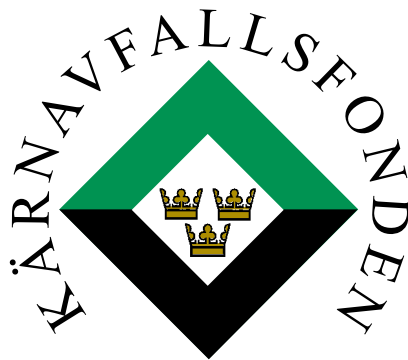




Annual Report 2014

Kärnavfallsfonden, c/o Kammarkollegiet
P.O.Box 2218, SE-103 15 Stockholm
Phone: +46 8-700 08 00
Fax: 08-20 38 81
e-mail: karnavfallsfonden@kammarkollegiet.se
Internet: www.karnavfallsfonden.se
Organisationsnummer: 202100-4904



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Preface

Together with the Swedish Radiation Safety Authority (SSM) and the National Debt Office, the Nuclear Waste Fund plays an important role in ensuring that sufficient financial resources will be available for disposal of the spent nuclear fuel and decommissioning and dismantling of the nuclear power plants.

During 2013, SSM, in consultation with the Nuclear Waste Fund and the National Debt Office, submitted a report to the Government with proposals for changes in the financing system based on a holistic view of the system. The Ministry of the Environment referred SSM's report for consideration along with a memorandum with a proposal to concentrate regulatory responsibility for nuclear waste financing, which is currently shared among three public agencies. It is urgent that all actors in the system should be notified as soon as possible of what rules and criteria will govern these activities in the future.

Within the bounds of the current legislation, the Nuclear Waste Fund took steps during 2014 to reduce the total risk in the financing system. This has been accomplished by a change in the comparison index from 1 January 2014. As a result of this decision, the duration in the Fund's fixed-income investments was increased at the start of the year. Even though the long-term purpose of the increase in duration was to reduce the total risk in the financing system, the short-term consequence was that the Fund was able to take advantage of the falling market interest rates during the year, resulting in a very good return. The nominal annual return was 10.7 percent. Since inflation during the year was negative, - 0.3 percent, the

real rate of return was 11.0 percent.

Naturally, it is gratifying to be able to report such a good return. At the same time, it must be remembered that the "liability side" of the nuclear waste system, i.e. the present value of the predicted disbursements needed for disposal of the nuclear waste, has grown even more than the Fund due to falling interest rates. This is because the duration of the "liability side" is still considerably lower than that of the asset side and thereby more sensitive to interest rate changes. The decline in interest rates has therefore led to a (possibly temporary) deficit in the system as a whole.

It is important to remember that the rate of return in the Fund cannot be expected to be anywhere near as high in the future. The underlying reason for last year's high return (and the average good return for the last 15 years or more) is that the trend in bond rates has been falling at the same time as the Fund has invested in bonds with a relatively long remaining maturity. Falling interest rates mean that the value of a bond portfolio increases.

When we judge the return in the future, we must keep in mind today's historically low interest rate level and the fact that it cannot fall much lower. However, the possibility remains to increase the expected future return by broadening the Fund's investment options, something which was recommended in SSM's report. This alone could entail lower nuclear waste fees, but also higher risks in the system. However, the risks can be managed by adopting risk-mitigating measures within the system.

Stockholm, February 2015

Daniel Barr
Chairman

Presentation of results

Regulatory framework

The activities of the Nuclear Waste Fund are governed by the provisions of:

- the Act (2006:647) on Financial Measures for the Management of Residual Products from Nuclear Activities (the Financing Act) and the Act (1988:1597) on the Financing of the Management of Certain Radioactive Waste etc. (the Studsvik Act),
- the Ordinance (2008:715) on Financial Measures for the Management of Waste Products from Nuclear Activities (the Financing Ordinance) and the Ordinance (1988:1598) on the Financing of the Management of Certain Radioactive Waste etc. (the Studsvik Ordinance), and
- the Ordinance (2007:1055) with Terms of Reference for the Nuclear Waste Fund.

Tasks

According to the above acts and ordinances, the main task of the Nuclear Waste Fund is to

- manage Fund assets
- receive fee payments
- arrange disbursements on request from the Swedish Radiation Safety Authority (SSM)
- keep SSM informed of the size of the funds that have been set aside for the costs of each reactor owner and every other licensee.

According to the Ordinance with Terms of Reference for the Nuclear Waste Fund, Kammarkollegiet performs administrative services for the Fund under a contract between the Fund and the Agency.

Under the contract, Kammarkollegiet is also responsible for capital management within the framework determined by the Board of Governors.

The Fund has no employed staff.

Performances and costs

The Nuclear Waste Fund's most important performance is the return that is earned on the Fund's capital. This result is presented in the section headed "Return" below.

The Government has approved a budget for the Nuclear Waste Fund's administration.

The following table shows the Government-approved budget and the outcome for the past three years.

Table 1: Fund management costs

(SEK thousand)	2014	2013	2012
Government-approved budget	11,470	11,070	10,000
Outcome	11,217	10,920	9,861
- of which remuneration to Kammarkollegiet	10,620	10,170	9,140

Total fund management costs amounted to 0.019 percent of the market value of the managed capital at the end of 2014, consisting of 0.013 percentage point for asset management and 0.006 percentage point for administration. These costs can be regarded as very low, both for asset management and for administration.

Capital management

Goal

The Financing Ordinance (Section 19) states that the assets in the Nuclear Waste Fund shall be managed to ensure a good return and satisfactory liquidity. No more specific goals have been set by the state.

In its investment policy, the Board of the Nuclear Waste Fund has formulated its long-term goal for real return in the following manner:

"The goal is – taking into account the restrictions imposed by the Government on the investment activities – to achieve the highest possible real return on the managed capital.

By "real return" is meant the nominal return less inflation, measured as the percentage change of the consumer price index during the measurement period."

Investment restrictions

The Financing Ordinance (Section 19) also states that the Nuclear Waste Fund's assets shall be deposited in an interest-bearing account at the National Debt Office, in treasury bills issued by the state or in covered bonds.

This means that investments are restricted to the following options:

- Sight deposits in accounts at the National Debt Office, with nominal return based on the repo rate.
- Short-term deposits at a fixed interest rate at the National Debt Office with an investment period that can vary between one month and one year.
- Investments on the market in treasury bills, fixed-income bonds or index-linked bonds issued by the National Debt Office.
- Investments on the market in debt instruments issued in accordance with the Covered Bonds Issuance Act (2003:1223) (since 15 May 2009).

Covered bonds are mortgage-backed bonds issued by housing finance institutions that are secured by a specially identified pool of assets consisting as a rule of mortgages which the institution has taken in as collateral for its own lending.

The Studsvik Act (Section 3) states that the fees under that Act shall be transferred to the Nuclear Waste Fund and that the rules in the Financing Act shall be applied to their management.

Investment policy

The Board of Governors has established an investment policy for the Nuclear Waste Fund. The investment policy must be reviewed at least once a year.

The purpose of the policy is to provide rules for the investment of the Fund's assets. The policy sets the goal for rate of return while defining the division of responsibilities between the Fund's Board of Governors and Kammarkollegiet. The policy stipulates how different risks are controlled and limited and how the results of fund management are to be reported.

In its decision on investment policy for 2014, the Board of Governors has changed the comparison index for the fixed-income investment portfolio to an index with longer duration (OMRX TBOND).

Active management

The Nuclear Waste Fund's assets are managed actively. This means that the investments deviate from the mix of securities that constitute the index for the purpose of achieving a higher return than that achieved by passive management (index management). Passive

management entails that the investments mirror the components of the index as closely as possible.

The basis for active management in 2014 was the standard portfolio, which conforms to the Board of Governors' decision regarding the distribution between index-linked and fixed-income investments. Active management was exercised via Kammarkollegiet's choices of securities and maturities within the limitations set by the Board of Governors in the investment policy, via choices of when to buy and sell securities, as well as via repurchase transactions (repos).

Repurchase transactions (repos)

According to the investment strategy, the Nuclear Waste Fund may participate in the market for repurchase transactions (repos) for treasury bills and bonds (including index-linked bonds). A repo entails that the Fund sells treasury bills or bonds to a counterparty under an agreement to repurchase equivalent treasury bills or bonds at a later date at a certain agreed-upon price. Similarly, in the case of a reverse repo, the Fund purchases securities under an agreement on future resale at an agreed-upon price.

The purpose of repos is to achieve a higher return. According to the investment strategy, it is permitted to sell one or more securities under a repurchase agreement and deposit the proceeds in a sight deposit account in the National Debt Office or invest them on the repo market, provided that the reverse repo relates to a security that is permitted for investments.

Repo trading made a positive contribution to the Fund's return in 2014 as well.

Return

The nominal and real returns achieved during the past five years are shown in the following table.

Table 2: Nominal and real return, inflation (%)

Year	Nominal return ^{b)}	Inflation ^{b)}	Real return
2010	3.0	2.3	0.7
2011	9.4	2.3	7.1
2012	4.6	-0.1	4.7
2013	-0.6	0.1	-0.7
2014	10.7	-0.3	11.0
Average per year^{III)}	5.3	0.8	4.5

The nominal returns achieved for the standard portfolio in relation to the comparison index during the past five years are shown in the following table.

Table 3: Nominal and active return, comparison index (%)

Year	Nominal return ¹⁾	Comparison index ²⁾	Active return ³⁾
2010	3.0	3.0	0.0
2011	9.4	9.7	-0.3
2012	4.6	2.5	2.1
2013	-0.6	-1.4	0.8
2014	10.7	10.7	0.0
Average per year⁴⁾	5.3	4.8	0.5

¹⁾ The nominal return consists of the sum of realized and unrealized value changes in the investments plus interest received (including inflation compensation on index-linked investments).

²⁾ The percentage change in the consumer price index reported by SCB for the past 12 months is used as a measure of the rate of inflation.

³⁾ Calculated as the geometric mean of the annual values.

⁴⁾ 100% OMRX REAL until 2008.
30% OMRX REAL and 70% OMRX TBOND from 1 Jan. 2009 until 31 May 2009.
30% OMRX REAL, 50% OMRX TBOND and 20% OMRX MORT from 1 June 2009 until 31 July 2009.
30% OMRX REAL, 35% OMRX TBOND and 35% OMRX MORT from 1 Aug. 2009 until 31 Dec. 2010.
30% OMRX REAL and 70% OMRX BOND until 31 Dec. 2013.
30% OMRX REAL and 70% OMRX BOND from 1 Jan. 2014.

⁵⁾ Return above comparison index.

As is evident from Table 2, the nominal return in 2014 amounted to 10.7 percent. Inflation was -0.3 percent. The real return was thereby 11.0 percent. As an annual average, the real return over the past five-year period amounted to 4.5 percent.

As is evident from Table 3, the active return in 2014 amounted to 0.0 percent and during the past five-year period to an average of 0.5 percent per annum.

In conjunction with the change of the comparison index for the fixed-income investment portfolio, the Board of Governors decided that the monitoring of Kammarkollegiet's active return in 2014 should pertain to the period 1 March – 31 December.

The reason for this was that to prevent any undue influence of the transitional period when the index was changed. During the period March – December 2014, the active return amounted to 0.3 percent, which gives an average for the past five-year period of 0.6 percent.

The goal set by the Board for active return was an

average of 0.25 percent per annum during rolling five-year periods up until 2013. Starting in 2014, the goal for active return is an average of 0.5 percent per annum during rolling five-year periods. The average goal for active return during the five-year period 2010 – 2014 is thereby 0.3 percent. This goal has thus been met with ample margin during the past five-year period.

Liquidity planning

The Financing Ordinance (Section 19) states that the Nuclear Waste Fund shall be managed to ensure satisfactory liquidity.

Due to the restrictions that apply to the investment activities, the overall liquidity risk in the investments is very low. Treasury bills and fixed-income treasury bonds normally have very good liquidity on the fixed-income market. Covered bonds have lower liquidity, but under normal market conditions their liquidity is nearly as good as that of fixed-income treasury bonds. The market for index-linked bonds is less liquid, however, and it therefore takes longer to cash them in.

Liquidity planning is done so that the Fund's cash on hand is always sufficient to meet planned disbursements.

Summary assessment

During 2014, the Nuclear Waste Fund has been able to take advantage of the falling market rates on bonds and has thereby achieved a very high return.

The nominal return during 2014 was at the same level as the comparison index. For the past five-year period, the comparison index was exceeded by an average of 0.5 percentage point per annum. The goal established by the Board of exceeding the comparison index during the past five-year period by an average of 0.3 percentage point per annum has thereby been achieved with ample margin.

All in all, the Board judges that the management result for the five-year period is very good, particularly considering the investment restrictions imposed on the Fund.

As mentioned previously, the goal is – taking into account the restrictions imposed by the Government on the investment activities – to achieve the highest possible real return on the managed capital. The real return (i.e. the nominal return less inflation) was 4.5 percent per annum on average during the past five-year period.

Payments to the Fund

According to its terms of reference, the Fund shall receive the fees that are paid under the Financing Act and the Studsvik Act. The fees for reactor owners are calculated in relation to the energy that is delivered and are determined annually by the Government based on a recommendation by SSM.¹ The recommended fee is based on Svensk Kärnbränslehantering AB's and SSM's own cost calculations. A fixed amount in kronor (SEK 842 million per year for 2012 – 2014) is set for the nuclear power plant in Barsebäck, which is no longer in operation. SSM has also determined a fixed fee for five other fee-liable licensees, as shown in Table 6 below. The variable fees were as follows (öre/kWh):

Table 4: Fees

(öre/kWh)	2014	2013	2012
Forsmarks Kraftgrupp AB	2.1	2.1	2.0
OKG AB (Oskarshamn)	2.0	2.0	2.0
Ringhals AB	2.4	2.4	2.4
Studsvik Act	0.3	0.3	0.3

The following table shows how much energy was delivered.

Table 5: Electricity delivered

TWh (=1,000,000,000 kWh)	2014	2013	2012
Forsmarks Kraftgrupp AB	25.3	25.2	24.6
OKG AB (Oskarshamn)	12.3	11.7	12.4
Ringhals AB	24.6	26.7	24.4
Total	62.2	63.6	61.4

The Fund has received the following amounts.

Table 6: Fees paid in

(SEK thousand)	2014	2013	2012
Acc. to Financing Act	2,264,429	2,283,069	2,227,842
Forsmarks Kraftgrupp AB	531,824	530,162	516,173
OKG AB (Oskarshamn)	245,771	234,307	248,763
Ringhals AB	590,250	640,739	585,045
Barsebäck Kraft AB	842,000	842,000	842,000
Chalmers TH AB	78	14	14
Westinghouse Electric AB	3,687	3,490	3,490
Vattenfall AB (Ågesta)	49,354	31,281	31,281
Ranstad Mineral AB	81	183	183
Studsvik Nuclear AB	1,383	893	893
Acc. to Studsvik Act	186,622	195,356	184,184
Total	2,451,051	2,478,425	2,412,026

Disbursements from the Fund

The Nuclear Waste Fund disburses money from the Fund. But it is SSM that examines and decides how and to what extent Fund assets may be used to pay the costs reactor owners and other fee-liable licensees are expected to incur during a given future time period.²

SSM also examines to what extent Fund assets should be used to reimburse a municipality for information costs under the Financing Act. Such reimbursement may not exceed SEK 10 million per municipality and 12-month period for municipalities where a facility for final disposal of spent nuclear fuel is planned or being built.

SSM also examines questions regarding to what extent Fund assets should be used for support to non-profit organizations under the Financing Act. Such support may be provided in an amount not in excess of SEK 2.5 million per organization and calendar year and in a total amount not in excess of SEK 3.5 million per calendar year.

The Government decides on disbursal of money from the Fund to state authorities to cover certain costs for research and development, supervision, case management, asset management etc. as stipulated in the Financing Act.

Disbursements have been made from the Fund in the following amounts.

² Under the Ordinance (2008:715) on Financial Measures for the Management of Waste Products from Nuclear Activities.

Table 7: Disbursements

(SEK thousand)	2014	2013	2012
Forsmarks Kraftgrupp AB	345,686	439,472	474,370
OKG AB (Oskarshamn)	252,242	319,345	339,710
Ringhals AB	351,403	451,195	490,479
Barsebäck Kraft AB	168,226	221,570	227,219
Vattenfall AB (Ågesta)	3,871	2,091	1,886
Acc. to Studsvik Act	150,369	125,118	117,254
State authorities	52,249	61,667	70,655
Municipalities	11,637	12,701	10,230
Non-profit organizations	3,324	3,492	3,437
Total	1,339,008	1,636,652	1,735,241

More detailed information on disbursements is provided in Note 7 to the Income Statement.

Change in the Fund

The fair value (market value) of the Nuclear Waste Fund increased in 2014 by SEK 6,535,202 thousand to SEK 57,900,714 thousand.

The change consisted of the following components.

Table 8: Change in the Fund

(SEK thousand)	2014	2013	2012
Fees paid in	2,451,051	2,478,425	2,412,026
Financial income	1,684,175	1,388,319	1,820,925
Financial expenses	-668	-31,203	-218
Change in unrealized gains	3,750,868	-1,639,010	363,272
Disbursement of reimbursements/subsidies	-1,339,008	-1,636,652	-1,735,241
Operating expenses	-11,217	-10,920	-9,861
Total	6,535,202	548,960	2,850,904

Distribution among fee-liable licensees

According to the Fund's terms of reference, the annual accounts shall be prepared in such a manner that they show how large a proportion of the Fund's assets accrues to each reactor owner and every other fee-liable licensee.

The Fund has decided to use the same method as that employed for mutual funds to keep track of each reactor owner's and other fee-liable licensee's share in the Fund. In brief, this method entails the following:

- A nominal share value was calculated at the start and each fee-liable licensee was allotted the number of shares that corresponded to the fee-liable licensee's

balance at the time the new management rules were adopted.

- The market value (balance) of the Fund is determined daily. The market value of the Fund's assets is divided by the number of outstanding shares to obtain the current share value.
- Fee payments and disbursements relating to a fee-liable licensee are made in the form of "purchases/redemptions" of shares at the current share value. When a fee payment is made, the fee-liable licensee's number of shares increases, and when a disbursement is made it decreases.
- The market value of each fee-liable licensee's stake in the Fund is calculated by multiplying the current number of shares held by the reactor owner by the current share value. The distribution of the Fund among the fee-liable licensees is calculated by dividing the number of shares held by a given reactor owner by the total number of outstanding shares.
- The rate of return for a given period is calculated by measuring the change in the share value during the period.

The distribution of the fair value (market value) of the Fund among the fee-liable licensees at the end of each year was as follows.

Table 9: Fair value of Fund per fee-liable licensee (incl. accrued fees)

(SEK thousand)	2014	2013	2012
Acc. to Financing Act	56,394,012	50,005,575	49,443,927
Forsmarks Kraftgrupp AB	16,608,973	14,855,404	14,850,987
OKG AB (Oskarshamn)	11,967,716	10,839,909	10,991,960
Ringhals AB	18,259,842	16,298,448	16,201,937
Barsebäck Kraft AB	9,322,162	7,847,863	7,270,445
Chalmers TH AB	144	60	46
Westinghouse Electric AB	20,775	15,471	12,027
Vattenfall AB (Ågesta)	206,635	142,707	111,868
Ranstad Mineral AB	2,006	1,743	1,569
Studsvik Nuclear AB	5,757	3,969	3,087
Acc. to Studsvik Act	1,481,410	1,334,761	1,323,363
Undistributed	25,292	25,175	49,262
Total	57,900,714	51,365,512	50,816,552

The undistributed amount consists mainly of certain accrued revenue and costs for the fourth quarter of each year and the balance in the Fund's interest-bearing account for payments and disbursements.

Basis for calculating the fee

According to the Financing Ordinance (Section 46), the Fund shall furnish information annually to SSM concerning what fees have been received for the latest calendar year, the Fund balance and the expected return on the Fund assets. The Fund has provided this information to SSM.

Guarantees

According to the Financing Act and the Financing Ordinance, the holder of a licence to own or operate a nuclear facility that gives or has given rise to residual products shall also provide guarantees. The reactor owner shall provide acceptable guarantees to the Nuclear Waste Fund corresponding to the financing and supplementary amounts determined by the Government. Other fee-liable licensees shall provide equivalent guarantees for the financing amount determined by SSM.

The financing and supplementary amounts determined by the Government for the reactor owners for 2012 – 2014 are presented below.

The financing amount intended to compensate for the current deficit in the Nuclear Waste Fund, assuming that no further nuclear waste fees are paid in. This deficit is calculated as the difference between the expected basic and extra costs and the funds that have been set aside for 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 supplementary amount thereby takes into account possible additional basic costs, allowing for a suitable uncertainty interval around the expected outcome for the costs. This type of guarantee is determined by the Government and is pledged only by reactor owners.

The Government determines the size of the guarantees annually on the basis of a recommendation by SSM. The Government further decides which types of guarantees are acceptable, based on a pronouncement by the National Debt Office.

The Government has decided on the following guarantee amounts for the reactor owners for 2012 – 2014 ³.

Table 10: Guarantee amount per reactor owner

(SEK thousand)	Financing amount	Supplementary amount
Forsmarks Kraftgrupp AB	4,015,000	3,020,000
OKG AB	2,675,000	2,251,000
Ringhals AB	4,171,000	3,211,000
Total	10,861,000	8,482,000

SSM has decided that the following guarantee amounts shall apply during 2014 for Barsebäck Kraft and for other fee-liable licensees ⁴.

Table 11: Financing amount per licensee

(SEK thousand)	Guarantees 2014	Financing amounts determined 2014
Barsebäck Kraft AB	3,408,000	3,408,000
Ranstad Mineral AB	342	237
Chalmers University of Technology	534	1,622
Vattenfall AB (Ågesta)	58,667	144,338
Studsvik Nuclear AB	15,853	27,562
Westinghouse Electric Sweden AB	53,752	70,216
Total	3,537,148	3,651,972

According to the Financing Ordinance, the guarantees shall be managed by the National Debt Office. According to the National Debt Office, the guarantees determined according to Table 10, and for Barsebäck Kraft AB in Table 11, have been provided in the correct amounts.

As regards the other fee-liable licensees in Table 11, the guarantee amounts differ from the financing amounts determined for 2014 due to the fact that the pledged guarantees are based on the decisions on financing amounts made by SSM on 12 December 2011. The decisions concerned the nuclear waste fee for the period 2011 – 2013 and financing amounts for other fee-liable licensees.

When SSM decided on new financing amounts for other fee-liable licensees on 19 June 2014, the National Debt Office asked for recommendations for guarantees from the licensees. The National Debt Office is currently considering the recommended guarantees.

Investigation proposals

In October 2011, the Government commissioned SSM to conduct, in consultation with the National Debt Office, a review of the Financing Ordinance. The review was supposed to cover questions relating to calculation of fees and the need for risk provisions.

In December 2011, the Government further commissioned SSM to conduct, in consultation with the National Debt Office, a review of the Financing Act, including relevant parts of the Financing Ordinance. The review was supposed to cover questions relating to guarantees as well as a broadening of the Nuclear Waste Fund's investment rules, particularly with respect to effects on the risk incurred by the state, fee levels and the need for guarantees.

During 2012 and 2013, the Nuclear Waste Fund has participated actively in SSM's investigation via its representation in the project's steering group and working group.

The investigation was concluded with a report to the Government in early June 2013. The report has been referred for consideration and comment together with a memorandum on regulatory responsibility in the financing system prepared by the Ministry of the Environment. The Government has not yet arrived at a standpoint regarding the proposals in the report and the memorandum.

Income statement

(SEK thousand)	Note	2014	2013
Operating expenses			
Costs for personnel	1	-324	-307
Other running costs	2	-10,893	-10,613
Total		-11,217	-10,920
Result of operations		-11,217	-10,920
Transfers			
Other funds obtained for financing of subsidies	3	2,451,051	2,478,425
Financial income	4	1,684,175	1,388,319
Financial expenses	5	-668	-31,203
Provision to reserves for transfer purposes	6	-2,784,334	-2,187,970
Subsidies paid	7	-1,339,008	-1,636,652
Balance		11,217	10,920
Change in capital for the year		0	0

Balance sheet

(SEK thousand)	Note	31/12 2014	31/12 2013
ASSETS			
Long-term investments			
Other securities held as non-current assets	8	48,695,708	41,304,636
Total		48,695,708	41,304,636
Receivables			
Receivables from other government agencies		1	7
Total		1	7
Accruals and deferrals			
Prepaid expenses	9	9,806	28
Accrued income	10	1,925,454	1,896,571
Total		1,935,260	1,896,599
Cash and bank balances			
Balance in interest-bearing account at National Debt Office		32,917	29,300
Other balances at National Debt Office	11	2,510,079	7,145,964
Cash and bank balances		2	13
Total		2,542,998	7,175,277
Total assets		53,173,967	50,376,518
CAPITAL AND LIABILITIES			
Reserves			
Nuclear Waste Fund	12	53,156,696	50,372,362
Total		53,156,696	50,372,362
Liabilities etc.			
Liabilities to other government agencies		0	1,468
Trade payables	13	9,779	0
Other liabilities	14	3,683	22
Total		13,462	1,490
Accruals and deferrals			
Accrued expenses	15	3,810	2,666
Total		3,810	2,666
Total capital and liabilities		53,173,967	50,376,518

Cash flow statement

(SEK thousand)	Note	2014	2013
Operations			
Costs		-11,217	-10,920
Increase in current receivables		-9,773	-25
Increase in current liabilities		13,116	132
Cash flow to operations		-7,875	-10,813
Investments			
Investments in financial assets		-20,264,580	-15,679,091
Total investment expenditures		-20,264,580	-15,679,091
Financing of investments			
Sale of non-current assets		12,425,095	9,275,673
Return (excl. unrealized gains and losses)		2,131,921	1,787,455
Total funds provided for financing of investments		14,557,015	11,063,128
Change in current receivables and liabilities		6,766	-36,233
Cash flow to investments		-5,700,798	-4,652,196
Transfer activities			
Subsidies paid		-1,339,008	-1,636,652
Change in current receivables from fee-liable licensees		-35,649	32,475
Disbursements in transfer activities		-1,374,657	-1,604,177
Financing of transfer activities			
Other funds obtained for financing of subsidies		2,451,051	2,478,450
Total funds provided for financing of transfer activities		2,451,051	2,478,450
Cas flow from transfer activities		1,076,394	874,273
Change in cash and cash equivalents		-4,632,280	-3,788,737
Specification of change in cash and cash equivalents			
Cash and cash equivalents at start of year		7,175,277	10,964,014
Increase in cash and bank balances		-11	13
Decrease in balance with National Debt Office		-4,623,269	-3,788,750
Total change in cash and cash equivalents		-4,623,280	-3,788,737
Cash and ash equivalents at year-end		2,542,998	7,175,277

Additional disclosures and notes

Amounts in thousands of kronor unless otherwise stated. Summation differences may occur due to rounding-off.

Additional disclosures

Accounting policies

The authority's accounts comply with generally accepted accounting principles and the annual accounts have been prepared in accordance with the Ordinance (2000:605) on Annual Accounts and Budgets as well as the Swedish National Financial Management Authority's guidelines (ESV 1998:7) on accounting for funds and provisions in government agencies.

Long-term investments are measured at amortized cost.

In the case of deposits in interest-bearing accounts, accrued interest is recognized as interest income in the Income Statement and as a cut-off item in the Balance Sheet.

In the case of fixed-income coupon investments, accrued interest is recognized as interest income in the Income Statement and as a cut-off item in the Balance Sheet.

Index-linked investments are accounted for annually as described below.

- In the case of index-linked zero coupon investments, accrued interest and accrued inflation compensation are recognized as interest income in the Income Statement and as revaluation of the carrying amount in the Balance Sheet.
- In the case of index-linked coupon investments, accrued interest including inflation compensation on the coupon rate is recognized as interest income in the Income Statement and as a cut-off item in the Balance Sheet. Accrued inflation compensation on invested capital is recognized as interest income in the Income Statement and as revaluation of the carrying amount in the Balance Sheet.

Net accounting is applied for repurchase transactions (repos), given that there is a contractual right to offset the transactions and the intention is to settle the repos simultaneously. The decided change of the investment policy in 2014 allows repos to lie open over the balance date.

Valuation principles

In view of the long time horizon in the investment strategy, all investments with a maturity longer than one year are recognized as non-current assets. Starting in 2009, they are measured at amortized cost. The securities held as non-current assets are regarded as a unit (portfolio) and measured collectively when tested for impairment pursuant to Chap. 5, Sec. 5 of the Ordinance on Annual Accounts and Budgets. The fair value (market value) is also given in Note 7. The fair value serves as a basis for the distribution among the fee-liable licensees shown in Note 9.

Remuneration and other benefits
Board members and other Board assignments

(SEK thousand)	Remuneration
Susanne Lindh, Chairman (up to 31 Dec. 2014)	68
- BISEK AB	
- K2 National Knowledge Centre for Public Transport	
Daniel Barr, Vice Chairman	33
(Chairman from 1 Jan. 2015)	
- No other Board assignments	
Sara Bergström	21
- No other Board assignments	
Göran Finnveden	28
- No other Board assignments	
Johan Gyllenhoff	28
- Försäkringsbolaget Vattenfall Insurance	
- Vattenfall Reinsurance S.A	
Thomas Hahn (from 1 Jan. 2015)	-
- Sveaskog AB	
Lena Johansson	26
- Svenska ICC Service AB	
- National Veterinary Institute (SVA)	
Christer Malmgren	27
- No other Board assignments	
Total fees	231

Notes

(SEK thousand)

	2014	2013
Note 1		
Costs for personnel		
Fees	-231	-229
Other personnel costs	-93	-78
Total personnel costs	-324	-307
Note 2		
Other operating expenses		
Services, intrastate	-10,759	-10,365
Other operating expenses	-134	-249
Total operating expenses	-10,893	-10,613
Note 3		
Other funds obtained for financing of subsidies		
Fee acc. to Financing Act		
Forsmarks Kraftgrupp AB	531,824	530,162
OKG AB (Oskarshamn)	245,771	234,307
Ringhals AB	590,250	640,739
Barsebäck Kraft AB	842,000	842,000
Chalmers University of Technology	78	14
Westinghouse Electric Sweden AB	3,687	3,490
Vattenfall AB (Ågesta)	49,354	31,281
Ranstad Mineral AB	81	183
Studsvik Nuclear AB	1,383	893
Total acc. to Financing Act	2,264,429	2,283,069
Fee acc. to Studsvik Act	186,622	195,356
Total other funds obtained etc.	2,451,051	2,478,425
<p>Fees are paid by the reactor owners in relation to the energy delivered. Fee per reactor owner and energy delivered is shown by Tables 4 and 5 in the presentation of results. Other fee-liable licensees pay a fixed fee determined by SSM.</p>		
Note 4		
Financial income		
<i>Interest income on investments etc.</i>		
Interest-bearing account for payments and disbursements	119	293
Sight deposit account	11,823	13,498
Fixed-income investments	1,265,019	908,524
Index-linked investments	-193,511	78,972
Repo transactions	27,515	108,408
SEB corporate account	2	13
Total	1,110,966	1,109,708

Cont'd. Note 4	2014	2013
Interest income on advance payments to reactor owners	0	561
Total interest income	1,110,966	1,110,269
Capital gains	573,210	278,050
Total financial income	1,684,175	1,388,319
<hr/>		
Note 5	Financial expenses	
Interest expenses	-1	0
National Debt office, account charges	-38	-25
SE-Banken, custody account charge	-397	-142
Total interest expenses	-437	-167
Capital losses	-231	-31,036
Total financial expenses	-668	-31,203
<hr/>		
Note 6	Provision to reserves for transfer purposes	
Costs for personnel	-324	-307
Other operating expenses	-10,893	-10,613
Other funds obtained for financing of subsidies	2,451,051	2,478,425
Financial income	1,684,175	1,388,319
Financial expenses	-668	-31,203
Subsidies paid	-1,339,008	-1,636,652
Total provision to reserves	2,784,334	2,187,970
Provision to Nuclear Waste Fund	-2,784,334	-2,187,970
Balance	0	0
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Note 7	Subsidies paid	
Reimbursement to reactor owners etc.		
Forsmarks Kraftgrupp AB	-345,686	-439,472
OKG AB (Oskarshamn)	-252,242	-319,345
Ringhals AB	-351,403	-451,195
Barsebäck Kraft AB	-168,226	-221,570
Vattenfall AB (Ågesta)	-3,871	-2,091
Total acc. to Financing Act	-1,121,428	-1,433,673
Acc. to Studsvik Act	-150,369	-125,118
Total reimbursement to reactor owners etc.	-1,271,797	-1,558,792
 Others subsidies paid		
<i>Support to NGOs</i>		
Swedish Environmental Movement's Nuclear Waste Secretariat	-925	-924
Swedish Renewable Energies Association	-150	-150
Swedish NGO Office for Nuclear Waste Review	-2,249	-2,419
Total	-3,324	-3,492

Cont'd. Note 7	2014	2013
<i>Reimbursement to municipalities</i>		
Oskarshamn Municipality	-2,658	-3,500
Östhammar Municipality	-6,814	-7,600
Regional Council in Uppsala County	-1,560	-1,060
Regional Council in Kalmar County	-895	-860
Total	-11,927	-13,020
<i>Reimbursement to other government agencies</i>		
Uppsala County Administrative Board	-320	-400
Swedish Radiation Safety Authority	-44,727	-55,216
National Debt Office	-2,400	-1,577
Government Offices/Swedish National Council for Nuclear Waste	-4,919	-4,956
Total	-52,366	-62,149
<i>Reversal from municipalities</i>		
Regional Council in Uppsala County	289	0
Regional Council in Kalmar County	0	319
Total	289	319
<i>Repayments from other government agencies</i>		
Uppsala County Administrative Board	117	482
Total	117	482
Total other subsidies paid	-67,211	-77,860
Total subsidies paid	-1,339,008	-1,636,652

Note 8 **Other securities held as non-current assets**

Fixed-income investments	Coupon rate	Market rate	Nominal value	Amortized cost	Fair value⁵
Treasury bonds					
SO1057	1.50	0.80	1,540,000	1,438,991	1,631,938
SO1056	2.25	1.43	370,000	348,497	416,779
SO1058	2.50	0.93	80,000	82,063	92,356
SO1050	3.00	0.02	1,450,000	1,507,162	1,516,222
SO1053	3.50	1.61	2,780,000	3,174,670	3,831,229
SO1051	3.75	0.00	1,020,000	1,083,257	1,120,113
SO1052	4.25	0.12	40,000	46,077	46,917
Total treasury bonds			7,280,000	7,680,717	8,655,554

⁵ Market value excluding accrued interest

Fixed-income investments	Coupon rate	Market rate	Nominal value	Amortized cost	Fair value ⁶
Covered bonds					
CAIO 2006	1.81	1.81	100,000	100,000	99,998
CAIO1582	2.50	0.78	690,000	734,878	744,738
CAIO1580	3.00	0.47	100,000	104,597	108,094
CAIO1581	3.00	0.62	990,000	1,048,885	1,082,100
CAIO1583	4.25	0.94	2,892,000	3,075,902	3,400,211
CAIO1586	4.50	1.38	1,446,000	1,560,348	1,774,112
CAIO1579	6.00	0.35	800,000	859,239	911,176
Landshypotek 180427	2.63	0.56	930,000	932,559	993,128
Landshypotek 171130	2.80	0.48	1,070,000	1,091,787	1,141,701
Landshypotek 390330	3.50	2.51	100,000	91,307	117,806
Landshypotek 240829	2.20	1.71	300,000	301,766	312,963
Landshypotek 231113	3.20	1.58	1,100,000	1,143,097	1,246,157
LF Hypotek 511	2.50	0.54	150,000	150,972	160,110
LF Hypotek 358	3.10	1.58	400,000	408,159	449,868
LF Hypotek 507	4.50	0.36	310,000	321,268	341,561
NBO5529	2.00	0.53	900,000	903,171	945,549
NBO5530	2.25	0.73	260,000	263,141	277,334
NBO5521	3.25	0.94	3,765,000	3,738,181	4,226,401
NBO5703	3.46	1.88	150,000	153,475	174,845
NBO5527	4.50	0.25	460,000	476,714	488,419
SEB572	3.00	0.73	200,000	214,261	219,888
SEB570	3.00	0.35	770,000	779,284	820,189
SEB571	3.00	0.53	110,000	113,022	119,341
SEB 311020	3.38	2.21	100,000	99,865	116,189
SEB578	4.25	1.60	122,000	133,975	148,627
SEB594	4.50	2.32	195,000	238,039	274,422
SPIO 360922	3.13	2.43	400,000	385,335	446,448
SPIO187	3.75	0.56	250,000	274,450	279,320
SPIO185	3.75	0.31	855,000	866,469	919,621
SPIO186	3.75	0.42	490,000	510,895	538,172
SPIO180	5.70	0.90	3,510,000	3,809,718	4,388,623
SBAB 200617	2.00	0.95	170,000	179,390	179,457
SBAB 260901	2.30	1.91	500,000	503,532	520,180
SBAB 311027	3.15	2.24	825,000	841,753	929,165
SBAB 231113	3.20	1.58	1,000,000	1,013,433	1,132,870
Total covered bonds			26,410,000	27,422,870	30,028,780
Index-linked investments					
SO3108	0.25	-0.26	1,700,000	1,676,496	1,780,155
SO3107	0.50	-0.29	1,937,000	2,022,705	2,046,034
SO3105	3.50	0.02	1,432,000	1,805,348	1,811,280
SO3104	3.50	-0.08	2,810,000	4,405,453	5,170,035
SO3102	4.00	-0.25	1,543,000	2,309,459	2,479,046
SO3109	1.00	-0.16	1,304,000	1,372,660	1,461,471
Total index-linked investments			10,726,000	13,592,122	14,748,020

⁶ Market value excluding accrued interest

Cont'd. Note 8**Total other securities held as non-current assets**

31/12 2014	44,416,000	48,695,708	53,432,353
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Total other securities held as non-current assets

<i>31/12 2013</i>	<i>37,147,000</i>	<i>41,304,636</i>	<i>42,269,123</i>
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The value of the nominal holding is the amount that is obtained if the investment is held to maturity. Inflation compensation is added for index-linked investments.

Note 9	Prepaid expenses	31/12 2014	31/12 2013
	Sitevision	28	28
	Östhammar Municipality	5,349	0
	Oskarshamn Municipality	2,577	0
	Regional Council in Kalmar County	503	0
	Regional Council in Uppsala County	1,350	0
	Total prepaid expenses	9,806	28

Pertains to subsidies to municipalities and regional councils which it has been decided will be disbursed 1 January 2015. Also found under the item "Trade payables".

Note 10	Other accrued revenue		
	Accrued fees from fee-liable licensees		
	Forsmarks Kraftgrupp AB	151,389	147,857
	OKG AB (Oskarshamn)	78,479	46,883
	Ringhals AB	148,707	169,547
	Barsebäck Kraft AB	842,000	842,000
	Acc. to Studsvik Act	51,987	49,348
	Chalmers TH AB	78	14
	Westinghouse Electric AB	3,687	3,490
	Vattenfall AB (Ågesta)	49,354	31,281
	Ranstad Mineral AB	81	183
	Studsvik Nuclear AB	1,383	893
	Total accrued fees from fee-liable licensees	1,327,146	1,291,496

The fees are paid by the fee-liable licensees quarterly in arrears, within one month of the end of the quarter. The accrued fees pertain to the fourth quarter of the year in question.

	Accrued interest income on investments		
	Fixed-income investments	561,397	577,049
	Index-linked investments	36,911	28,026
	Total accrued interest income on investments	598,308	605,075
	Total accrued revenue	1,925,454	1,896,571

Note 11	Other balances at National Debt Office	31/12 2014	31/12 2013
	National Debt Office sight deposit account	2,326,359	7,145,948
	National Debt Office sight deposit account repos	183,720	16
	Total other balances at National Debt Office	2,510,079	7,145,964

Note 12	Nuclear Waste Fund		
	Market value of Fund and distribution at year-end		
	Carrying amount of fund capital	53,156,696	50,372,362
	Accrued interest 2 days up to settlement date	21,400	28,662
	Unrealized gains on long-term investments	4,736,645	964,487
	Change in market value of bond holdings	-17,077	0
	Change in market value of repos	3,050	0
	Fair value (market value) at year-end	57,900,714	51,365,512

2014
Number of shares

Of which acc. to Financing Act

Forsmarks Kraftgrupp AB

Value of Fund shares	49,761,792.29	16,457,584	14,707,547
Accrued fees		151,389	147,857

OKG AB (Oskarshamn)

Value of Fund shares	35,948,761.27	11,889,238	10,793,026
Accrued fees		78,479	46,883

Ringhals AB

Value of Fund shares	54,761,530.99	18,111,135	16,128,902
Accrued fees		148,707	169,547

Barsebäck Kraft AB

Value of Fund shares	25,640,947.67	8,480,162	7,005,863
Accrued fees		842,000	842,000

Chalmers TH AB

Value of Fund shares	199.00	66	46
Accrued fees		78	14

Westinghouse Electric AB

Value of Fund shares	51,668.17	17,088	11,981
Accrued fees		3,687	3,490

Vattenfall AB (Ågesta)

Value of Fund shares	475,562.39	157,281	111,426
Accrued fees		49,354	31,281

Ranstad Mineral AB

Value of Fund shares	5,820.91	1,925	1,560
Accrued fees		81	183

Studsвик Nuclear AB

Value of Fund shares	13,226.39	4,374	3,076
Accrued fees		1,383	893

Total acc. to Financing Act	166,659,509.08	56,394,012	50,005,575
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Cont'd. Note 12	<i>2014</i>		
Of which acc. to Studsvik Act	<i>Number of shares</i>	31/12 2014	31/12 2013
Value of Fund shares	4,322,058.49	1,429,423	1,285,413
Accrued fees		51,987	49,348
Total Acc. to Studsvik Act	4,322,058.49	1,481,410	1,334,761
Undistributed assets and liabilities at closing of accounts		25,292	25,175
Total	170,981,567.57	57,900,714	51,365,512

The value of Fund shares is based on the market value of the Fund's non-current assets, sight deposits and accrued interest income on such investments. Accrued fees will be invested in new shares when payments are remitted to the Fund. The undistributed amount consists mainly of certain accrued revenue and costs for the fourth quarter of each year and the balance in the Fund's interest-bearing account for payments and disbursements. Share value at 31 December 2014 (SEK thousand): 330.73

Note 13	Trade payables	31/12 2014	31/12 2013
	Östhammar Municipality	5,349	0
	Oskarshamn Municipality	2,577	0
	Regional Council in Uppsala County	1,350	0
	Regional Council Kalmar	503	0
	Total trade payables	9,779	0

Note 14	Other liabilities		
	Receivable repos	33,761,241	0
	Liability repos	-33,764,924	0
	Withholding tax	0	22
	Total other liabilities	3,683	22

The change of the investment policy decided in 2014 allows repos to lie open over the balance date.

Note 15	Accrued expenses		
	Government Offices/Swedish National Council for Nuclear Waste	1,068	0
	National Audit Office	50	100
	Kammarkollegiet	2,655	2,543
	National Tax Board (social security contributions)	34	23
	Min Lilla Trädgård	3	0
	Total accrued expenses	3,810	2,666

Signatures

The Nuclear Waste Fund's 2014 annual accounts were adopted at a Board meeting on 17 February 2015.

We certify that the annual accounts give a true and fair view of the results of operations and of costs, revenue and the financial position of the authority.

Daniel Barr
Chairman

Sara Bergström

Göran Finnveden

Johan Gyllenhoff

Thomas Hahn

Lena Johansson

Christer Malmgren

