and joint ventures	9	21	19	7
Net profit (after non-controlling interests)	363	471	1,164	1,056
Earnings per share, EUR	0.40	0.53	1.30	1.17
Net cash from operating activities	453	538	1,392	1,307

EUR million or as indicated	I/2025	I/2024	2024	LTM
Comparable				
EBITDA	538	622	1,556	1,472
Operating profit	462	530	1,178	1,110
Share of profit of associates and joint ventures	8	12	-30	-34
Net profit (after non-controlling interests)	374	430	900	845
Earnings per share, EUR	0.42	0.48	1.00	0.94

EUR million or as indicated	LTM	2024
Financial position		
Financial net debt (at period-end)	13	367
Financial net debt/comparable EBITDA	0.0	0.2

Fortum's President and CEO Markus Rauramo

"During the first quarter of 2025, warm temperatures and strong hydro inflows further increased reservoir levels to exceptionally high levels, which put pressure on spot power prices in the Nordic region. Due to the mild weather and unchanged industrial demand, Nordic power demand was still slightly below pre-energy crisis levels.

Despite the lower Nordic spot prices, we were able to reach a very good achieved power price through successful operation and optimisation of our versatile low-carbon fleet. Our achieved power price was at a very good level of approximately 60 EUR/MWh, supported by a robust, double-digit optimisation premium, which was above the premium of the first quarter of 2024. Due to increased power price volatility on the Nordic market, we update our annual optimisation premium guidance to 7–9 EUR/MWh for the year 2025. For the following years, we keep the guidance at 6–8 EUR/MWh. The optimisation premium mainly consists of the physical optimisation of our hydropower fleet and the sale of environmental values, mainly guarantees of origin, which typically sees a peak in the first quarter.

Compared to the first quarter of 2024, the Generation segment's result declined due to lower spot and hedge prices and reduced hydro and nuclear volumes, partly offset by physical optimisation and improved performance in the renewables and decarbonisation business. The Consumer Solutions segment recorded its strongest comparable operating profit quarterly result so far, driven by improved gas margins in Poland and synergies from the brand mergers completed in 2024. The Other Operations segment also saw an improvement in its comparable result.

Our financial position remains strong. At the end of the first quarter, our financial net debt was practically zero, and our leverage ratio stood at 0.0 times, as the 2024 dividend was paid in the second quarter.

During the first quarter, Fortum announced the results of its extensive feasibility study exploring the prerequisites for new nuclear in Finland and Sweden. The study concluded that with the current power market outlook, new nuclear is not economically viable on a merchant basis only. We will continue to develop new nuclear as a long-term option to meet projected customer demand growth. We also started a feasibility study to explore possibilities for flexible long-duration pumped-storage hydropower in Sweden as a complement to other flexibility solutions, including batteries and electrified district heating.

Uncertainty in the operating environment has increased during and after the first quarter due to ongoing geopolitical conflicts and uncertain US tariff plans. However, we continue to see robust underlying customer demand from various industrial sectors, which we believe reflects the power demand growth longer term, although no significant new Power Purchase Agreements (PPAs) have been signed. Currently, customers are focusing more on short- and mid-term contracts over the next 3-5 years.

The heightened geopolitical risks and reduced visibility may pose challenges to major industrial investments in the Nordics. Therefore, ensuring a consistent and predictable regulatory environment in the Nordics is crucial as it enables economic growth and supports long-term investment strategies. We continue to build preparedness for future growth by developing, among others, a renewables ready-to-build pipeline to meet customer needs."

Fortum's strategy

Fortum's strategy focuses on the Nordics with the strategic priorities to 'deliver reliable clean energy', 'drive decarbonisation in industries', and 'transform and develop'. The Group's business portfolio is built on its core operations – hydro and nuclear generation, flexibility and optimisation, as well as its electricity solutions business for consumers, and heating and cooling operations. Fortum's objective is to strengthen and selectively grow these core businesses and competence areas, while capitalising on the volatile markets. Simultaneously, to build preparedness for future growth, Fortum is developing a ready-to-build pipeline of onshore wind and solar projects to serve customer demand growth with long-term power purchase agreements. In addition, the Group is exploring future development opportunities for, among others, clean hydrogen.

Financial and environmental targets

- 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.
- To ensure the required returns for any potential new investments, Fortum continues to be selective and applies set investment criteria: project-based WACC + 150–400 investment hurdles depending on the 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.
- 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 programme is progressing according to plan and schedule.

- Fortum has set ambitious environmental and decarbonisation goals with SBTi-validated climate targets, including net-zero greenhouse gas emissions across the value chain by 2040, coal exit by the end of 2027, targets for specific emissions and biodiversity targets.

Fortum resolved in 2022 to exit its Russian operations, with the primary aim to divest its assets. In April 2023, the Russian authorities seized control of Fortum's assets in Russia and deprived Fortum of its shareholder rights. Fortum has since lost all oversight and control over the assets and therefore fully financially impaired and deconsolidated the assets. Fortum is pursuing arbitration against Russia for the unlawful seizure of its assets and court proceedings to recover unpaid intercompany loans.

Fortum's strategic focus is to deliver clean energy and drive decarbonisation of industries in the Nordics. Fortum is no longer active in Russia and does not intend to return there. When possible, Fortum would continue the divestment process of its Russian assets as a primary option.

Financial results

Sales by segment

EUR million	I/2025	I/2024	2024	LTM
Generation	1,122	1,412	3,795	3,504
Consumer Solutions	1,000	1,154	3,073	2,919
Other Operations	46	144	596	498
Netting of Nord Pool transactions	-399	-567	-1,196	-1,028
Eliminations	-126	-128	-469	-467
Total	**1,642**	**2,015**	**5,800**	**5,427**

Comparable EBITDA by segment

EUR million	I/2025	I/2024	2024	LTM
Generation	485	564	1,421	1,342
Consumer Solutions	69	62	161	168
Other Operations	-15	-3	-26	-38
Total	**538**	**622**	**1,556**	**1,472**

Comparable operating profit by segment

EUR million	I/2025	I/2024	2024	LTM
Generation	436	513	1,218	1,141
Consumer Solutions	47	42	76	81
Other Operations	-20	-25	-116	-112
Total	**462**	**530**	**1,178**	**1,110**

Operating profit by segment

EUR million	I/2025	I/2024	2024	LTM
Generation	441	542	1,103	1,002
Consumer Solutions	49	52	122	120
Other Operations	-20	-22	100	102
Total	**470**	**571**	**1,325**	**1,224**

January–March 2025

Sales decreased to EUR 1,642 (2,015) million, mainly due to lower power prices and lower power volumes.

Comparable operating profit decreased to EUR 462 (530) million. The Generation segment results decreased to EUR 436 (513) million, mainly due to lower spot and hedge power prices and lower hydro and nuclear volumes. The result for the Consumer Solutions segment increased to EUR 47 (42) million, mainly due to improved gas margins in the enterprise business in Poland and synergies from brand mergers completed in 2024.

Operating profit for the period was impacted by EUR 8 (42) million of items affecting comparability (Note 4).

Comparable share of profits of associates and joint ventures was EUR 8 (12) million (Note 7).

Finance costs – net amounted to EUR -29 (-13) million. Comparable finance costs – net amounted to EUR -11 (-12) million (Note 8).

Income taxes totalled EUR -88 (-106) million. The comparable effective income tax rate was 18.9% (19.0%) (Note 9).

Net profit after non-controlling interests was EUR 363 (471) million and comparable net profit was EUR 374 (430) 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 0.40 (0.53). Comparable earnings per share were EUR 0.42 (0.48) (Note 4.2).

Financial position and cash flow

Cash flow

In January–March, net cash from operating activities decreased and totalled EUR 453 (538) million due to the lower comparable EBITDA and lower positive change in working capital, partly offset by lower realised foreign exchange losses included in non-cash and other items.

Net cash from investing activities totalled EUR -174 (117) million. Capital expenditure amounted to EUR 100 (110) million. Net cash from investing activities was impacted by changes in margin receivables of EUR -75 (270) million.

Net cash used in financing activities totalled EUR -106 (40) million. The net repayments of interest-bearing liabilities totalled EUR 69 (net proceeds 74) million.

Liquid funds increased by EUR 173 (increase 695) million, and liquid funds at 31 March 2025 amounted to EUR 4,318 million.

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

Assets

At the end of March 2025, total assets amounted to EUR 17,743 (31 Dec 2024: 17,307) million.

Equity

Total equity amounted to EUR 9,679 (31 Dec 2024: 9,154) million. Equity attributable to owners of the parent company totalled EUR 9,599 (31 Dec 2024: 9,074) million. Equity was positively impacted by the EUR 363 million net profit for the period and by the EUR 102 million fair valuation of cash flow hedges.

The dividend for 2024, amounting to a total of EUR 1,256 million, was approved by the Annual General Meeting on 1 April 2025 and was paid on 10 April 2025. These interim financial statements do not reflect the dividend payment.

Financing

The Group’s financial position continues to be very solid. At the end of March, the Group’s ratio for financial net debt-to-comparable EBITDA was very low, at 0.0 times for the last twelve months.

At the end of March 2025, financial net debt was EUR 13 (31 Dec 2024: 367) million. Fortum’s total interest-bearing liabilities were EUR 4,728 (31 Dec 2024: 4,828) million and liquid funds amounted to EUR 4,318 (31 Dec 2024: 4,136) million.

At the end of March 2025, Fortum’s long-term loans totalled EUR 4,278 million. Short-term loans amounted to EUR 356 million. (Note 12)

At the end of March 2025, Fortum had undrawn committed credit facilities of EUR 4,000 million. In addition, Fortum has committed overdraft limits of EUR 100 million 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 in industries and provide clean energy at scale. Furthermore, the business develops capabilities and projects in renewables and nuclear and explores clean hydrogen.

EUR million	I/2025	I/2024	2024	LTM
Reported				
Sales	1,122	1,412	3,795	3,504
- power sales	906	1,207	3,234	2,933
of which Nordic outright power sales [1]	696	770	2,302	2,228
- heat sales	200	191	502	510
- other sales	15	14	60	61
Operating profit	441	542	1,103	1,002
Share of profit/loss of associates and joint ventures [2]	7	20	22	9
Capital expenditure and gross investments in shares	135	61	355	429
Number of employees	2,096	1,806	2,053	

EUR million	I/2025	I/2024	2024	LTM
Comparable				
EBITDA	485	564	1,421	1,342
Operating profit	436	513	1,218	1,141
Share of profit/loss of associates and joint ventures [2]	5	11	-26	-32
Return on net assets, %			16.0	14.7
Net assets (at period-end)	7,828	7,268	7,608	

1) 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.
2) 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 19 in the Consolidated Financial Statements 2024).

Power generation by source

TWh	I/2025	I/2024	2024	LTM
Hydropower, Nordic	5.2	5.5	20.2	19.9
Nuclear power, Nordic	6.5	6.7	24.3	24.1
Wind power, Nordic	0.3	0.2	0.9	1.0
CHP and condensing power [1]	0.3	0.3	0.8	0.7
Total	**12.3**	**12.8**	**46.2**	**45.7**

1) CHP and condensing power generation in Finland and Poland.

Sales volumes

TWh	I/2025	I/2024	2024	LTM
Power sales volume, Nordic	15.0	16.7	58.9	57.2
of which Nordic outright power sales volume [1]	11.6	12.0	43.8	43.4
Power sales volume, Other	0.2	0.2	0.6	0.6
Heat sales volume, Nordic	0.8	0.9	2.0	1.9
Heat sales volume, Other	1.5	1.4	3.2	3.4

1) 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	I/2025	I/2024	2024	LTM
Generation's Nordic achieved power price [1]	60.1	63.9	52.5	51.4

1) The 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.

January–March 2025

The Generation segment's total power generation decreased in the first quarter of 2025 compared to the previous year. Hydro generation volumes decreased by 5% and nuclear volumes decreased by 3%. Despite the good hydrological conditions in the Nordics, Fortum's hydro generation was below the long term historical average. Nuclear volumes were negatively affected by planned outages. In addition, there have been announcements of both extended and unplanned outages that will affect volumes during the rest of the year. Wind power generation from the Pjelax wind farm increased by 0.1 TWh. CHP and condensing power generation was at the same level as in the comparison period.

The achieved power price was 60.1 EUR/MWh, a decrease of 6%, or 3.8 EUR/MWh. The decrease in the achieved power price was attributable to both lower spot and hedge prices, but was partly offset by good physical optimisation, resulting in a double-digit optimisation premium, which was above the premium of the first quarter of 2024. The spot power price in Fortum's generation price areas declined to 46.0 EUR/MWh compared to 62.6 EUR/MWh in the first quarter of 2024.

Comparable operating profit decreased clearly, by EUR 77 million, or 15%, to EUR 436 million, impacted mainly by lower spot and hedge power prices, lower hydro and nuclear volumes, and somewhat higher property taxes in nuclear and hydro in Sweden. The negative effect from the price and volume components was partly offset by the double-digit optimisation premium. The result contribution of the Pjelax wind farm was positive but lower than in the comparison period following lower power prices. The result of the district heating business improved, mainly due to lower fuel and CO_2 costs, partly offset by lower sales price for power.

Operating profit was affected by EUR 5 (29) million of items affecting comparability related to the fair value change of non-hedge-accounted derivatives and impairments of assets in India. (Note 3)

Comparable share of profits of associates and joint ventures totalled EUR 5 (11) million.

In December 2024, Fortum signed an agreement to acquire a project development portfolio for renewable power from Enersense. The acquired portfolio includes 2.6 GW of early-stage onshore wind development projects in Finland, of which only a minor part is expected to reach ready-to-build status. The purchase price of approximately EUR 9 million on a debt-and-cash-free basis was paid at closing during the first quarter of 2025. In addition to the purchase price, the transaction includes earn-outs that are subject to projects successfully reaching a final investment decision in the future. No investment commitments have been made, and decisions could be made earliest by the end of this decade.

On 11 February, Fortum announced that it has initiated a two-year feasibility study to explore prerequisites for new pumped hydro storage plants. Fortum will examine commercial, technological, environmental and regulatory conditions for new pumped hydro storage plants in Sweden. Any decisions about potential future investments would be made in due course. In Finland, Fortum's associated company Kemijoki Oy is exploring pumped storage hydropower plants in northern Finland. On 24 March, Fortum announced that it has concluded its extensive feasibility study exploring the commercial, technological, and societal prerequisites for new nuclear in Finland and Sweden. The study concluded that with the current power market outlook, new nuclear is not economically viable on a merchant basis only. Fortum will continue to develop new nuclear as a long-term option to meet projected customer demand growth, but new nuclear could provide new supply to the Nordics earliest in the second half of the 2030s, if market and regulatory conditions are right.

After the reporting period, Fortum signed an agreement to sell its renewables development portfolio in India to Hexa Climate Solutions Pvt Ltd. As part of the transaction, Fortum's team in India is transferred to the buyer.

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 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	I/2025	I/2024	2024	LTM
Reported				
Sales	1,000	1,154	3,073	2,919
- power sales	859	978	2,635	2,515
- gas sales	135	142	386	379
- other sales	7	34	53	25
Operating profit	49	52	122	120
Capital expenditure and gross investments in shares	14	17	71	68
Number of employees	1,086	1,223	1,118	

EUR million	I/2025	I/2024	2024	LTM
Comparable				
EBITDA	69	62	161	168
Operating profit	47	42	76	81
Return on net assets, %			11.2	12.3
Net assets (at period-end)	722	730	725	

Sales volumes

TWh	I/2025	I/2024	2024	LTM
Electricity	10.5	11.2	34.4	33.7
Gas	2.4	2.1	6.9	7.1

Number of customers

Thousands 1)	31 Mar 2025	31 Mar 2024	31 Dec 2024
Electricity	2,200	2,270	2,220
E-mobility 2)	30	60	40
Gas	40	40	40
Total	**2,270**	**2,360**	**2,300**

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

January–March 2025

The electricity sales volume decreased by 6%, while the gas sales volume increased by 14%. The lower electricity volume resulted from both a lower customer base and warmer weather in the Nordics. Higher gas volumes were driven by a larger customer base in the enterprise customers business in Poland. Total sales revenues decreased by 13% due to lower electricity and gas prices both in the Nordics and in Poland.

Comparable operating profit, reaching an all-time-high quarterly level, increased by EUR 5 million, or 12%, to EUR 47 million, mainly due to improved gas margins in the enterprise customers business in Poland and approximately EUR 6 million cost synergies from the completed brand mergers, including Telge Energi. This was partly offset by higher depreciations and amortisations of customer acquisition costs.

Other Operations

The Other Operations segment comprises innovation and venturing activities, enabling functions and corporate management. It also includes the remaining Circular Solutions businesses, mainly the battery recycling business.

EUR million	I/2025	I/2024	2024	LTM
Reported				
Sales	46	144	596	498
- power sales	0	2	5	3
- heat sales	0	11	25	14
- waste treatment sales	0	54	212	158
- other sales	45	76	355	324
Operating profit	-20	-22	100	102
Share of profit/loss of associates and joint ventures	3	1	-3	-2
Capital expenditure and gross investments in shares	5	15	90	81
Number of employees	1,269	2,222	1,295	

EUR million	I/2025	I/2024	2024	LTM
Comparable				
EBITDA	-15	-3	-26	-38
Operating profit	-20	-25	-116	-112
Share of profit/loss of associates and joint ventures	3	1	-3	-2

January–March 2025

Comparable operating profit improved by EUR 5 million, or 20%, and amounted to EUR -20 million, mainly due to higher internal charges for services of enabling functions. The result of the Circular Solutions business was at the same level as in the comparison period.

On 18 March, Fortum announced the initiation of change negotiations in its Finance and Sustainability and Corporate Relations functions to adjust these organisations to reflect Fortum's current business structure and operating model, improve efficiency and develop ways of working. The plans concern approximately 640 employees in Finland, Sweden, Norway and Poland, and approximately 65 positions are estimated to be reduced. The aim is to have the new organisations in place by early June 2025.

Capital expenditures, divestments and investments in shares

In the first quarter of 2025, capital expenditures and investments in shares totalled EUR 154 (93) million. Capital expenditures were EUR 132 (88) 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, EUR million	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		
Czestochowa, Poland	Biomass	Decarbonisation	Decarbonisation	100	IV/2026
Maintenance					
Hydro projects	Hydro	31			

Generation

Growth capital expenditure

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. 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 its decision to invest approximately EUR 225 million during 2023–2027 in projects within the programme. During January–March 2025, EUR 64 million of the Espoo Clean Heat investments materialised, and, since the beginning of 2023, Fortum's investments in the programme totalled approximately EUR 172 million. 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 2024, the share of emissions-free district heat production was already 69%. The use of coal was discontinued in April 2024, more than a year ahead of schedule.

On 29 October 2024, Fortum announced that it will invest EUR 100 million in decarbonisation of the Czestochowa combined heat and power (CHP) plant in Poland. The Czestochowa 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.

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 31 MW in total by 2031.

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. As part of the Circular Solutions business, the UK-based waste-to-energy business is under strategic review.

Operating and regulatory environment

European power markets

During the first quarter of 2025, higher-than-normal temperatures and inflows in the Nordic region increased reservoir levels, which led to lower-than-expected spot prices. By the end of the quarter, the Nordic reservoir surplus increased to 21 TWh above the long-term average, 7 TWh higher than at the end of the fourth quarter. Meanwhile, Continental European electricity prices were supported by stronger gas and carbon prices, especially early in the quarter.

According to preliminary statistics, power consumption in the Nordic countries was 116 (119) TWh during the first quarter of 2025. Following the mild start of 2025 and no further recovery of the Nordic industrial demand, the Nordic power demand is still slightly below the level prior to the energy crisis.

In Central Western Europe (Germany, France, Austria, Switzerland, Belgium and the Netherlands), power consumption in the first quarter of 2025 was 355 (350) TWh, according to preliminary statistics. Power demand in Continental Europe continued to be clearly below the five-year average, affected by weak industrial production.

At the beginning of the first quarter of 2025, the Nordic hydro reservoirs were at 99 TWh, which was 14 TWh above the long-term average and 22 TWh above the level of the previous year. The Nordic inflow was significantly above the normal level, and hydro generation was slightly above the normal level. At the end of the quarter, the reservoir levels were at 61 TWh, which is 21 TWh above the long-term average and 29 TWh higher than in the previous year. The surplus is slightly larger in Norway than in Sweden.

During the first quarter of 2025, Nordic spot prices were generally lower than a year ago due to significantly higher reservoir levels and the milder weather conditions. The average system spot price in Nord Pool was 45.5 (58.5) EUR/MWh. The average area price in Finland was 49.3 (72.8) EUR/MWh. In Sweden, the average area price in the SE3 area (Stockholm) was 56.2 (56.4) EUR/MWh, and the price in the SE2 area (Sundsvall) was 14.7 (48.3) EUR/MWh. In Germany, the average spot price in the first quarter was 111.9 (67.6) EUR/MWh.

In late April, the Nordic system electricity forward price on Nasdaq Commodities for the remainder of 2025 was around 27 EUR/MWh and for 2026 around 34 EUR/MWh. The Nordic water reservoirs were at 61 TWh, which is about 25 TWh above the long-term average and 29 TWh above the level one year earlier. The German electricity forward price for the remainder of 2025 was around 81 EUR/MWh and for 2026 around 81 EUR/MWh.

European commodity markets

During the first quarter of 2025, natural gas (TTF) and carbon allowance (EUA) prices initially strengthened due to high fossil-fuel demand mainly caused by cold and calm weather in Europe. However, starting from February, the prices softened, ending the quarter at levels lower than those at the beginning. TTF prices decreased as the weather got warmer, the peace talks in the Russia–Ukraine war started, and the gas supply, especially LNG imports to Europe, stayed strong. Coal prices decreased during the quarter.

Gas consumption in Central Western Europe was 652 (600) TWh in the first quarter of 2025. The Central Western European gas storage levels decreased from 448 TWh at the beginning of the quarter to 184 TWh at the end of the quarter, which is 179 TWh lower than one year ago and 87 TWh lower than the five-year average (2020–2024).

The average gas front-month price (TTF) in the first quarter was 46.8 (27.6) EUR/MWh. The 2026 forward price decreased from 39.6 EUR/MWh at the beginning of the quarter to 35.7 EUR/MWh at the end of the quarter, which is 6.7 EUR/MWh higher than one year earlier.

The EUA (EU Allowance) price increased from 75.2 EUR/tonne at the beginning of the first quarter to 83.9 EUR/tonne at the end of January and then decreased to 68.0 EUR/tonne at the end of the quarter, which is 6.2 EUR/tonne higher than one year earlier.

The forward quotation for coal (ICE Rotterdam) for 2026 decreased from 117.0 USD/tonne at the beginning of the first quarter to 111.8 USD/tonne at the end of the quarter, which is 6.6 USD/tonne lower than one year earlier.

In late April, the TTF forward price for gas for the remainder of 2025 was approximately 33 EUR/MWh. The forward quotation for EUAs for 2025 was around the level of 66 EUR/tonne. The forward price for coal (ICE Rotterdam) for the remainder of 2025 was around 96 USD/tonne.

Regulatory environment

The EU Commission publishes the EU Clean Industrial Deal and the Affordable Energy Action Plan

In February 2025, the EU Commission published one of the flagship initiatives of the new mandate, the Clean Industrial Deal, accompanied by the Affordable Energy Action Plan. The deal is a comprehensive strategy to enhance industrial competitiveness while achieving significant decarbonisation, especially in the energy-intensive and clean-tech sectors. It focuses on lowering energy costs, boosting demand for clean products and fostering a circular economy. The deal aims to mobilise over EUR 100 billion to support the EU-made clean manufacturing.

The Affordable Energy Action Plan aims to ensure competitive and affordable energy for consumers and industrial customers. High energy prices have been identified as one of the main hurdles for industrial competitiveness and decarbonisation. To address this, the plan introduces measures to complete the Energy Union, foster clean energy production and attract investments.

Fortum welcomes both initiatives, as no major market interventions were proposed; rather, emphasis is on boosting the power purchase agreement market and accelerating permitting, flexibility and grids.

Finnish Government promotes industrial investments with a tax credit

In March, the Finnish Government adopted a clean transition tax incentive scheme for industrial investments, and it has been approved by the Commission. The application period is open until the end of August 2025.

New strategically important investment projects exceeding EUR 50 million, with the objective to decarbonise industrial production processes and improve energy efficiency, are eligible for the tax incentive scheme. The tax credit is limited to 20% of the eligible investment cost and to a maximum of EUR 150 million per company. The investment credit is deducted from the company's income tax, earliest in the tax year 2028. The impact on Fortum is mainly indirect through demand creation: the new instrument has the potential to incentivise new industrial investments and increase electricity demand in Finland.

Finnish Government’s mid-term negotiations promoting economic growth

In its mid-term negotiations in April, the Finnish Government decided that the tax incentive for major clean transition investments will be continued, and its scope can be extended, depending on developments in EU state aid regulation.

The Government’s Fiscal Plan for 2026–2029 was agreed upon with focus on strengthening the conditions for economic growth, balancing the debt burden and strengthening Finland's security. The main growth measures will be to decrease corporate and personal income taxation that will be financed by measures increasing other general government revenues and reducing expenditure.

The Government considers the construction of additional nuclear power highly important and will investigate the possibilities to increase the existing nuclear power capacity longer term. Hydropower, including pumped storage hydro, will not be subject to new environmental requirements that could weaken production and, in particular, its regulating capacity. Additionally, the Government is planning a fossil-free flexibility support mechanism and exploring a more extensive capacity mechanism, including possible support for new nuclear power.

Swedish bill on nuclear financing

On 27 March, the Swedish Government presented its proposal for financing new nuclear. In addition to the proposed bill, there will be a government ordinance providing for necessary instruction to companies applying for support for new builds. The support will be limited to 5,000 MW, equivalent to four large-scale reactors and comprising three main components: state loans, guaranteed revenues through contract for difference (CfD), and risk sharing.

The bill is an important step towards setting up a financing framework for new nuclear. To enable investments, the framework must be stable, predictable, and based on broad parliamentary support. The Government proposal supports Fortum’s views on the need for state finance and risk-sharing as elaborated in our recent feasibility study.

The Norwegian Government’s electricity plan

The Norwegian Government has proposed an electricity plan to ensure “predictable and affordable electricity prices for consumers.” The main element of the plan is a support scheme called “Norgespris” for household electricity. Households are offered a fixed price at 0.40 NOK/kWh excl. VAT for one year. The scheme will not directly interfere with the market, as the consumers will still be required to have a contract with a supplier, and the grid companies will calculate the difference between the spot price and Norgespris on a monthly basis.

There is a planned public hearing for the proposal, which is aimed to be implemented by October. The proposal has caused controversies, as electricity consumption is likely to increase while power supply remains unchanged, which may lead to higher market prices. This could adversely affect industrial customers and neighbouring countries outside the scheme as prices are expected to increase with demand. It could lead to increased need for more renewable energy and drive forth industrial need for PPAs to ensure predictability.

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 2024.

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. A key priority for Fortum is to successfully mitigate this market risk, including managing the related credit and liquidity risks from hedging this exposure.

The main strategic risks are related to the business and/or regulatory environment potentially developing 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, regulatory and climate scenarios, as well as scenarios for how the current geopolitical situation develops, including the impact of these on 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 Fortum is well-positioned with the existing portfolio of largely low-carbon power generation to take advantage of opportunities in the green energy 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 regulatory 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 business is exposed to liquidity and refinancing risks primarily through the need to finance its business operations, including margining payments and collaterals issued for hedging activities. 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's objective is 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. A possible downgrade to below investment grade level would affect the access to the capital markets and increase the cost of new financing. 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. Fortum continues to constantly monitor all rating-related developments and to regularly exchange information with the rating agencies.

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 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 renewable hydrogen produced with renewable power, will potentially offer future business opportunities for Fortum.

Driving the transition to a low-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.

Outlook

In the near term, the operating environment is impacted by strong geopolitical tensions, including US trade policies, which cause uncertainty and turbulence in the general economic outlook and may affect international production chains and commodity markets. Despite interest rate cuts, geopolitical risks, heightened uncertainty and reduced visibility may pose challenges to major industrial investments in the Nordics.

In the long term, electricity is expected to gain a significantly larger share of total energy consumption. The electricity demand growth rate will be influenced by factors such as macroeconomic and demographic development, improved energy efficiency, and decarbonisation through direct electrification of energy-intensive sectors, including various industrials, transport, and heating and cooling, as well as green hydrogen.

Hedging

At the end of the first quarter of 2025, approximately 75% of the Generation segment's estimated Nordic power sales volume was hedged at 40 EUR/MWh for the remainder of 2025, and approximately 50% at 41 EUR/MWh for 2026 (at the end of 2024: 45% at 41 EUR/MWh). Fortum's hedge ratios and prices comprise its outright nuclear, hydro and wind generation volumes. The current outright portfolio amounts to approximately 47 TWh. The reported hedge ratios are based on the hedges and power generation forecasts of the Generation segment.

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. At the end of 2024, the hedged share of the rolling 10-year outright generation volume was approximately 18%.

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 the power futures exchange and traded either on the futures exchange or with bilateral counterparties. As an additional liquidity risk mitigation measure, Fortum is mainly hedging with bilateral agreements, and the exposure on the futures exchange is clearly lower. Fortum continues to utilise dual channels for its hedging: bilateral arrangements and trading on the futures exchange, depending on the market liquidity and financial optimisation.

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.

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. For 2025, the annual optimisation premium included in the achieved power price for the whole outright portfolio is estimated to be in the range of 7–9 EUR/MWh. For the following years, the guidance is 6–8 EUR/MWh. The optimisation premium depends on overall market conditions, level of volatility, and market prices for electricity and environmental value products. In 2024, Fortum's optimisation premium was 8.7 EUR/MWh.

The annual property tax in Sweden will increase by approximately EUR 30 million from the year 2025. The new run-rate is effective until the end of 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 divestments made in 2024 in Circular Solutions, mainly Fortum's recycling and waste business, reduce the Group's fixed cost base by approximately EUR 150 million from 2025. Fortum estimates that the new run-rate for its fixed cost base in 2026 will be approximately EUR 850 million, excluding the increase in the Swedish property tax from 2025.

As part of the programme, total cost synergies materialising from the Consumer Solutions segment's 2024 brand mergers are expected to be approximately EUR 13 million in 2025. In addition, Fortum announced on 18 March that it initiated change negotiations in its Finance and Sustainability and Corporate Relations functions to adjust these organisations to reflect Fortum's current business structure and operating model, improve efficiency and develop ways of working to ensure long-term competitiveness and better support Fortum's businesses over time. The plans concern approximately 640 employees in Finland, Sweden, Norway and Poland, and approximately 65 positions are estimated to be reduced. The aim is to have the new organisations in place by early June 2025.

Income taxation

The comparable effective income tax rate for Fortum is estimated to be in the range of 18–20% for 2025–2026. Fortum's comparable effective tax rate is impacted by the weight of the comparable 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's capital expenditure for 2025–2027, including maintenance but excluding acquisitions, is expected to be approximately EUR 1.4 billion, of which annual growth capital expenditure is expected to be EUR 150–300 million and annual maintenance capital expenditure EUR 250 million. Depending on the general market development and investment environment, new investment decisions may be made.

Sustainability

Sustainability key performance indicators for environmental and social sustainability are presented in this interim report. Sustainability information based on the double materiality assessment is disclosed in the 2024 sustainability statement prepared in accordance with the European Sustainability Reporting Standards (ESRS) of the Corporate Sustainability Reporting Directive (CSRD). In addition, Fortum reports annually on its sustainability-related financial information, including climate-related disclosures, referencing to the requirements of the International Financial Reporting Standards (IFRS) sustainability disclosure standards S1 (General requirements for disclosure of sustainability-related financial information) and S2 (Climate-related disclosures).

Environmental sustainability

In this interim report, Fortum's targets and key performance indicators for environmental sustainability are related to greenhouse gas (GHG) emissions, biodiversity and major environmental incidents. 100% of Fortum's production sites are certified according to the ISO 14001 environmental management system standard.

Fortum has a transition plan for climate change mitigation, which includes decarbonisation of own operations and the value chain. Fortum will prioritise direct emission reductions, and all residual emissions will be neutralised in line with the international Science Based Targets initiative (SBTi) criteria in order to reach net-zero emissions.

In January 2025, SBTi approved Fortum's near- and long-term science-based emission reduction targets and science-based net-zero target by 2040. The targets are aligned with the level of emission reduction needed to limit global warming to 1.5°C. Fortum's commitment to SBTi targets is a significant milestone on Fortum's sustainability journey, in the core of the company's strategy and a vital part of its execution.

SBTi-verified near- and long-term climate targets are:

- Reach net-zero GHG emissions across the value chain by 2040.
- Reduce Scope 1 and 2 GHG emissions by 85% per MWh by 2030 and by 90% per MWh by 2040 from base year 2023 [1)].
- Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 69% per MWh by 2030 and by 94% per MWh by 2040 from base year 2023 [1)].
- Reduce absolute Scope 3 GHG emissions from the use of sold products for sold fossil fuels by 55% by 2033 and by 90% by 2040 from base year 2023.
- Reduce absolute Scope 3 GHG emissions from fuel- and energy-related activities by 90% by 2040 from base year 2023.

1) The SBTi target boundary includes land-related emissions and removals from bioenergy feedstocks.

Fortum's other climate targets are:

- 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.

Group performance, environmental sustainability

	I/2025	I/2024 [2]	2024 [2]	LTM [2]
Emissions				
Direct CO_2 emissions, million tonnes (Mt)	0.3	0.5	1.3	1.0
Specific CO_2 emissions from total energy production, gCO_2/kWh [1]	21	37	26	21
Specific CO_2 emissions from power generation, gCO_2/kWh [1]	9	15	11	10
Emissions subject to ETS, Mt	0.3	0.4	0.8	0.7
Emissions not subject to ETS, Mt	0.0	0.1	0.5	0.3
Other				
Major environmental incidents, no.	0	0	1	1
Power generation, TWh	12.3	12.9	46.3	45.8
Share of power generation from renewable and nuclear sources, %	98	97	99	99
Coal-based capacity, GW	1.0	1.3	1.0	
Coal-based power generation capacity, GW	0.7	0.7	0.7	
Coal-based heat production capacity, GW	0.4	0.6	0.4	
Coal-based power and heat production, TWh	0.5	0.8	1.4	1.1
Coal-based power generation, TWh	0.2	0.2	0.4	0.4
Coal-based heat production, TWh	0.3	0.5	0.9	0.7
Share of coal of sales, %	3	4	3	3
Share of fossil fuels of production-based sales, %	6	7	6	5
Share of fossil fuels of sales, %	15	14	12	12

1) I/2024 figures have been recalculated to align with changes made in the calculation process in IV/2024.
2) Includes the recycling and waste business until 29 November 2024, the date of disposal.

Fortum has committed to the following biodiversity targets:

- No net loss of biodiversity from existing and new operations in Scope 1 and 2 from 2030 onwards, excluding all aquatic impacts.
- 50% reduction in dynamic terrestrial impacts in upstream Scope 3 by 2030 compared to 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 the first quarter of 2025, Fortum continued to carry out both voluntary and licence-related hydro-power biodiversity measures to mitigate negative impacts and, where possible, to implement improvement measures. In addition, Fortum continued the case studies started in 2024 aiming to create a process to analyse the biodiversity footprint for new investments and to assess biodiversity impact mitigation possibilities (for adverse impacts) in order to reach the corporate-level 'No Net Loss' target from 2030 onwards.

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 (air, water or soil) or environmental non-compliances with legal or regulatory requirements. Fortum's target is to have no major environmental incidents and no major non-compliance cases. There were no major environmental incidents in the first quarter of 2025 (I/2024: 0).

Social sustainability

In this interim report, Fortum’s targets and key performance indicators for social sustainability are related to occupational safety and employee health and wellbeing.

Fortum strives to be a safe workplace for the employees, contractors and service providers working for the company. A certified ISO 45001 safety management system covers 100% of Fortum’s production sites.

Fortum’s safety targets 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.
- 75% execution rate for Safety improvement plans in 2025.

Group performance, social sustainability

	I/2025	I/2024 1)	2024 1)	LTM 1)
Total Recordable Injury Frequency (TRIF), own personnel and contractors, injuries per million working hours	2.6	4.4	4.0	3.6
Severe or fatal injuries, no.	0	0	2	2

1) Includes the recycling and waste business until 29 November 2024, the date of disposal.

Fortum's goal regarding workplace wellbeing activities is to promote its employees' health and occupational safety as well as the functionality of the work community. Fortum measures its employees' perceptions on health and wellbeing as well as Fortum's efforts in supporting their mental, physical and social wellbeing through an employee survey carried out twice a year. Fortum's November 2024 health and wellbeing score was 7.9 (excluding recycling and waste business employees), on par with the energy and utility sector peer benchmark.

Fortum expects its business partners to act responsibly and to comply with the requirements set forth in the Code of Conduct and the Supplier Code of Conduct. Fortum assesses the performance of its business partners with supplier qualifications, supplier audits and a Know Your Counterparty (KYC) process. Fortum continuously develops its supplier evaluation and supply chain due diligence process.

Fortum collaborates with communities and organisations at global, national and local levels through the Corporate Social Responsibility (CSR) programme. 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). In the first quarter of 2025, Fortum supported two organisations through its CSR programme, Save the Children (humanitarian work globally), and Hilma Support Centre for Immigrant Persons with Disabilities.

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 2025
CDP Supplier Engagement	A-	A	March 2024
MSCI ESG Ratings	A	AAA	December 2024
ISS ESG Corporate Rating	B (Prime)	A+	January 2025
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.

Group personnel

Fortum's operations are mainly based in the Nordic countries. The total number of employees at the end of March 2025 was 4,451 (31 Dec 2024: 4,466).

At the end of March 2025, the Generation segment had 2,096 (31 Dec 2024: 2,053) employees, the Consumer Solutions segment 1,086 (31 Dec 2024: 1,118), and the Other Operations segment 1,269 (31 Dec 2024: 1,295).

Changes in management

As announced in December 2024, Karin Svenske Nyberg (M.Sc.) will start as Executive Vice President, People and member of the Fortum Leadership Team on 1 May 2025. In addition, Kati Levoranta (LL.M., MBA) will start as Executive Vice President, Legal, General Counsel and member of the Fortum Leadership Team on 1 June 2025.

Legal actions

There were no major developments in the ongoing legal actions during the first quarter of 2025. For further information on legal actions, see Note 16.

Shares and share capital

Fortum shares on Nasdaq Helsinki

January–March 2025	No. of shares traded	Total value EUR	High EUR	Low EUR	Average EUR [1)]	Last EUR
FORTUM	102,911,418	1,498,182,035	15.84	13.22	14.56	15.11

1) Volume-weighted average.

	31 March 2025	31 March 2024
Market capitalisation, EUR billion	13.6	10.3
Number of shareholders	223,872	232,317
Finnish State holding, %	51.3	51.3
Nominee registrations and direct foreign shareholders, %	22.6	20.2
Households, %	14.1	14.7
Financial and insurance corporations, %	2.1	2.5
Other Finnish investors, %	10.1	11.1

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 the first quarter of 2025, approximately 66% of Fortum's shares were traded on markets other than Nasdaq Helsinki (source Bloomberg).

On 31 March 2025, 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.

Annual General Meeting 2025

The Annual General Meeting of Fortum Corporation 2025 (AGM) was held at the Finlandia Hall in Helsinki, Finland, on 1 April 2025.

The AGM adopted the Financial Statements and the Consolidated Financial Statements for the financial period 1 January–31 December 2024. Further, the AGM resolved that a dividend of EUR 1.40 per share will be paid for the financial year that ended on 31 December 2024, which corresponds to EUR 1,256,170,251, and that the remaining part of the distributable funds will be retained in the unrestricted equity of the Company. The record date of the dividend payment was 3 April 2025, and the dividend was paid on 10 April 2025.

The AGM resolved to discharge from liability for the financial year 2024 all the persons who had served as members of the Board of Directors and as President and CEO during the year 2024.

The AGM resolved to approve the remuneration report for the Company's governing bodies for 2024 and to support the updated remuneration policy for the Company's governing bodies. These resolutions were advisory.

Board of Directors

In accordance with the proposal of the Shareholders' Nomination Board, the AGM resolved, in addition to increasing the fixed annual fees, that the fixed fees for the Committee work, which previously had been in use, will be discontinued to streamline the remuneration structure. The following fixed annual fees will be paid to the Chair, Deputy Chair and the other members of the Board of Directors for the term that started at the end of the AGM 2025 and ending at the end of the AGM 2026:

The annual fee of the Chair, Deputy Chair and other members of the Board of Directors:

- Board Chair: EUR 155,000
- Board Deputy Chair: EUR 85,000
- Committee Chairs: EUR 85,000, in case that he/she does not simultaneously act as Chair or Deputy Chair of the Board of Directors
- Board Members: EUR 68,000.

The meeting fee payable to a Board member, also for the Committee meetings, will be EUR 1,000 for each meeting, or EUR 2,000 in case the member travels to the meeting outside his/her country of residence. When a member participates in the meeting via remote connection, or for the decisions that are confirmed without convening a meeting, the meeting fee will be EUR 1,000. The travel expenses of Board members are compensated in accordance with the Company's travel policy.

The annual fee for the Board work of the Board members will be paid in Company shares and in cash in such a way that approximately 40% of the amount of the annual fee will be payable in shares acquired on behalf and in the name of the Board members, and the remainder in cash. The Company will pay the costs and the transfer tax related to the purchase of the Company shares.

The shares will be acquired on behalf and in the name of the Board members within two weeks following the publication of the Company's first quarter 2025 interim report. If share purchases cannot be carried out within the aforementioned schedule due to a reason related to the Company or a Board member, the shares will be acquired later, or the annual fee will be paid fully in cash. The meeting fees will be paid fully in cash.

The AGM resolved that the Board of Directors consist of nine members, the Chair and the Deputy Chair included and elected the following persons to the Board of Directors for a term ending at the end of the AGM 2026: Mikael Silvennoinen as Chair, Jonas Gustavsson as Deputy Chair, and Ralf Christian, Luisa Delgado, Marita Niemelä, Teppo Paavola, Johan Söderström and Vesa-Pekka Takala as members, and Stefanie Kesting as a new member.

Auditor and sustainability reporting assurance provider

The AGM resolved that the fees of the auditors and the sustainability reporting assurance providers elected for the financial years 2025 and 2026 will be paid pursuant to the invoices approved by the Company.

The AGM re-elected audit firm Deloitte Oy as the Company's auditor and sustainability reporting assurance provider for the financial year 2025, with Jukka Vattulainen, APA, ASA, as the principal auditor and principal authorised sustainability auditor.

The AGM elected KPMG Oy Ab as the Company's auditor and sustainability reporting assurance provider for the financial year 2026, with Kirsi Jantunen, APA, ASA, as the principal auditor and principal authorised sustainability auditor.

Charitable contributions

The AGM authorised 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. The authorisations will be effective until the next Annual General Meeting. As of 28 April 2025, these authorisations were not used.

Based on the authorisation on contributions by the AGM 2024, effective until the AGM 2025, EUR 338,500 (total authorised amount EUR 500,000) of the authorisation for charitable or similar purposes and EUR 386,000 (total authorised amount EUR 1,000,000) for incidental emergency relief was used as of 1 April 2025.

Other major announcements during the first quarter of 2025

On 9 January, Fortum published its ambitious climate targets validated by the international Science Based Targets initiative (SBTi). In 2024, Fortum revisited its climate targets and set near- and long-term science-based emissions reduction targets and a net-zero target across the value chain by 2040. The targets are aligned with the level of emissions reduction needed to limit global warming to 1.5°C.

Events after the balance sheet date

On 24 April, Fortum announced that it has signed an agreement to acquire the shareholding in the Polish electricity solutions provider Orange Energia Sp. z o.o. on a cash and debt-free basis for a maximum of approximately PLN 120 million (EUR 28 million) from Orange Polska S.A. Upon closing, expected in June or July 2025, approximately PLN 90 million (EUR 21 million) will be paid in cash. According to an agreed earn-out, the remaining amount will be settled by the beginning of 2029 based on achieved electricity sales volume targets through Orange Polska's nationwide retail sales distribution network. The transaction is subject to customary closing conditions.

Dividend payment

The Annual General Meeting 2025 approved a dividend of EUR 1.40 per share for the financial year that ended 31 December 2024.

The record date for the dividend payment was 3 April 2025, and the dividend was paid on 10 April 2025.

Espoo, 29 April 2025
Fortum Corporation
Board of Directors

Further information:

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The Interim Report has been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the EU. The Interim Report is unaudited.

Financial calendar

Fortum's interim reports in 2025:

- 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.

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	I/2025	I/2024	2024	LTM
Sales	3	1,642	2,015	5,800	5,427
Other income		6	10	48	44
Materials and services		-911	-1,167	-3,295	-3,039
Employee benefits		-100	-120	-485	-464
Depreciation and amortisation	3	-76	-92	-379	-362
Other expenses		-100	-115	-511	-496
Comparable operating profit	3	**462**	**530**	**1,178**	**1,110**
Items affecting comparability	3, 4	8	42	147	113
Operating profit	3	**470**	**571**	**1,325**	**1,224**
Share of profit of associates and joint ventures	3, 7	9	21	19	7
Interest expense		-44	-63	-226	-207
Interest income		37	53	234	217
Other financial items - net		-23	-3	47	27
Finance costs - net	8	-29	-13	55	38
Profit before income tax		**450**	**580**	**1,399**	**1,269**
Income tax expense	9	-88	-106	-239	-221
Net profit		**362**	**473**	**1,160**	**1,049**
Attributable to:					
Owners of the parent		363	471	1,164	1,056
Non-controlling interests		-1	2	-4	-8
Earnings per share for profit attributable to the equity owners of the company (EUR per share)					
Basic		0.40	0.53	1.30	1.17

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

EUR million	Note	I/2025	I/2024	2024	LTM
Comparable operating profit		**462**	**530**	**1,178**	**1,110**
Impairment charges and reversals		-11	-2	-17	-26
Capital gains and other related items		0	5	183	178
Changes in fair values of derivatives hedging future cash flow		20	39	-61	-80
Other		-1	0	43	41
Items affecting comparability	3, 4	8	42	147	113
Operating profit		**470**	**571**	**1,325**	**1,224**

See Note 19 Definitions and reconciliations of key figures.

Condensed consolidated statement of comprehensive income

EUR million	I/2025	I/2024	2024	LTM
Net profit	**362**	**473**	**1,160**	**1,049**
Other comprehensive income				
Items that may be reclassified to profit or loss in subsequent periods:				
Cash flow hedges				
Fair value gains/losses [1]	126	508	516	134
Transfers to income statement	0	7	66	58
Transfers to inventory/property, plant and equipment	-3	0	-1	-4
Deferred taxes	-26	-104	-116	-37
Net investment hedges				
Fair value gains/losses	-6	4	4	-6
Deferred taxes	1	-1	-1	1
Exchange differences on translating foreign operations [2]	68	13	13	67
Share of other comprehensive income of associates and joint ventures	4	-1	1	7
	163	**426**	**483**	**220**
Items that will not be reclassified to profit or loss in subsequent periods:				
Remeasurement of investments	0	0	1	1
Actuarial gains/losses on defined benefit plans	0	0	15	15
	0	**0**	**16**	**16**
Other comprehensive income/expense, net of deferred taxes	**163**	**426**	**499**	**236**
Total comprehensive income/expense	**525**	**899**	**1,659**	**1,285**
Total comprehensive income/expense attributable to:				
Owners of the parent	525	897	1,663	1,291
Non-controlling interests	0	2	-4	-6
	525	**899**	**1,659**	**1,285**

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.

Condensed consolidated balance sheet

EUR million	Note	31 Mar 2025	31 Dec 2024
ASSETS			
Non-current assets			
Intangible assets		574	549
Property, plant and equipment and right-of-use assets		6,324	6,070
Participations in associates and joint ventures		1,309	1,260
Share in the State Nuclear Waste Management Fund	13	1,108	1,117
Other non-current assets		227	238
Deferred tax assets		835	845
Derivative financial instruments	5	305	266
Long-term interest-bearing receivables	11	462	431
Total non-current assets		**11,144**	**10,777**
Current assets			
Inventories		407	420
Derivative financial instruments	5	383	379
Short-term interest-bearing receivables	11	243	283
Margin receivables	12	280	205
Trade and other receivables		967	1,108
Liquid funds	12	4,318	4,136
Total current assets		**6,599**	**6,530**
Total assets		**17,743**	**17,307**
EQUITY			
Equity attributable to owners of the parent			
Share capital		3,046	3,046
Share premium		73	73
Retained earnings		6,190	5,770
Other equity components		290	186
Total		**9,599**	**9,074**
Non-controlling interests		80	79
Total equity		**9,679**	**9,154**
LIABILITIES			
Non-current liabilities			
Interest-bearing liabilities	12	3,589	4,336
Derivative financial instruments	5	205	221
Deferred tax liabilities		419	386
Nuclear provisions	13	1,108	1,117
Other non-current liabilities		232	216
Total non-current liabilities		**5,554**	**6,276**
Current liabilities			
Interest-bearing liabilities	12	1,139	492
Derivative financial instruments	5	419	333
Margin liabilities	12	56	93
Trade and other payables		896	959
Total current liabilities		**2,510**	**1,877**
Total liabilities		**8,064**	**8,153**
Total equity and liabilities		**17,743**	**17,307**

Condensed consolidated statement of changes in total equity

EUR million	Share capital	Share premium	Retained earnings: Retained earnings	Retained earnings: Translation of foreign operations	Other equity components: Cash flow hedges	Other equity components: Other OCI items	Other equity components: OCI items associates and joint ventures	Owners of the parent	Non-controlling interests	Total equity
Total equity 1 January 2025	**3,046**	**73**	**6,780**	**-1,010**	**127**	**5**	**53**	**9,074**	**79**	**9,154**
Net profit			363					363	-1	362
Translation differences				57	6	0	3	66	2	68
Other comprehensive income					97	-5	4	95	0	95
Total comprehensive income for the period			363	57	102	-5	7	525	0	525
Other			0					0	0	0
Total equity 31 March 2025	**3,046**	**73**	**7,143**	**-953**	**230**	**0**	**60**	**9,599**	**80**	**9,679**
Total equity 1 January 2024	**3,046**	**73**	**6,618**	**-1,026**	**-337**	**-14**	**79**	**8,438**	**60**	**8,499**
Net profit			471					471	2	473
Translation differences				15	1	0	-2	13	0	13
Other comprehensive income					411	3	-1	413	0	413
Total comprehensive income for the period			471	15	411	3	-3	897	2	899
Cash dividend			-1,032					-1,032	0	-1,032
Transactions with non-controlling interests								0	23	23
Other			1					1	0	1
Total equity 31 March 2024	**3,046**	**73**	**6,058**	**-1,011**	**74**	**-11**	**76**	**8,305**	**85**	**8,390**
Total equity 1 January 2024	**3,046**	**73**	**6,618**	**-1,026**	**-337**	**-14**	**79**	**8,438**	**60**	**8,499**
Net profit			1,164					1,164	-4	1,160
Translation differences				15	-1	0	-2	13	0	13
Other comprehensive income					466	19	1	486	0	486
Total comprehensive income for the period			1,164	15	465	19	0	1,663	-4	1,659
Cash dividend			-1,032					-1,032	0	-1,032
Deconsolidation of subsidiary companies								0	-2	-2
Transactions with non-controlling interests								0	25	25
Other [1)]			30				-25	5	0	5
Total equity 31 December 2024	**3,046**	**73**	**6,780**	**-1,010**	**127**	**5**	**53**	**9,074**	**79**	**9,154**

1) Including a restatement related to the hedge accounting of interest rate derivatives hedging the interest of the subordinated loans in Fortum's joint venture Teollisuuden Voima Oyj (TVO).

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 1.4 Key exchange rates used in consolidated financial statements.

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 2024 of EUR 1.40 per share, amounting to a total of EUR 1,256 million, was decided in the Annual General Meeting on 1 April 2025. The dividend was paid on 10 April 2025. These interim financial statements do not reflect this dividend.

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 was paid in two instalments. See also Note 10 Dividend per share.

Comparable non-controlling interests

EUR million	I/2025	I/2024	2024	LTM
Non-controlling interests	1	-2	4	8
Adjustments to non-controlling interests	-2	1	3	0
Comparable non-controlling interests	**0**	**-1**	**7**	**8**

Condensed consolidated cash flow statement

EUR million	Note	I/2025	I/2024	2024	LTM
Cash flow from operating activities					
Net profit		**362**	**473**	**1,160**	**1,049**
Adjustments:					
Income tax expense		88	106	239	221
Finance costs - net		29	13	-55	-38
Share of profit/loss of associates and joint ventures	7	-9	-21	-19	-7
Depreciation and amortisation	3	76	92	379	362
Operating profit before depreciations (EBITDA)		**546**	**664**	**1,704**	**1,586**
Items affecting comparability	3, 4	-8	-42	-147	-113
Comparable EBITDA		**538**	**622**	**1,556**	**1,472**
Non-cash and other items		-10	-86	-89	-12
Interest received		36	51	236	221
Interest paid		-80	-78	-225	-228
Dividends received		1	2	14	13
Income taxes paid		-64	-86	-196	-173
Funds from operations		**422**	**425**	**1,297**	**1,293**
Change in working capital		31	113	95	14
Net cash from operating activities		**453**	**538**	**1,392**	**1,307**
Cash flow from investing activities					
Capital expenditures	3	-100	-110	-472	-461
Acquisitions of shares	6	-16	-4	-33	-44
Proceeds from sales of property, plant and equipment		0	0	3	2
Divestments of shares and capital returns	6	0	5	764	760
Shareholder loans to associated companies and joint ventures	11	-20	-21	-26	-24
Change in margin receivables		-75	270	386	42
Change in other interest-bearing receivables	11	35	-22	-19	38
Net cash from/used in investing activities		**-174**	**117**	**604**	**312**
Cash flow before financing activities		**279**	**655**	**1,995**	**1,619**
Cash flow from financing activities					
Proceeds from long-term liabilities	12	2	1	5	7
Payments of long-term liabilities [1]	12	-4	-5	-944	-943
Change in short-term liabilities	12	-67	78	-37	-182
Dividends paid to the owners of the parent	10	0	0	-1,032	-1,032
Change in margin liabilities		-37	-33	-38	-42
Other financing items		0	0	2	2
Net cash from/used in financing activities		**-106**	**40**	**-2,043**	**-2,189**
Net increase(+)/decrease(-) in liquid funds		**173**	**695**	**-47**	**-570**
Liquid funds at the beginning of the period	12	**4,136**	**4,183**	**4,183**	**4,875**
Foreign exchange differences and expected credit loss allowance in liquid funds		10	-3	0	13
Liquid funds at the end of the period	12	**4,318**	**4,875**	**4,136**	**4,318**

1) In 2024, the 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 was impacting the cash flow.

Additional cash flow information

Non-cash and other items

Non-cash and other items EUR -10 million in I/2025 (I/2024: -86) mainly relate to realised foreign exchange gains and losses EUR -31 million (I/2024: -112) and change in liability to return emission rights EUR 18 million (I/2024: 27).

Change in working capital

EUR million	I/2025	I/2024	2024	LTM
Change in interest-free receivables, decrease(+)/increase(-)	61	246	243	59
Change in inventories, decrease(+)/increase(-)	15	47	-17	-49
Change in interest-free liabilities, decrease(-)/increase(+)	-46	-180	-131	4
Total	**31**	**113**	**95**	**14**

Capital expenditure in cash flow

EUR million	I/2025	I/2024	2024	LTM
Capital expenditure	132	88	483	527
Change in not yet paid investments, decrease(+)/increase(-)	-30	25	-2	-57
Capitalised borrowing costs	-2	-3	-10	-9
Total	**100**	**110**	**472**	**461**

Acquisition of shares in cash flow

Acquisition of shares, net of cash acquired, amounted to EUR 16 million during I/2025 (I/2024: 4). For further information, see Note 6.1 Acquisitions.

Divestment of shares in cash flow

EUR million	I/2025	I/2024	2024	LTM
Proceeds from sales of subsidiaries, net of cash disposed	0	5	726	721
Proceeds from sales and capital returns of associates and joint ventures	0	0	38	38
Total	**0**	**5**	**764**	**760**

There were no material divestments during I/2025. In 2024 Fortum completed the divestment of its recycling and waste business and the sale of the remaining 43.75% share of its 185 MW Indian solar power portfolio. See more information in Note 6 Acquisitions and disposals.

Change in financial net debt

EUR million	Note	I/2025	2024
Financial net debt, beginning of the period		**367**	**942**
Net cash flow:			
Comparable EBITDA		538	1,556
Non-cash and other items		-10	-89
Paid net financial costs and dividends received		-43	25
Income taxes paid		-64	-196
Change in working capital		31	95
Capital expenditures		-100	-472
Acquisitions		-16	-33
Divestments and proceeds from sale of property, plant and equipment		0	767
Change in interest-bearing receivables		15	-44
Dividends to the owners of the parent		0	-1,032
Other financing activities		0	2
Net cash flow ('-' increase in financial net debt)		354	580
Foreign exchange rate differences and other changes		-1	5
Financial net debt, end of the period	12	**13**	**367**

Capital risk management

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. S&P Global Ratings currently rates Fortum as BBB+ with Stable Outlook and Fitch Ratings as BBB with Stable Outlook.
- 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.
- 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 programme is progressing according to plan and schedule.
- For the period of 2025–2027, Fortum's capital expenditure is expected to be approximately EUR 1.4 billion (excluding acquisition) of which annual growth capital expenditure is expected to be EUR 150–300 million and annual maintenance capital expenditure EUR 250 million.

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'.

Financial net debt/comparable EBITDA

EUR million	Note	LTM	2024
+ Interest-bearing liabilities		**4,728**	**4,828**
- Liquid funds		**4,318**	**4,136**
- Collateral arrangement		**173**	**213**
- Margin receivables		280	205
+ Margin liabilities		56	93
+/- Net margin liabilities/receivables		**-224**	**-111**
Financial net debt	12	**13**	**367**
Operating profit		1,224	1,325
+ Depreciation and amortisation		362	379
EBITDA		**1,586**	**1,704**
- Items affecting comparability		-113	-147
Comparable EBITDA		**1,472**	**1,556**
Financial net debt/comparable EBITDA		**0.0**	**0.2**

Key figures

EUR million or as indicated	I/2025	I/2024	2024	LTM
Reported				
Sales	1,642	2,015	5,800	5,427
Operating profit	470	571	1,325	1,224
Share of profit of associates and joint ventures	9	21	19	7
Net profit (after non-controlling interests)	363	471	1,164	1,056
Earnings per share, EUR	0.40	0.53	1.30	1.17
Net cash from operating activities	453	538	1,392	1,307
Capital expenditure and gross investments in shares	154	93	516	578
Capital expenditure	132	88	483	527

EUR million or as indicated	I/2025	I/2024	2024	LTM
Comparable				
EBITDA	538	622	1,556	1,472
Operating profit	462	530	1,178	1,110
Share of profit of associates and joint ventures	8	12	-30	-34
Net profit (after non-controlling interests)	374	430	900	845
Earnings per share, EUR	0.42	0.48	1.00	0.94

EUR million or as indicated	LTM	2024
Financial position		
Financial net debt (at period-end)	13	367
Financial net debt/comparable EBITDA	0.0	0.2

EUR or as indicated	31 Mar 2025	31 Dec 2024
Equity per share, EUR	10.70	10.11
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

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 2024.

The figures in the condensed 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.

1.2 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).

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

1.3 Accounting policies

The same accounting policies that were applied in the preparation of the consolidated financial statements for the year ended 31 December 2024, have been applied in these condensed interim financial statements.

New standards, amendments and interpretations effective from 1 January 2025 have not had a material impact on Fortum's consolidated financial statements.

1.4 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–Mar 2025	Jan–Dec 2024	Jan–Sep 2024	Jan–Jun 2024	Jan–Mar 2024
Norway (NOK)	11.6514	11.6290	11.5854	11.4926	11.4159
Poland (PLN)	4.2015	4.3058	4.3053	4.3169	4.3333
Sweden (SEK)	11.2352	11.4325	11.4120	11.3914	11.2792

Balance sheet date rate	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
Norway (NOK)	11.4130	11.7950	11.7645	11.3965	11.6990
Poland (PLN)	4.1840	4.2750	4.2788	4.3090	4.3123
Sweden (SEK)	10.8490	11.4590	11.3000	11.3595	11.5250

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 2024.

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 innovation and venturing activities, enabling functions and corporate management. It also includes the remaining Circular Solutions businesses, mainly the battery recycling business.

Quarter

		Generation [1]		Consumer Solutions		Other Operations		Total	
EUR million	**Note**	**I/2025**	**I/2024**	**I/2025**	**I/2024**	**I/2025**	**I/2024**	**I/2025**	**I/2024**
Income statement data by segment									
Power sales		906	1,207	859	978	0	2	1,765	2,187
Heat sales		200	191	0	0	0	11	200	203
Gas sales		0	0	135	142	0	0	135	142
Waste treatment sales		5	3	0	0	0	54	6	57
Other sales		10	11	7	34	45	76	62	121
Sales		**1,122**	**1,412**	**1,000**	**1,154**	**46**	**144**	**2,168**	**2,710**
Internal eliminations		-88	-108	-2	14	-37	-34	-126	-128
Netting of Nord Pool transactions [2]								-399	-567
External sales		1,034	1,304	999	1,168	9	109	1,642	2,015
Comparable EBITDA		**485**	**564**	**69**	**62**	**-15**	**-3**	**538**	**622**
Depreciation and amortisation		-49	-51	-22	-19	-5	-22	-76	-92
Comparable operating profit		**436**	**513**	**47**	**42**	**-20**	**-25**	**462**	**530**
Impairment charges and reversals		-11	0	0	0	0	-2	-11	-2
Capital gains and other related items	6	0	0	0	0	0	5	0	5
Changes in fair values of derivatives hedging future cash flow		18	29	2	10	0	0	20	39
Other		-1	0	0	0	0	0	-1	0
Items affecting comparability	4	5	29	2	10	0	3	8	42
Operating profit		**441**	**542**	**49**	**52**	**-20**	**-22**	**470**	**571**
Comparable share of profit of associates and joint ventures	4, 7	5	11	0	0	3	1	8	12
Share of profit of associates and joint ventures	7	7	20	0	0	3	1	9	21
Gross investments / divestments by segment									
Gross investments in shares	6	18	0	0	0	4	4	22	4
Capital expenditure		117	61	14	17	1	10	132	88
Gross divestments of shares	6	0	0	0	0	0	5	0	5

1) Power 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. Power sales also include sale of renewable energy certificates EUR 92 million (I/2024: 99).
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]		Consumer Solutions		Other Operations		Total	
		LTM	2024	LTM	2024	LTM	2024	LTM	2024
Income statement data by segment									
Power sales		2,933	3,234	2,515	2,635	3	5	5,451	5,873
Heat sales		510	502	0	0	14	25	524	527
Gas sales		0	0	379	386	0	0	379	386
Waste treatment sales		13	11	0	0	158	212	171	223
Other sales		48	48	25	53	324	355	397	456
Sales		**3,504**	**3,795**	**2,919**	**3,073**	**498**	**596**	**6,922**	**7,464**
Internal eliminations		-286	-307	-20	-5	-160	-157	-467	-469
Netting of Nord Pool transactions [2]								-1,028	-1,196
External sales		3,218	3,488	2,899	3,068	338	439	5,427	5,800
Comparable EBITDA		**1,342**	**1,421**	**168**	**161**	**-38**	**-26**	**1,472**	**1,556**
Depreciation and amortisation		-201	-204	-87	-85	-73	-90	-362	-379
Comparable operating profit		**1,141**	**1,218**	**81**	**76**	**-112**	**-116**	**1,110**	**1,178**
Impairment charges and reversals		-11	0	0	0	-15	-17	-26	-17
Capital gains and other related items	6	0	0	0	0	179	183	178	183
Changes in fair values of derivatives hedging future cash flow		-118	-107	38	46	0	0	-80	-61
Other		-9	-7	0	0	50	50	41	43
Items affecting comparability	4	-138	-115	38	46	214	216	113	147
Operating profit		**1,002**	**1,103**	**120**	**122**	**102**	**100**	**1,224**	**1,325**
Comparable share of profit of associates and joint ventures	4, 7	-32	-26	0	0	-2	-3	-34	-30
Share of profit of associates and joint ventures	7	9	22	0	0	-2	-3	7	19
Gross investments / divestments by segment									
Gross investments in shares	6	18	0	0	0	33	33	51	33
Capital expenditure		411	355	68	71	48	57	527	483
Gross divestments of shares	6	34	34	0	0	746	751	781	785

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. Power sales also include sale of renewable energy certificates EUR 142 million (2024: 149).
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

		Generation		Consumer Solutions		Other Operations		Total	
EUR million	**Note**	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2025**	**31 Dec 2024**
Non-interest-bearing assets		7,167	7,000	1,069	1,061	280	302	8,516	8,362
Participations in associates and joint ventures		1,232	1,189	1	1	76	71	1,309	1,260
Eliminations								-103	-126
Total segment assets		**8,399**	**8,188**	**1,070**	**1,061**	**356**	**373**	**9,722**	**9,496**
Interest-bearing receivables	11							705	714
Deferred tax assets								835	845
Other assets								2,163	2,116
Liquid funds								4,318	4,136
Total assets								**17,743**	**17,307**
Segment liabilities		**571**	**581**	**348**	**337**	**151**	**151**	**1,070**	**1,068**
Eliminations								-103	-126
Total segment liabilities								**967**	**942**
Deferred tax liabilities								419	386
Other liabilities								1,950	1,998
Total liabilities included in capital employed								**3,336**	**3,325**
Interest-bearing liabilities	12							4,728	4,828
Total equity								9,679	9,154
Total equity and liabilities								**17,743**	**17,307**
Number of employees		2,096	2,053	1,086	1,118	1,269	1,295	4,451	4,466

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

		Generation		Consumer Solutions	
EUR million	**Note**	**LTM**	**31 Dec 2024**	**LTM**	**31 Dec 2024**
Comparable operating profit		**1,141**	**1,218**	**81**	**76**
Comparable share of profit of associates and joint ventures	4, 7	-32	-26	0	0
Comparable operating profit including comparable share of profit/loss of associates and joint ventures		**1,108**	**1,191**	**81**	**76**
Segment assets at the end of the period		8,399	8,188	1,070	1,061
Segment liabilities at the end of the period		571	581	348	337
Comparable net assets		**7,828**	**7,608**	**722**	**725**
Comparable net assets average [1)]		**7,538**	**7,425**	**660**	**683**
Comparable return on net assets, %		**14.7**	**16.0**	**12.3**	**11.2**

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	**I/2025**	**I/2024**	**I/2025**	**I/2024**	**I/2025**	**I/2024**	**I/2025**	**I/2024**	**I/2025**	**I/2024**	**I/2025**	**I/2024**
Sales	1,654	2,018	0	0	0	0	-12	-3	0	0	1,642	2,015
Other income	13	41	0	0	0	-5	-6	-26	0	0	6	10
Materials and services	-910	-1,162	0	0	0	0	-1	-5	0	0	-911	-1,167
Employee benefits	-102	-120	0	0	0	0	0	0	1	0	-100	-120
Depreciation and amortisation	-87	-94	11	2	0	0	0	0	0	0	-76	-92
Other expenses	-99	-111	0	0	0	0	-1	-4	0	0	-100	-115
Comparable operating profit			**11**	**2**	**0**	**-5**	**-20**	**-39**	**1**	**0**	**462**	**530**
Items affecting comparability			-11	-2	0	5	20	39	-1	0	8	42
Operating profit	**470**	**571**									**470**	**571**

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**	**2024**	**LTM**	**2024**	**LTM**	**2024**	**LTM**	**2024**	**LTM**	**2024**	**LTM**	**2024**
Sales	5,378	5,742	0	0	0	0	49	58	0	0	5,427	5,800
Other income	212	240	0	0	-178	-183	69	49	-58	-58	44	48
Materials and services	-3,037	-3,289	0	0	0	0	-8	-12	6	6	-3,039	-3,295
Employee benefits	-466	-485	0	0	0	0	0	0	1	0	-464	-485
Depreciation and amortisation	-389	-396	26	17	0	0	0	0	0	0	-362	-379
Other expenses	-475	-486	0	0	0	0	-30	-34	9	9	-496	-511
Comparable operating profit			**26**	**17**	**-178**	**-183**	**80**	**61**	**-41**	**-43**	**1,110**	**1,178**
Items affecting comparability			-26	-17	178	183	-80	-61	41	43	113	147
Operating profit	**1,224**	**1,325**									**1,224**	**1,325**

Impairment charges and reversals

Impairment charges are adjusted from depreciation and amortisation and presented in items affecting comparability. In I/2025 impairment charges and reversals include impairment charges of assets in India.

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. In 2024 capital gains and other related items amounted to EUR 183 million, including a tax-exempt capital gain of EUR 176 million from the divestment of the recycling and waste business. See Note 6 Acquisitions and disposals.

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.

Other

Restructuring and cost management expenses, and other miscellaneous non-operating items are adjusted mainly from materials and services or other expenses. In 2024, 'Other' included EUR 58 million income from a settlement of a commercial dispute. Related interest income of EUR 13 million was included in 'Finance costs - net'.

4.2 Reconciliation from operating profit to comparable net profit

Comparable net profit and comparable earnings per share

EUR million	Note	I/2025	I/2024	2024	LTM
Comparable operating profit		**462**	**530**	**1,178**	**1,110**
Comparable share of profit/loss of associates and joint ventures	7	8	12	-30	-34
Comparable finance costs - net	8	-11	-12	-36	-35
Comparable profit before income tax		**459**	**529**	**1,112**	**1,042**
Comparable income tax expense	9	-85	-98	-219	-205
Comparable non-controlling interests		0	-1	7	8
Comparable net profit		**374**	**430**	**900**	**845**
Comparable earnings per share, EUR	19	**0.42**	**0.48**	**1.00**	**0.94**

Reconciliation from net profit to comparable net profit

EUR million	Note	I/2025	I/2024	2024	LTM
Net profit		**362**	**473**	**1,160**	**1,049**
- Items affecting comparability		-8	-42	-147	-113
- Adjustments to share of profit/loss of associates and joint ventures	7	-2	-9	-49	-41
- Adjustments to finance costs - net	8	19	0	-91	-73
- Adjustments to income tax expenses	9	3	8	20	15
- Non-controlling interests		1	-2	4	8
- Adjustments to non-controlling interests		-2	1	3	0
Comparable net profit		**374**	**430**	**900**	**845**

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.

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.

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.

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.

See Note 19 Definitions and reconciliations of key figures.

5 Financial risk management

See Fortum Group's consolidated financial statements for the year ended 31 December 2024 for financial risk management objectives and policies, as well as accounting policies in Note 16 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	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2025**	**31 Dec 2024**
In non-current assets										
Other investments [2]					125	139			125	139
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	1	3	133	76			-1		133	79
Non-hedge accounting	6	6	79	57	11	21	0	0	96	83
Interest rate and currency derivatives										
Hedge accounting			75	100					75	100
Non-hedge accounting			0	5					0	5
Total in non-current assets	**7**	**9**	**288**	**237**	**136**	**159**	**-2**	**0**	**430**	**405**
In current assets										
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	184	198	226	184			-120	-117	291	264
Non-hedge accounting	98	199	83	90	1	0	-102	-205	80	85
Interest rate and currency derivatives										
Hedge accounting			7	4					7	4
Non-hedge accounting			7	26					7	26
Interest-bearing receivables [3]	173	213							173	213
Total in current assets	**455**	**610**	**322**	**304**	**1**	**0**	**-221**	**-322**	**557**	**592**
Total in assets	**462**	**619**	**610**	**541**	**137**	**159**	**-223**	**-322**	**986**	**997**

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	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024
In non-current liabilities										
Interest-bearing liabilities [2]			985	990					985	990
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	4	2	51	59			-1		53	61
Non-hedge accounting	38	42	47	51	16	11	0	0	101	104
Interest rate and currency derivatives										
Hedge accounting			46	56					46	56
Non-hedge accounting			5	0					5	0
Total in non-current liabilities	**42**	**44**	**1,133**	**1,156**	**16**	**11**	**-2**	**0**	**1,189**	**1,211**
In current liabilities										
Interest-bearing liabilities			239	275					239	275
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	165	187	71	93			-120	-117	116	163
Non-hedge accounting	143	245	72	92	6	6	-102	-205	119	137
Interest rate and currency derivatives										
Hedge accounting			17	11					17	11
Non-hedge accounting			168	22					168	22
Total in current liabilities	**308**	**432**	**565**	**492**	**6**	**6**	**-221**	**-322**	**658**	**608**
Total in liabilities	**350**	**476**	**1,698**	**1,649**	**23**	**17**	**-223**	**-322**	**1,848**	**1,820**

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 March 2025, the net fair value of commodity derivatives was EUR 209 million, including assets of EUR 599 million and liabilities of EUR 390 million (31 Dec 2024: EUR 46 million including assets of EUR 511 million and liabilities of EUR 465 million).

Net fair value amount of interest rate and currency derivatives was EUR -145 million, including assets of EUR 89 million and liabilities of EUR 234 million. Fortum has cash collaterals based on collateral agreements with some counterparties. At the end of March 2025, Fortum had received EUR 34 million and paid EUR 170 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 levels, 1, 2 and 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 and disposals

6.1 Acquisitions

EUR million	I/2025	I/2024	2024	LTM
Gross investments in shares in subsidiary companies	16	0	0	16
Gross investments in shares in associated companies and joint ventures	5	2	19	21
Gross investments in other shares	2	3	14	13
Total	**22**	**4**	**33**	**51**

In I/2025 Fortum acquired a project development portfolio for renewable power from Enersense. The acquired portfolio includes 2.6 GW of early-stage onshore wind development projects in Finland, of which only a minor part is expected to reach ready-to-build status. The total investment of EUR 16 million include earn-outs that are subject to projects successfully reaching a final investment decision in the future. There were no material acquisitions in 2024.

6.2 Disposals

EUR million	I/2025	I/2024	2024	LTM
Gross divestments of shares in subsidiary companies	0	5	747	743
Gross divestments of shares in associated companies and joint ventures	0	0	38	38
Total	**0**	**5**	**785**	**781**

There were no material disposals in I/2025.

On 31 December 2024, Fortum completed the divestment of its turbine and generator services to industrial technical services provider Elcoline Group Oy. The transaction did not have a material financial impact on Fortum Group's result.

On 29 November 2024, Fortum completed the divestment of its recycling and waste business to Summa Equity. Fortum recorded a tax-exempt capital gain of EUR 176 million. The gain was reported as items affecting comparability in the Other Operations segment's results in the fourth quarter of 2024. The net cash flow received from the transaction was approximately EUR 720 million.

On 23 September 2024, 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 did not have a material financial impact on Fortum Group's result.

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. A tax-exempt capital gain of EUR 16 million was recorded in comparable operating profit in Generation segment's second quarter 2024 results. The total proceeds of EUR 33 million were received during the fourth quarter of 2024.

7 Share of profit/loss of associates and joint ventures

EUR million	I/2025	I/2024	2024	LTM
Principal associates				
Forsmarks Kraftgrupp AB	-8	6	9	-5
Kemijoki Oy	0	-1	-2	-1
OKG AB	-4	12	-17	-34
Principal joint ventures				
TVO Oyj	5	-1	20	26
Other associates	15	2	3	16
Other joint ventures	1	2	6	5
Share of profit of associates and joint ventures	**9**	**21**	**19**	**7**

EUR million	I/2025	I/2024	2024	LTM
Share of profit of associates and joint ventures	**9**	**21**	**19**	**7**
Adjustments to share of profit of associates and joint ventures	-2	-9	-49	-41
Comparable share of profit of associates and joint ventures	**8**	**12**	**-30**	**-34**

Share of profits from other associates includes a positive impact from the transfer of decommissioning and restoration obligations and related assets that arise from Posiva's final disposal activities. An offsetting impact is included in nuclear fund adjustment in Finance cost - net and Income tax expenses.

See Note 13 Nuclear-related assets and liabilities.

8 Finance costs – net

EUR million	I/2025	I/2024	2024	LTM
Interest expense				
Borrowings	-45	-65	-233	-212
Leasing and other interest expenses	-1	-1	-3	-3
Capitalised borrowing costs	2	3	10	9
Total	**-44**	**-63**	**-226**	**-207**
Interest income				
Loan receivables and deposits	34	51	189	172
Other interest income [1]	3	2	45	45
Total	**37**	**53**	**234**	**217**
Other financial items – net				
Return from nuclear fund	11	11	85	85
Nuclear fund adjustment	-11	-3	40	32
Unwinding of nuclear provisions	-8	-8	-38	-38
Fair value changes, impairments and reversals	-10	0	-27	-37
Other financial expenses and income	-4	-3	-12	-14
Total	**-23**	**-3**	**47**	**27**
Finance costs – net	**-29**	**-13**	**55**	**38**

EUR million	I/2025	I/2024	2024	LTM
Finance costs – net	**-29**	**-13**	**55**	**38**
Adjustments to finance costs – net				
Return from nuclear fund	-11	-11	-85	-85
Nuclear fund adjustment	11	3	-40	-32
Unwinding of nuclear provisions	8	8	38	38
Fair value changes, impairments, reversals and other adjustments [1]	10	0	-5	5
Comparable finance costs – net	**-11**	**-12**	**-36**	**-35**

1) Other adjustments in 2024 include EUR 19 million interest income from tax authorities on tax payment and EUR 13 million interest income from a settlement of a commercial dispute. See more information in Note 37 Legal actions and official proceedings in the consolidated financial statements for the year ended 31 December 2024.

Interest expenses on borrowings in I/2025 totalled EUR 45 million (I/2024: 65), including interest expenses on loans of EUR 41 million (I/2024: 58), and EUR 4 million (I/2024: 7) interest cost – net from derivatives hedging the loan portfolio.

Interest income on loan receivables and deposits, EUR 34 million in I/2025 (I/2024: 51), includes EUR 29 million (I/2024: 43) from deposits and cash, and EUR 5 million (I/2024: 8) interest income from shareholder loan receivables and other loan receivables.

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

9 Income taxes

EUR million	I/2025	I/2024	2024	LTM
Income tax expense	-88	-106	-239	-221
Adjustments to income tax expense	3	8	20	15
Comparable income tax expense	**-85**	**-98**	**-219**	**-205**

The effective income tax rate according to the income statement was 19.5% (I/2024: 18.3%). The comparable effective income tax rate was 18.9% (I/2024: 19.0%). 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.

10 Dividend per share

A dividend for 2024 of EUR 1.40 per share, amounting to a total of EUR 1,256 million, was decided in the Annual General Meeting on 1 April 2025. The dividend was paid on 10 April 2025. These interim financial statements do not reflect this dividend.

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 was 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 per share was paid on 9 October 2024, amounting to a total of EUR 511 million.

11 Interest-bearing receivables

	31 Mar 2025		31 Dec 2024	
EUR million	**Carrying amount**	**Fair value 1)**	**Carrying amount**	**Fair value 1)**
Long-term loan receivables from associates and joint ventures	462	462	431	431
Total long-term interest-bearing receivables	**462**	**462**	**431**	**431**
Collateral arrangement	173	173	213	213
Other short-term interest-bearing receivables	69	69	70	70
Total short-term interest-bearing receivables	**243**	**243**	**283**	**283**
Total	**705**	**705**	**714**	**714**

1) Fair values do not include accrued interest.

Long-term interest-bearing receivables from associated companies and joint ventures, EUR 462 million (31 Dec 2024: 431), include EUR 387 million (31 Dec 2024: 352) from Swedish nuclear companies, Forsmarks Kraftgrupp AB and OKG AB, which are mainly funded with shareholder loans, pro rata to each shareholder's ownership.

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 61 million (31 Dec 2024: 62) collateral for default fund.

12 Interest-bearing net debt

Financial net debt

EUR million	31 Mar 2025	31 Dec 2024
+ Interest-bearing liabilities	**4,728**	**4,828**
- Liquid funds	**4,318**	**4,136**
- Collateral arrangement	**173**	**213**
- Margin receivables	280	205
+Margin liabilities	56	93
+/- Net margin liabilities/receivables	**-224**	**-111**
Financial net debt	**13**	**367**

Interest-bearing liabilities, EUR 4,728 million, include Fortum's collateral arrangement to the Nordic Power Exchange totalling EUR 234 million (31 Dec 2024: 275). Equalling amount is included in short-term interest-bearing receivables of which collateral relating to margin requirement, EUR 173 million (31 Dec 2024: 213), is netted from the Financial net debt in the Collateral arrangement row. However, the collateral for default fund, EUR 61 million (31 Dec 2024: 62), is not netted from Financial net debt. See Note 11 Interest-bearing receivables.

Interest-bearing liabilities

EUR million	31 Mar 2025	31 Dec 2024
Non-current loans	3,511	4,258
Current loans	1,123	476
Total loans	**4,634**	**4,733**
Non-current lease liabilities	78	78
Current lease liabilities	16	16
Total lease liabilities	**94**	**94**
Total	**4,728**	**4,828**

Loans

	31 Mar 2025		31 Dec 2024	
EUR million	Carrying amount	Fair value 3)	Carrying amount	Fair value 3)
Bonds	2,749	2,752	2,755	2,757
Loans from financial institutions	394	398	390	396
Reborrowing from the Finnish State Nuclear Waste Management Fund 1)	951	951	951	953
Other long-term interest-bearing liabilities	183	184	179	179
Total long-term loans 2)	**4,278**	**4,285**	**4,274**	**4,284**
Collateral arrangement liabilities	272	272	350	350
Other short-term interest-bearing liabilities	84	84	109	109
Total short-term loans	**356**	**356**	**459**	**459**
Total	**4,634**	**4,641**	**4,733**	**4,743**

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 767 million (31 Dec 2024: 17).
3) Fair values do not include accrued interest.

Total current loans maturing within the next twelve months are EUR 1,123 million (31 Dec 2024: 476) and consist of short-term loans and the current portion of long-term loans. Short-term loans, EUR 356 million, include EUR 272 million collateral arrangements and use of commercial paper programmes of EUR 69 million.

The average interest rate for the portfolio of EUR loans was 3.3% at the balance sheet date (31 Dec 2024: 3.6%). The average interest rate on total loans and derivatives was 3.6% at the balance sheet date (31 Dec 2024: 3.8%).

Maturity of loans

EUR million	31 Mar 2025
2025	373
2026	760
2027	15
2028	521
2029	1,060
2030 and later	1,905
Total	**4,634**

Maturities in 2025 include EUR 272 million loans with no contractual due date.

Maturity of undiscounted lease liabilities

EUR million	31 Mar 2025
Due within one year	18
Due after one year and within five years	42
Due after five years	52
Total	**112**

Liquid funds

EUR million	31 Mar 2025	31 Dec 2024
Deposits and securities with maturity more than 3 months	85	90
Cash and cash equivalents	4,232	4,045
Total	**4,318**	**4,136**

At the end of the reporting period, the Group's liquid funds totalled EUR 4,318 million (31 Dec 2024: 4,136), and of these funds EUR 4,274 million (31 Dec 2024: 4,090) are placed with counterparties that have an investment grade credit rating.

The average interest rate for the liquid funds was 2.5% at the balance sheet date (31 Dec 2024: 3.0%).

Committed credit facilities

At the end of the reporting period, Fortum had undrawn committed credit facilities of EUR 4,000 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 two EUR 800 million bilateral revolving credit facilities with maturity in June 2026 and January 2027. 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	31 Mar 2025	31 Dec 2024
Carrying values on the balance sheet		
Nuclear provisions	1,108	1,117
Fortum's share in the State Nuclear Waste Management Fund	1,108	1,117
Short-term receivable from the State Nuclear Waste Management Fund	37	65
Fortum's contribution to the State Nuclear Waste Management Fund	1,228	1,253
Share of fund not recognised on the balance sheet	83	70

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, decreased by EUR 9 million compared to 31 December 2024, totalling EUR 1,108 million at 31 March 2025.

Fortum's share of the State Nuclear Waste Management Fund is from an IFRS perspective overfunded by EUR 83 million, since Fortum's share of the Fund on 31 March 2025 was EUR 1,228 million, while the carrying value on the balance sheet was EUR 1,108 million and the short-term receivable from the fund EUR 37 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 31 March 2025, decided by the Ministry of Economic Affairs and Employment in December 2024, was EUR 1,272 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 2024 is EUR 1,228 million. Responsibility for the costs relating to decommissioning of the encapsulation plant and closure of the final disposal repository were transferred to Posiva in I/2025. This change decreases Fortum's funding target and nuclear liability. Posiva is jointly owned by Fortum and TVO.

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 every three years. 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	31 Mar 2025	31 Dec 2024
Carrying values in TVO with Fortum assumptions		
Nuclear provisions	1,642	1,673
Share of the State Nuclear Waste Management Fund	1,233	1,246
Net amount	**-409**	**-427**
of which Fortum's net share consolidated with equity method	**-102**	**-107**
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	1,960	1,960
Share in the State Nuclear Waste Management Fund	1,438	1,525
Share of the fund not recognised on the balance sheet	205	279

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 31 March 2025, 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 205 million (of which Fortum's share is EUR 55 million), since TVO's share of the Fund on 31 March 2025 was EUR 1,438 million and the carrying value on the consolidated balance sheet with Fortum assumptions was EUR 1,233 million.

At 31 March 2025, Fortum had EUR 157 million (31 Dec 2024: 157) shareholder loan receivable from 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	31 Mar 2025	31 Dec 2024
OKG's and Forsmark's nuclear-related assets and liabilities with Fortum assumptions		
Nuclear provisions	5,338	5,064
Share in the Swedish Nuclear Waste Fund	3,750	3,590
Net amount	**-1,588**	**-1,474**
of which Fortum's net share consolidated with equity method	**-510**	**-476**

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. In December 2024, the Swedish Government decided on nuclear waste fees and guarantees in accordance with the proposal from the National Debt Office, for the year 2025. 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 31 March 2025, Fortum had EUR 478 million (31 Dec 2024: 465) capital commitments for the acquisition of property, plant and equipment and intangible assets.

For more information on other commitments, see Note 35 Capital and other commitments of the consolidated financial statements 2024.

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 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 2024: 151). 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 2024: 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 2024: 125).

Pledged assets include securities of EUR 173 million (31 Dec 2024: 213) to the Nordic Power Exchange (Nasdaq Commodities), margin receivables of EUR 280 million (31 Dec 2024: 205) and restricted cash of EUR 8 million (31 Dec 2024: 7). 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 61 million (31 Dec 2024: 62) 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 36 Pledged assets and contingent liabilities of the consolidated financial statements 2024.

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 37 Legal actions and official proceedings of the consolidated financial statements 2024.

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 requested also Fortum and certain other parties to be joined in these proceedings. Fortum has objected to the arbitral tribunal's jurisdiction on several grounds. The arbitral tribunal has decided in a partial award issued in February 2025 that it has no jurisdiction to decide on claims against Fortum. The arbitral tribunal's partial award is final, and accordingly, the arbitration proceedings do not continue with respect to Fortum.

17 Related party transactions

Related parties are described in more detail in Note 38 Related party transactions in the consolidated financial statements for the year ended 31 December 2024.

Transactions with associates and joint ventures

EUR million	I/2025	I/2024	2024	LTM
Sales	1	4	9	6
Purchases	148	164	622	606
Interest income on loan receivables	4	7	24	22
Interest expense on loan payables	2	2	10	10

Balances with associates and joint ventures

EUR million	31 Mar 2025	31 Dec 2024
Receivables		
Long-term interest-bearing loan receivables	461	431
Trade and other receivables	23	26
Liabilities		
Long- and short-term loan payables	236	232
Trade and other payables	42	75

Other transactions with related parties

At the end of 2024, 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 2025.

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.

18 Events after the balance sheet date

A dividend for 2024 of EUR 1.40 per share, amounting to a total of EUR 1,256 million, was decided in the Annual General Meeting on 1 April 2025. The dividend was paid on 10 April 2025. These interim financial statements do not reflect this dividend.

On 24 April, Fortum announced that it has signed an agreement to acquire the shareholding in the Polish electricity solutions provider Orange Energia Sp. z o.o. on a cash and debt-free basis for a maximum of approximately PLN 120 million (EUR 28 million) from Orange Polska S.A. Upon closing, expected in June or July 2025, approximately PLN 90 million (EUR 21 million) will be paid in cash. According to an agreed earn-out, the remaining amount will be settled by the beginning of 2029 based on achieved electricity sales volume targets through Orange Polska’s nationwide retail sales distribution network. The transaction is subject to customary closing conditions.

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	I/2025	I/2024	2024	LTM
Operating profit		470	571	1,325	1,224
+ Depreciation and amortisation		76	92	379	362
EBITDA		546	664	1,704	1,586
- Items affecting comparability	4	-8	-42	-147	-113
Comparable EBITDA		**538**	**622**	**1,556**	**1,472**

Comparable operating profit

EUR million	Note	I/2025	I/2024	2024	LTM
Operating profit		470	571	1,325	1,224
- Items affecting comparability	4	-8	-42	-147	-113
Comparable operating profit	4	**462**	**530**	**1,178**	**1,110**

Items affecting comparability

EUR million	Note	I/2025	I/2024	2024	LTM
Impairment charges and reversals		-11	-2	-17	-26
Capital gains and other related items		0	5	183	178
Changes in fair values of derivatives hedging future cash flow		20	39	-61	-80
Other		-1	0	43	41
Items affecting comparability	4	**8**	**42**	**147**	**113**

Comparable net profit

EUR million	Note	I/2025	I/2024	2024	LTM
Net profit		362	473	1,160	1,049
- Items affecting comparability	4	-8	-42	-147	-113
- Adjustments to share of profit/loss of associates and joint ventures	7	-2	-9	-49	-41
- Adjustments to finance costs - net	8	19	0	-91	-73
- Adjustments to income tax expenses	9	3	8	20	15
- Non-controlling interests		1	-2	4	8
- Adjustments to non-controlling interests		-2	1	3	0
Comparable net profit	4	**374**	**430**	**900**	**845**

Comparable earnings per share

	Note	I/2025	I/2024	2024	LTM
Comparable net profit, EUR million	4	374	430	900	845
Average number of shares during the period, 1,000 shares		897,264	897,264	897,264	897,264
Comparable earnings per share, EUR		**0.42**	**0.48**	**1.00**	**0.94**

Financial net debt

EUR million	Note	31 Mar 2025	31 Dec 2024
+ Interest-bearing liabilities		**4,728**	**4,828**
- Liquid funds		**4,318**	**4,136**
- Collateral arrangement		**173**	**213**
- Margin receivables		280	205
+Margin liabilities		56	93
+/- Net margin liabilities/receivables		**-224**	**-111**
Financial net debt	12	**13**	**367**

Financial net debt/comparable EBITDA

EUR million	Note	LTM	2024
+ Interest-bearing liabilities		**4,728**	**4,828**
- Liquid funds		**4,318**	**4,136**
- Collateral arrangement		**173**	**213**
- Margin receivables		280	205
+ Margin liabilities		56	93
+/- Net margin liabilities/receivables		**-224**	**-111**
Financial net debt	12	**13**	**367**
Operating profit		1,224	1,325
+ Depreciation and amortisation		362	379
EBITDA		**1,586**	**1,704**
- Items affecting comparability		-113	-147
Comparable EBITDA		**1,472**	**1,556**
Financial net debt/comparable EBITDA		**0.0**	**0.2**

Market conditions and achieved power prices

Power consumption

TWh	I/2025	I/2024	2024	LTM
Nordic countries	116	119	395	392

Average prices

	I/2025	I/2024	2024	LTM
Spot price for power in Nord Pool power exchange, EUR/MWh	45.5	58.5	36.1	32.8
Spot price for power in Finland, EUR/MWh	49.3	72.9	45.6	39.7
Spot price for power in Sweden, SE3, Stockholm EUR/MWh	56.2	56.4	35.8	35.7
Spot price for power in Sweden, SE2, Sundsvall EUR/MWh	14.7	48.3	24.6	16.3
Spot price for power in Germany, EUR/MWh	111.9	67.7	79.6	90.5
CO_2, (ETS EUA next Dec), EUR/tonne CO_2	75	62	67	70
Coal (ICE Rotterdam front month), USD/tonne	102	102	112	112
Oil (Brent front month), USD/bbl	75	82	80	78
Gas (TTF front month), EUR/MWh	47	28	35	39

Hydro reservoir

TWh	31 Mar 2025	31 Mar 2024	31 Dec 2024
Nordic hydro reservoir level	61	33	99
Nordic hydro reservoir level, long-term average	41	41	84

Export/import

TWh (+ = import to, - = export from Nordic area)	I/2025	I/2024	2024	LTM
Export / import between Nordic area and Continental Europe + Baltics	-12	-7	-42	-46

Achieved power prices

EUR/MWh	I/2025	I/2024	2024	LTM
Generation segment's Nordic achieved power price	60.1	63.9	52.5	51.4

Fortum's production and sales volumes

Power generation

TWh	I/2025	I/2024	2024	LTM
Nordic countries	12.1	12.7	45.8	45.2
Other European countries	0.2	0.2	0.6	0.6
Total	**12.3**	**12.9**	**46.3**	**45.8**

Heat production

TWh	I/2025	I/2024	2024	LTM
Nordic countries	0.8	1.3	3.0	2.5
Other European countries	0.5	0.5	1.1	1.1
Total	**1.3**	**1.7**	**4.1**	**3.6**

Power generation capacity by segment

MW	31 Mar 2025	31 Dec 2024
Generation [1]	9,286	9,286

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. For more information, see Note 17 Related party transactions.

Heat production capacity by segment

MW	31 Mar 2025	31 Dec 2024
Generation	1,857	1,842

Power generation by source in the Nordic area

TWh	I/2025	I/2024	2024	LTM
Hydropower	5.2	5.5	20.2	19.9
Nuclear power	6.5	6.7	24.3	24.1
Wind power	0.3	0.2	0.9	1.0
CHP and condensing power	0.1	0.2	0.3	0.2
Total	**12.1**	**12.7**	**45.8**	**45.2**

Power generation by source in the Nordic area

%	I/2025	I/2024	2024	LTM
Hydropower	43	44	44	44
Nuclear power	54	53	53	53
Wind power	3	2	2	2
CHP and condensing power	1	2	1	1
Total	**100**	**100**	**100**	**100**

Power generation by source in other European countries

TWh	I/2025	I/2024	2024	LTM
CHP	0.2	0.2	0.6	0.6

Power sales

EUR million	I/2025	I/2024	2024	LTM
Nordic countries	1,075	1,326	3,593	3,341
Other European countries	203	201	774	776
Other countries	0	0	1	1
Total	**1,278**	**1,527**	**4,368**	**4,118**

Heat sales

EUR million	I/2025	I/2024	2024	LTM
Nordic countries	61	81	190	170
Other European countries	139	122	336	354
Total	**200**	**203**	**527**	**524**

Power sales by area

TWh	I/2025	I/2024	2024	LTM
Finland	5.6	6.4	22.9	22.1
Sweden	7.2	7.8	27.6	27.0
Norway	3.7	3.2	6.5	7.0
Other countries	1.4	1.5	5.8	5.7
Total	**18.0**	**18.9**	**62.8**	**61.9**

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

Heat sales by area

TWh	I/2025	I/2024	2024	LTM
Finland	0.8	1.1	2.4	2.1
Poland	1.5	1.4	3.2	3.4
Other countries	0.0	0.1	0.4	0.2
Total	**2.2**	**2.6**	**6.1**	**5.7**