



Investor presentation Q4 and full-year 2019

30 January 2020

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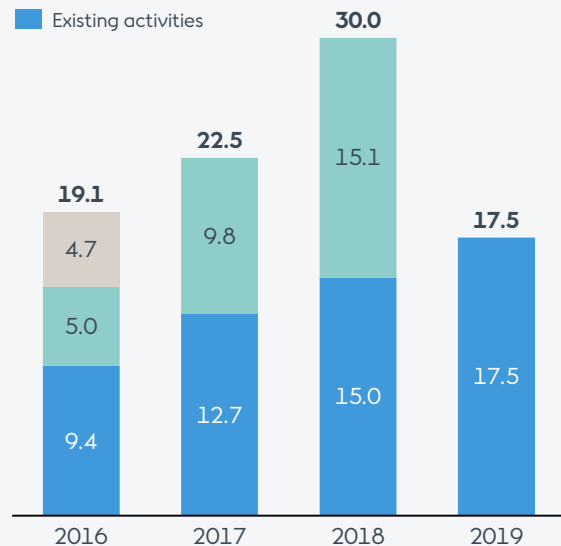
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Very satisfactory results in 2019

EBITDA

DKKbn

- Non-recurring items
- Offshore new partnerships
- Existing activities



Strong financial results in 2019

- EBITDA excluding new partnerships increased 17% to DKK 17.5bn
- EBITDA from offshore and onshore wind farms in operation increased 30% to DKK 14.8bn
- High earnings from our trading activities
- Elsam provision reversal of DKK 0.3bn
- Net loss of DKK 0.8bn related to divestment of LNG activities
- Higher project development costs
- Temporary negative effect from our gas at storage
- Positive outcome of a gas sourcing arbitration case in 2018
- Return on capital employed was 10.6%
- The Board of Directors recommend a dividend of DKK 10.50 per share, an increase of 7.7%

Key accomplishments in 2019

Offshore

- Hornsea 1 (1,218MW) commissioned
- FID of Greater Changhua 1 & 2a (900MW)
- Two major wins in the US: Sunrise Wind (880MW) in NY, and Ocean Wind (1,100MW) in NJ
- Progress on market entry in Japan and Poland

Onshore

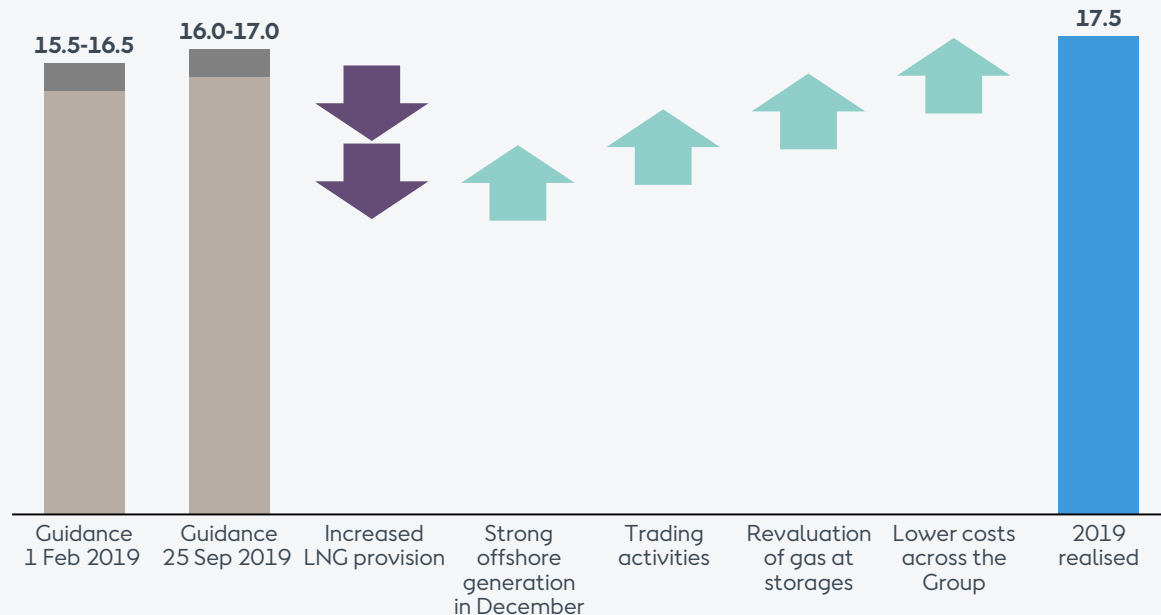
- Lockett (184MW) commissioned
- FID of Sage Draw (338MW), Plum Creek (230MW), Willow Creek (103MW), and Permian Energy Center (420MW_{ac}/40MW_{ac})
- Acquisition of Coronal Energy's development unit

Markets & Bioenergy

- Bioconversion of Asnæs Power Station
- Agreement to divest our power distribution, B2C, and city light businesses
- Agreement to divest our LNG activities

Financial results for 2019 exceeded our expectations

EBITDA DKKbn



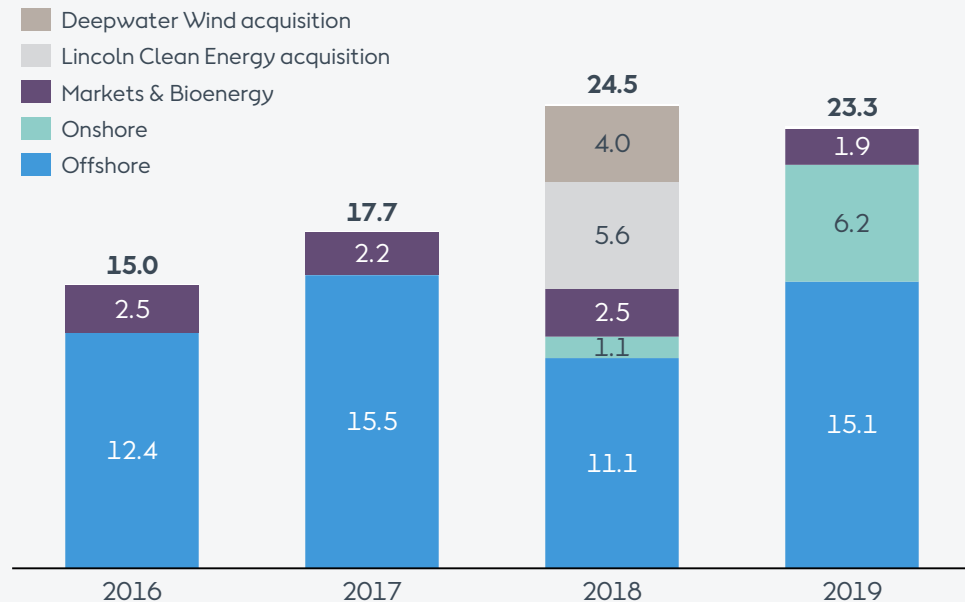
Outperformance vs. latest guidance of DKK 16.0-17.0bn

- Net negative impact of DKK 0.8bn related to divestment of LNG activities
- Strong offshore generation in December
- Better than expected performance from trading activities
- Less negative effect from accounting value of our gas at storages due to increasing gas prices in Q4 2019
- Cost containment across the Group

Investments in construction projects increased significantly in 2019

Gross investments

DKKbn



Gross investments slightly above 2019 guidance range of DKK 21-23bn

Spend on construction projects increased DKK 8.4bn compared to 2018:

- Increased capex spend related to construction of offshore wind farms:
 - Hornsea 1
 - Hornsea 2
 - Borssele 1 & 2
 - Greater Changhua 1 & 2a
- Significant increase in capex spend related to Onshore:
 - Lockett
 - Sage Draw
 - Plum Creek
 - Willow Creek
 - Permian Energy Center

Strong results and continued strategic progress in Q4 2019

Highlights – Q4 2019

- EBITDA totalled DKK 4.6bn, an increase of DKK 0.5bn compared to Q4 2018 when adjusting for Hornsea 1 farm-down
- EBITDA from offshore and onshore wind farms in operation increased by 16% to DKK 4.9bn in Q4 2019
- Green share of power and heat generation of 90% in Q4 2019
- 1,218MW Hornsea 1 offshore wind farm commissioned
- Signed a 100MW corporate PPA for 10 years for the offshore wind project Borkum Riffgrund 3
- Signed non-binding term sheet with PGE in Poland
- Lincoln Clean Energy fully integrated into Ørsted and rebranded as Ørsted Onshore
- FID on our first combined solar (420MW_{ac}) and storage (40MW_{ac}) project, Permian Energy Center in Texas
- Asnæs Power Station reached a 100% green heat and power generation
- Agreement to divest our LNG business
- First foreign corporate to issue NTD denominated green bonds in Taiwan
- Green hybrid capital securities of EUR 600 million issued



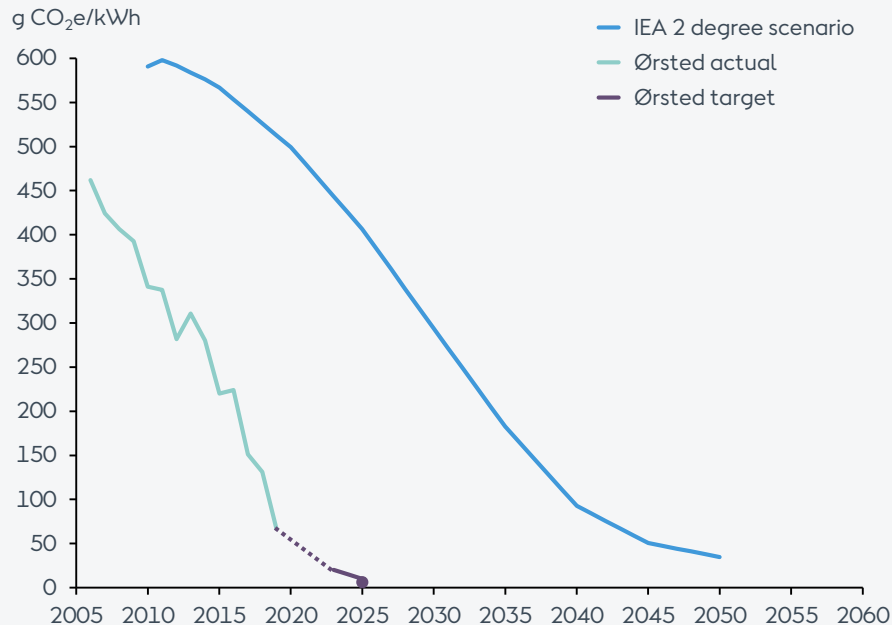
New target: Carbon neutral energy generation and operations by 2025

We are committed to help limit global warming to 1.5°C











- We have reduced our carbon emissions 86% from 2006 to 2019
- Our target has been to reduce emissions by 98% by 2025, but we now target carbon neutrality by 2025
- Ørsted will be the first major energy company to reach net-zero emissions
- Our key activities to reach carbon neutrality:
 - Building renewable energy, with an ambition to build 20GW of onshore and offshore renewable capacity by 2025
 - Phasing out of coal completely in 2023
 - Driving out fossil fuels from our operations, e.g. through our commitment to 100% EVs by 2025
 - Programme launched to engage with our suppliers to decarbonise procurement of components and vessel services related to our offshore wind business
 - If needed, offset any minor residual emissions through certified carbon removal projects

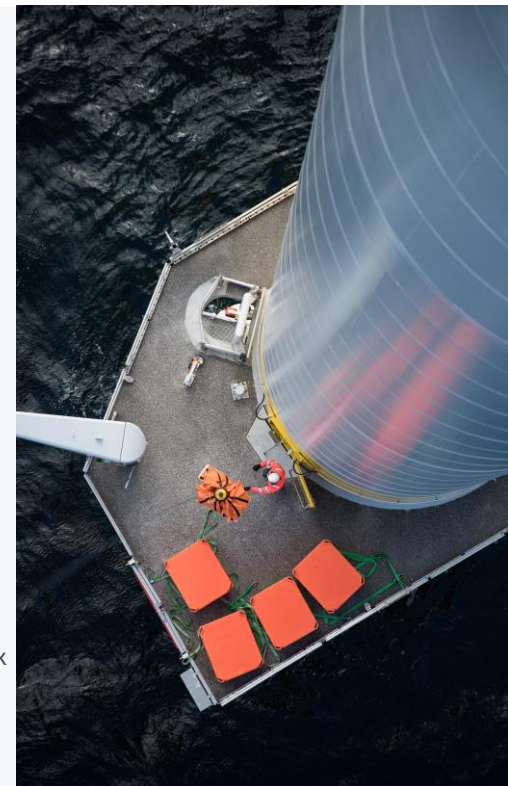
Carbon neutral by 2025

Energy generation and operations (scope 1-2)

















Construction programme – Offshore

Project	Hornsea 1	Borssele 1 & 2	Virginia	Hornsea 2	Changhua 1 & 2a
Country					
Asset type					
Capacity	1,218MW	752MW	12MW (EPC)	1,386MW	900MW
Expected completion	Q4 2019	End of Q4 2020	Q4 2020	H1 2022	2022
Status	Commissioned	On track	On track	On track	On track
Comments	On time Below budget Cable repair ongoing. Expected to be completed in March ahead of CfD commencement	13 out of 94 foundations installed Construction of O&M building completed	Key contracts signed Onshore construction work commenced	Key contracts signed Onshore construction work ongoing	Key contracts signed Onshore construction work commenced



Construction programme – Onshore, Bioenergy and Power Distribution

Project	Sage Draw	Willow Creek	Plum Creek	Permian Energy Center	Asnæs CHP plant	Renescience Northwich	Smart meter roll-out
Country							
Asset type							
Capacity	338MW	103MW	230MW	420MW _{ac} 40MW _{ac}	125MW Heat, 25MW Power	120,000 tonnes waste	1 million installations
Expected completion	Q1 2020	Q4 2020	Q4 2020	2021	Q4 2019	2020	End of 2019
Status	On track	On track	On track	On track	Completed	Delayed	Completed
Comments	Turbine erection and commissioning activities underway	Civil works completed in December Turbine deliveries expected Summer 2020	Civil and foundation work materially complete Electrical work well advanced	Site clearing and deliveries underway Construction commenced in Q4 2019	Conversion from coal to sustainable wood chips	Reconfiguration completed Production ramp-up ongoing	1,000,000 smart meters installed

Offshore market development – US

Massachusetts	<ul style="list-style-type: none">• 804MW awarded to Shell/EDPR in the 2nd offshore wind solicitation• Passed bill which has increased the offshore wind target to 3.2GW by 2030• Next auction of 800MW expected in H2 2021
Connecticut	<ul style="list-style-type: none">• 804MW awarded to Avangrid/CIP in the 3rd offshore wind solicitation• Legislation signed approving procurement of 2GW of offshore wind capacity by 2030, of which 1,200MW remains available• Next auction of 800MW expected in H2 2021
New York	<ul style="list-style-type: none">• 880MW awarded to Ørsted/Eversource and 816MW to Equinor in the 1st solicitation• 25-year 880MW PPA for Sunrise Wind signed with NYSERDA• Next auction of +1,000MW with bid submission expected in H2 2020• Target 9GW offshore wind by 2035• BOEM announced that release of final offshore lease areas in early 2020 and lease auctions later in 2020 is unlikely
New Jersey	<ul style="list-style-type: none">• 1,100MW awarded to Ørsted in the 1st offshore wind solicitation• 20-year 1,100MW OREC order from BPU for Ocean Wind• Subsequent auctions of 1.2GW each expected in 2020 and 2022, respectively• Target increased to 7.5GW of offshore wind capacity by 2035, from 3.5GW by 2030
Maryland	<ul style="list-style-type: none">• Target of approx. 1.6GW of offshore wind capacity by 2030• Auctions of at least 400MW each in H1 2020, 2021 and 2022, respectively
Virginia	<ul style="list-style-type: none">• Executive order signed establishing a non-binding 2.5GW offshore wind target by 2026
Rhode Island	<ul style="list-style-type: none">• Executive order signed to power the state with 100% renewable energy by 2030



Offshore market development – UK and Continental Europe

United Kingdom	<ul style="list-style-type: none">• Six offshore wind farms awarded a total of 5.5GW in the 2019 UK CfD auction• Target annual build-out of 3GW to reach 40GW capacity by 2030• The development consent order for Hornsea 3 is expected in Q2 2020• Auction framework for at least 7GW of new lease areas announced. Auction expected autumn 2020• New leasing round in Scotland is due to launch in 2020
Germany	<ul style="list-style-type: none">• First centralised tender expected in 2021, approx. 900MW to be built annually from 2026• Target for offshore wind capacity by 2030, increased from 15GW to 20GW
Netherlands	<ul style="list-style-type: none">• Government target of 11.5GW offshore wind by 2030• Next tender of up to 760MW with bid deadline 30 April 2020
Denmark	<ul style="list-style-type: none">• Three offshore wind tenders of at least 2.4GW in total towards 2030• Tenders to include the offshore transmission assets• Next tender of 800-1,000MW has been launched with expected bid in Q4 2021
France	<ul style="list-style-type: none">• Government target increased from 5GW to 11GW offshore wind by 2028• Next tender (Round 4) with a capacity of 1GW expected in 2021
Poland	<ul style="list-style-type: none">• Signed non-binding term sheet with PGE regarding purchase of 50% stake in two offshore wind projects with a total capacity of up to 2.5GW• Draft legislation to promote offshore wind aiming to award 9.6GW by 2027



Offshore market development – APAC

Taiwan

- Taiwan has met its target of awarding 5.5GW to be commissioned by 2025
- An additional 10GW offshore wind to be constructed between 2026-2035
- Third round auction rules expected to be announced in Q2 2020
- 600MW Greater Changhua 3 project ready for future auctions

Japan

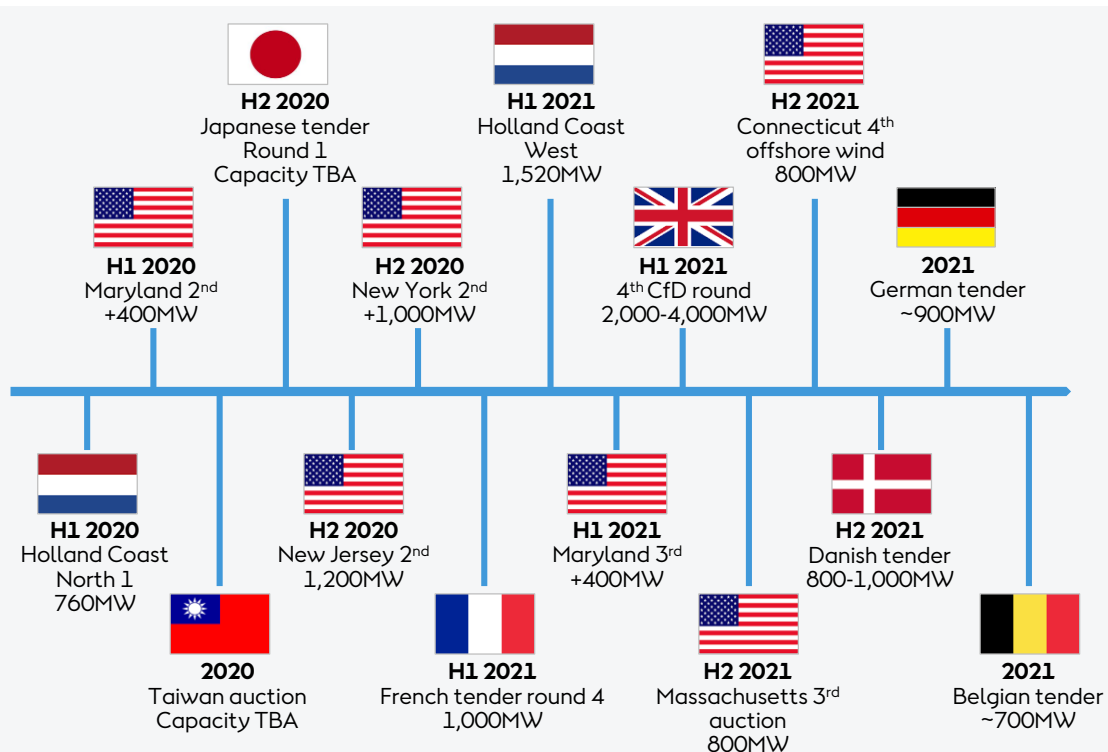
- Target of 10GW offshore and onshore wind power to be constructed by 2030
- Signed MoU to work jointly with TEPCO on Choshi offshore wind project near Tokyo
- 11 areas designated as potentially suitable for development of offshore wind with a capacity of approx. 7GW
- Four areas, including Choshi, have been selected as prospective areas working towards qualification by Q1 2020 ahead of an expected auction in H2 2020
- Preliminary selection for the 2nd round of promotional zones has commenced

South Korea

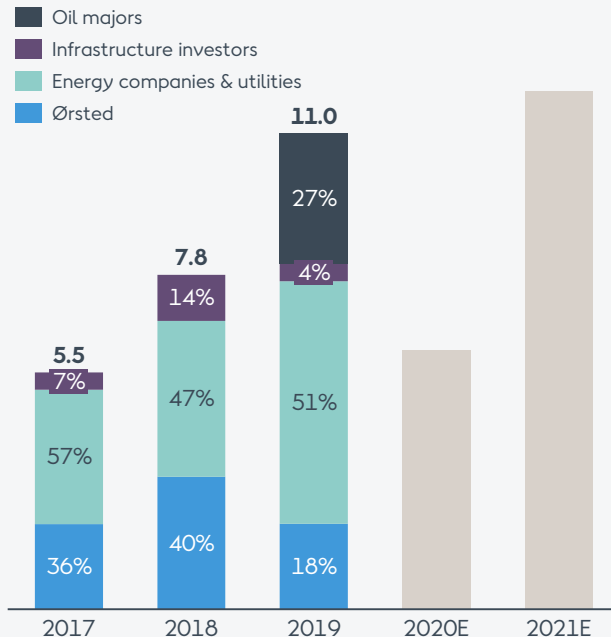
- 12GW offshore wind build-out has been targeted in order to reach the 20% renewable mix towards 2030 and up to 35% by 2040



Expected offshore wind auctions and tenders in 2020 and 2021



Global awarded offshore capacity¹ GW, net ownership

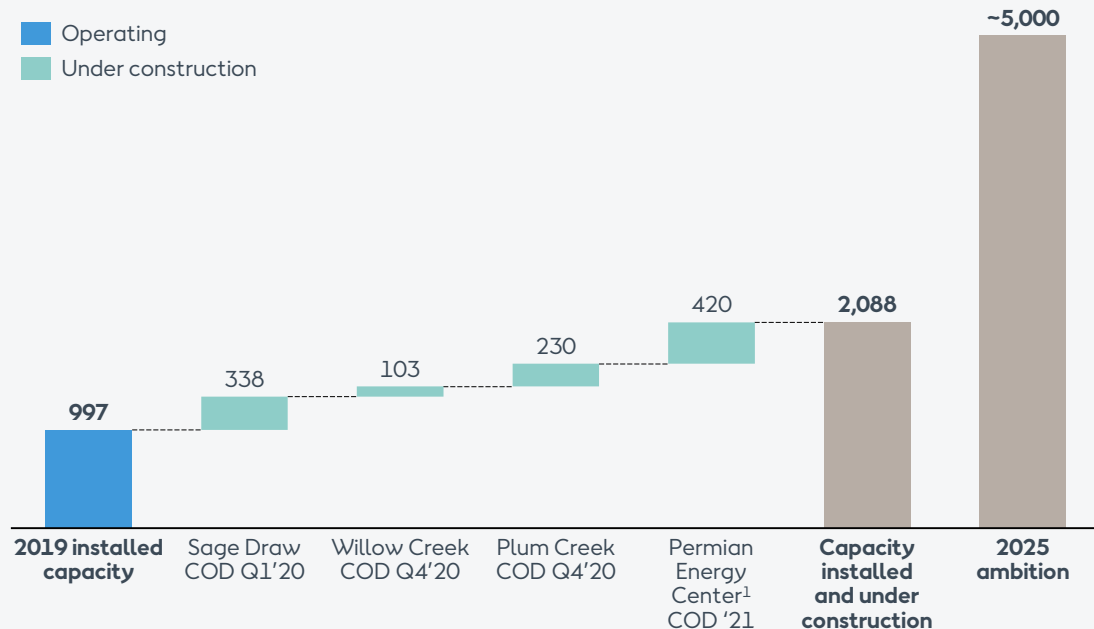


Onshore target of 5GW installed capacity by 2025

Onshore capacity build-out towards 2025

MW

- Operating
- Under construction

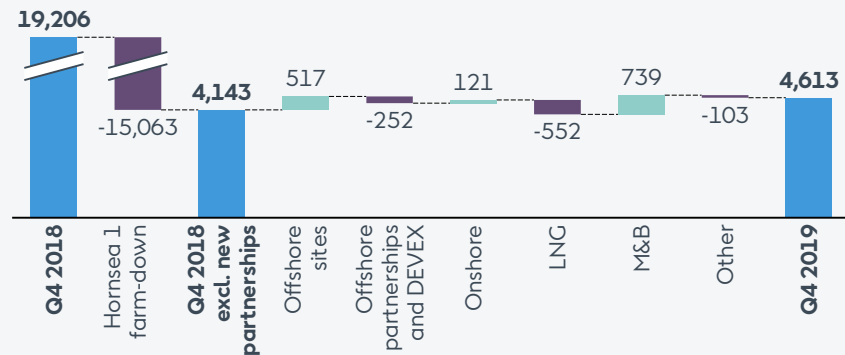


Partners for operating and construction portfolio

Project	Offtake solution
Amazon	PPA with Amazon and Iron Mountain
Willow Springs	Hedge with BAML ²
Tahoka	Hedge with BAML ²
Lockett	PPA with Allianz
Sage Draw	PPA with ExxonMobil
Willow Creek	Contract with Ørsted affiliate
Plum Creek	PPAs with Smucker Co, Avery Dennison and Vail Resort
Permian Energy Center	PPA with ExxonMobil

Group – Q4 financial performance

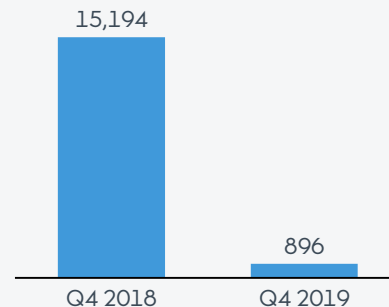
EBITDA DKKm



EBITDA excl. Hornsea 1 farm-down increased DKK 0.5bn

- Earnings from operating offshore wind farms up 13% driven by ramp-up
- Increased earnings from Onshore due to more wind farms in operation
- Net negative impact of DKK 0.8bn related to divestment of LNG activities partly offset by good performance related to optimisation of LNG deliveries
- Positive effect from accounting value of our gas at storages due to increasing gas prices in Q4 2019
- IFRS 16 implementation contributed with DKK 171m in Q4 2019

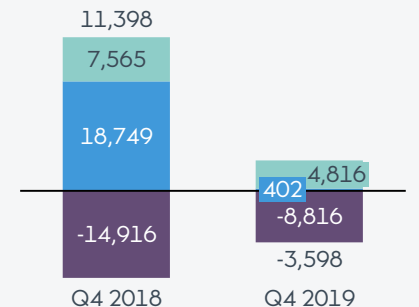
Net profit DKKm



Net profit down DKK 14.3bn

- Lower EBITDA due to farm-down gain from Hornsea 1 in Q4 2018

Free cash flow DKKm



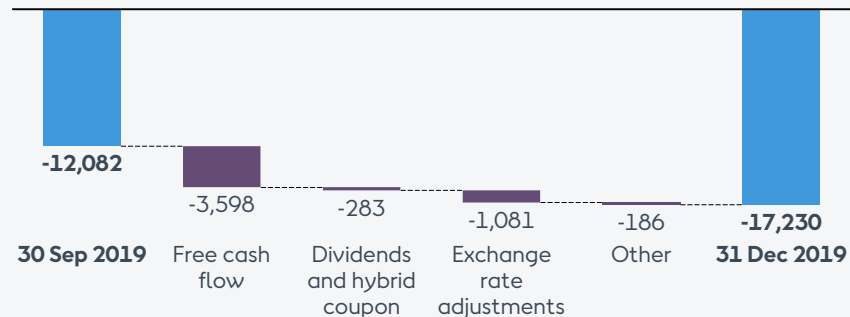
FCF totalled DKK -3.6bn

- Positive cash flow from operations driven by EBITDA, partly offset by funds tied up in working capital mainly from higher receivables at year-end
- Gross investments related to our Offshore and Onshore portfolio

Net debt and financial ratios

Net interest-bearing debt development

DKKm

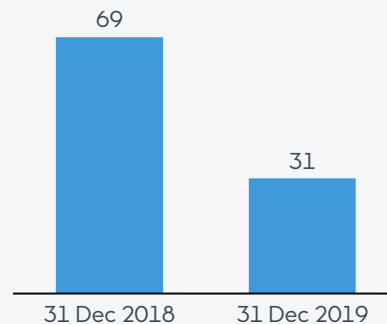


Net interest-bearing debt of DKK 17.2bn

- Free cash flow of DKK -3.6bn
- Exchange rate adjustments totalled DKK -1.1bn mainly related to the strengthening of GBP

FFO / Adj. net debt (LTM)

%

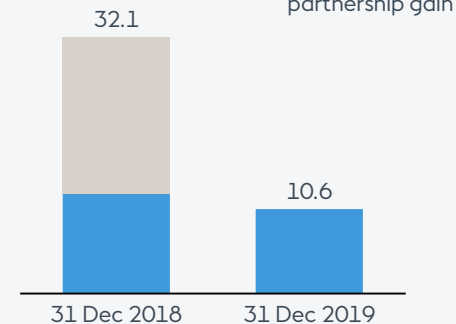


FFO / Adj. net debt of 31%

- Credit metric in line with our target level

ROCE (LTM)

%

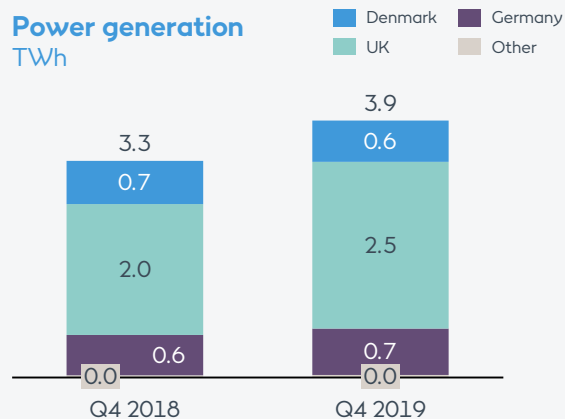


ROCE of 10.6%

- The decrease was mainly due to the significant positive effect from the farm-down gain of Hornsea 1 in 2018

Offshore – Q4 financial performance

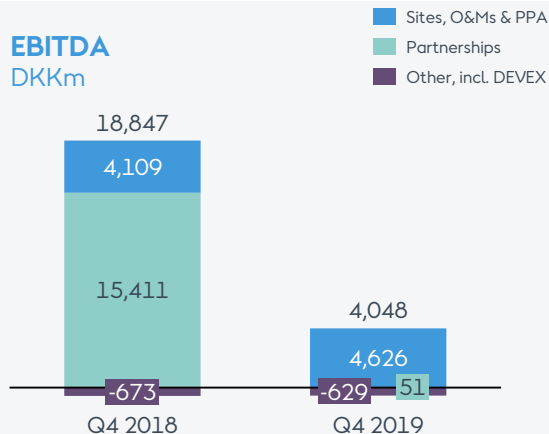
Power generation TWh



Power generation increased 20%

- Ramp-up of generation from Borkum Riffgrund 2 and Hornsea 1
- Lower wind speeds (10.0m/s vs. 10.3m/s in Q4 2018. Norm 10.4m/s)
- Availability of 93%

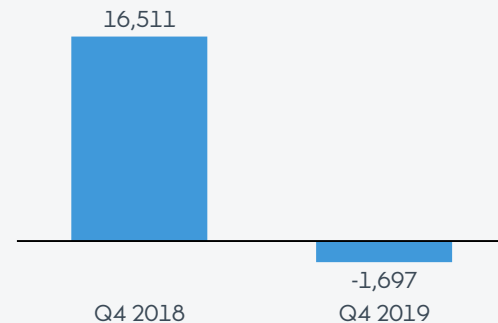
EBITDA DKKm



EBITDA totalled DKK 4.0bn

- Earnings from operating wind farms increased 13% due to ramp-up
- Good performance from trading activities related to hedging of our UK energy exposures
- Partnership earnings decreased due to Hornsea 1 farm-down gain in Q4 2018
- Project development costs in line

Free cash flow DKKm

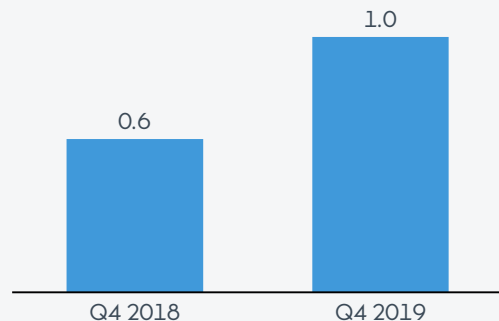


FCF totalled DKK -1.7bn

- EBITDA partly offset by funds tied up in work in progress from the construction of Hornsea 2 transmission asset
- Gross investments of DKK 5.4bn relating to Hornsea 2, Greater Changhua 1 & 2a, Borssele 1 & 2
- Hornsea 1 farm-down in Q4 2018

Onshore – Q4 financial performance

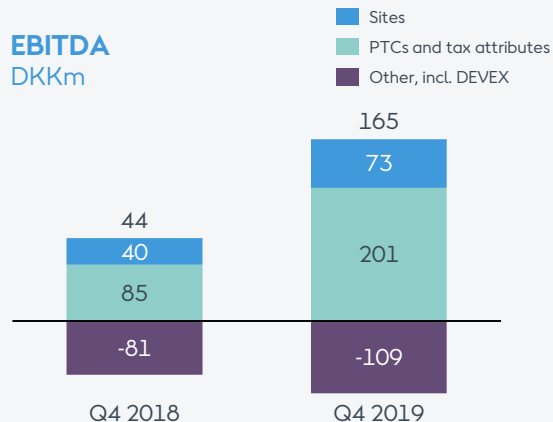
Power generation TWh



Power generation increased 0.4TWh

- Ramp-up of generation from Tahoka and Lockett
- Wind speed in line with Q4 2018 (7.3m/s in 2019 and 2018)
- High availability of 98% across portfolio

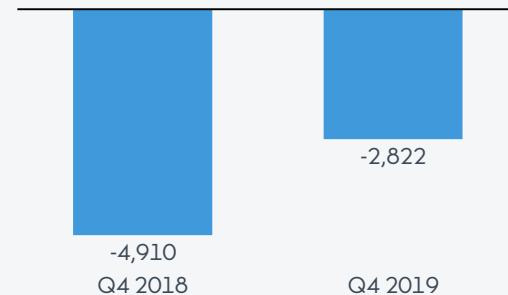
EBITDA DKKm



EBITDA increased DKK 0.1bn

- Earnings from operating wind farms increased due to the higher generation
- Production tax credits contributed with DKK 0.2bn
- Partly offset by project development and other costs

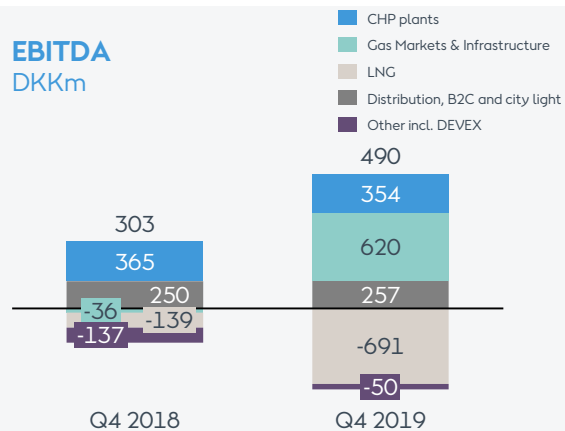
Free cash flow DKKm



FCF totalled DKK -2.8bn

- EBITDA offset by gross investments of DKK 2.9bn relating to Sage Draw, Plum Creek and Permian Energy Center
- Acquisition of Lincoln Clean Energy in Q4 2018 amounted to DKK 5.6bn

Markets & Bioenergy – Q4 financial performance

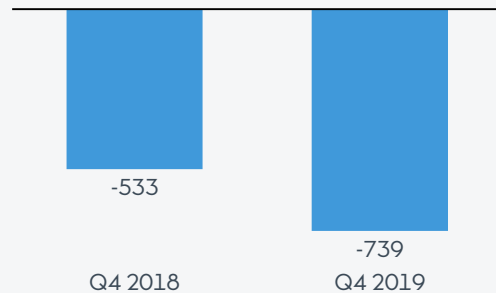


EBITDA up DKK 0.2bn

- Higher earnings from 'Gas Markets & Infrastructure' due to an increase in the accounting value of our gas storages driven by increasing gas prices
- Net negative impact of DKK 0.8bn from the divestment of LNG activities partly offset by good performance related to optimisation of LNG deliveries

Free cash flow

DKKm



FCF totalled DKK -0.7bn

- EBITDA offset by higher receivables and lower payables
- Gross investments relating to Asnæs bioconversion and power distribution



Better than expected results from our trading activities related to the hedging of our UK energy exposures

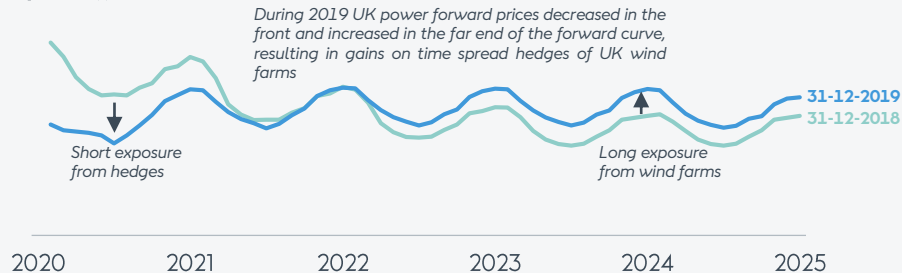
Market Trading

- Market Trading hedges group energy exposure into traded markets to increase cash flow stability
- Market Trading activities are continuously monitored and governance includes limits for Value-at-Risk, stress scenarios and net open positions
- Hedging strategies are monitored and adjusted on an ongoing basis to ensure that they maximize value protection and earnings within the trading mandates

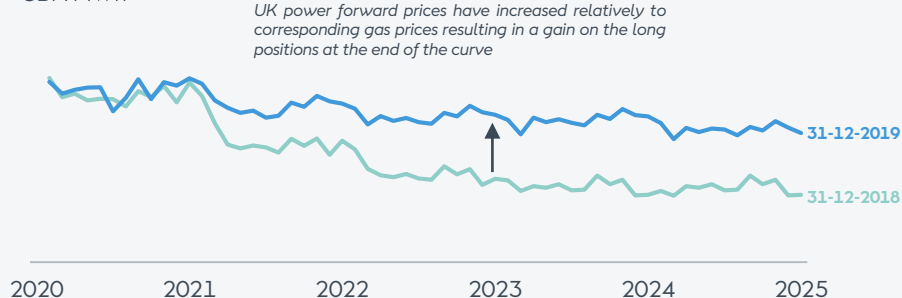
Results for 2019

- Results from our trading activities relating to the hedging of our UK energy exposures have been extraordinarily high in 2019
- Our UK power hedging strategy includes:
 - Time spread: Rolling of shorter-dated hedges is preferred to longer-dated hedges due to liquidity
 - Spark spread: Hedging part of UK power exposure with gas instead of power
- In 2019, the price development in the short and long end of the power curve, and between the gas and power curves, developed in our favour

UK power price forward curve
GBP/MWh



UK spark spread forward curve
GBP/MWh



Outlook – Guidance for 2020

2020 EBITDA excluding new partnerships expected to be DKK 15.0-16.0 billion

Effects impacting comparability

- Earnings from existing offshore partnerships expected to be very limited in 2020
- Earnings from power distribution, residential customer and city light businesses included in the guidance for the first half year of 2020
- Reversal of provision related to Elsam competition case in 2019
- LNG loss in 2019 and break-even in 2020

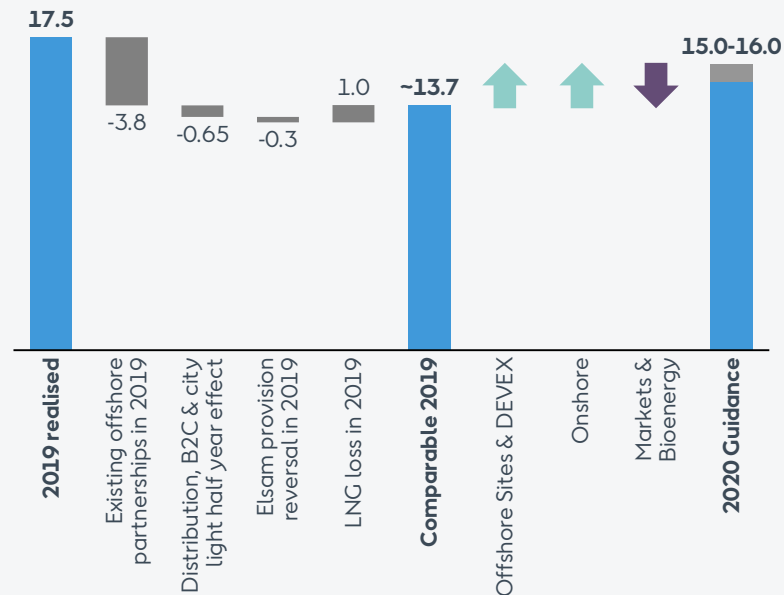
Underlying effects

- Offshore site EBITDA positively impacted by ramp-up
- Expensed Offshore project development costs expected to decrease
- Onshore site EBITDA positively impacted by ramp-up
- Earnings in Markets & Bioenergy expected to decrease in 2020 due to lower earnings from gas portfolio and offshore gas pipelines

2020 gross investments expected to be DKK 30-32 billion

- Reflecting high level of construction activity in Offshore and Onshore

Guidance on 2020 EBITDA excl. new partnerships DKKbn



Outlook – Business unit EBITDA FY 2020 vs. FY 2019

Offshore – Lower

- Earnings from offshore wind farms in operation expected to increase from ramp-up generation at Hornsea 1 (COD December 2019) and Borssele 1 & 2 (expected COD end of Q4 2020). 400MW of capacity at Hornsea 1 will receive the CfD price from 31 March 2020 (the remaining 400MW will receive CfD 31 March 2021)
- Expected lower earnings from trading activities related to hedging of our UK energy exposures
- Earnings from existing partnership agreements was DKK 3.8bn in 2019, mainly related to Hornsea 1. 2020 earnings are expected to be very limited
- Expensed project development costs expected to be lower than in 2019

Onshore – Higher

- Earnings from onshore wind farms in operation expected to increase
- Full year of production from Lockett (COD July 2019)
- New wind farms coming online in 2020, Sage Draw (Q1 2020), Plum Creek (Q4 2020) and Willow Creek (Q4 2020)

Markets & Bioenergy – Lower

- Decline in earnings from CHP plants due to the positive 2019 effect from the provision reversal related to the Elsam case. Underlying CHP plants expected to be in line with 2019
- Earnings in Gas Markets & Infrastructure are expected to decrease due to a temporary shut-down of the Tyra gas field from late 2019 until 2022 which will lower earnings from both the gas portfolio and offshore gas pipelines
- Earnings from LNG expected to break-even in 2020. In 2019 we provided for the expected loss from the divestment and the expected operating loss in the period until closing
- Earnings from power distribution, residential customer and city light businesses expected to be approx. half of the DKK 1.3bn earnings in 2019

2020 guidance and long-term financial estimates and policies

2020 guidance

DKKbn

EBITDA without new partnerships	15-16
Gross investments	30-32

Business unit EBITDA FY 2020 vs. FY 2019

Direction

Offshore	Lower
Onshore	Higher
Markets & Bioenergy	Lower

Financial estimates

Total capex spend, 2019-2025	DKK 200bn
Capex allocation split, 2019-2025:	
- Offshore	75-85%
- Onshore	15-20%
- Markets & Bioenergy	0-5%
Average ROCE, 2019-2025	~10%
Average share of EBITDA from regulated and contracted activities, 2019-2025	~90%
Average yearly increase in EBITDA from offshore and onshore wind and solar farms in operation, 2017-2023	~20%

Financial policies

Target

Rating (Moody's/S&P/Fitch)	Baa1/BBB+/BBB+
FFO/Adjusted net debt	Around 30%
Dividend policy:	
Ambition to increase the dividend paid by a high single-digit rate compared to the dividend for the previous year up until 2025	

Q&A

Conference call

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For questions, please press 01



Appendix

Renewable capacity as of 31 December 2019

Indicator	Unit	2019	2018
Installed renewable capacity	MW	9,870	8,303
- Offshore wind power	MW	6,820	5,602
- Denmark	MW	1,006	1,006
- United Kingdom	MW	4,400	3,182
- Germany	MW	1,384	1,384
- US	MW	30	30
- Onshore wind power, US	MW	987	803
- Solar power, US	MW	10	10
- Thermal heat, biomass, Denmark	MW	2,053	1,888
Decided (FID) renewable capacity (not yet installed)	MW	4,129	3,665
- Offshore wind power	MW	3,038	3,356
- United Kingdom	MW	1,386	2,604
- Germany	MW	-	-
- Netherlands	MW	752	752
- Taiwan	MW	900	-
- Onshore wind power, US	MW	671	184
- Solar power, US	MW	420	-
- Thermal heat, biomass, Denmark	MW	-	125
Awarded and contracted capacity (not yet FID) renewable capacity	MW	4,996	4,796
- Offshore wind power	MW	4,996	3,916
- Germany	MW	1,142	1,142
- US	MW	2,934	954
- Taiwan	MW	920	1,820
- Onshore wind power, US	MW	-	530
- Solar power, US	MW	-	350
Sum of installed and FID capacity	MW	13,999	11,968
Sum of installed + FID + awarded and contracted capacity	MW	18,995	16,764
Installed storage capacity	MW_{ac}	21	1

Installed renewable capacity

Installed renewable capacity is calculated as the cumulative renewable gross capacity installed by Ørsted before divestments.

For installed renewable thermal capacity, we use the heat capacity, as heat is the primary outcome of thermal energy generation, and as bioconversions of the combined heat and power plants are driven by heat contracts.

Decided (FID) renewable capacity

Decided (FID) capacity is the renewable capacity for which a Final Investment Decision (FID) has been made.

Awarded and contracted renewable capacity

Awarded renewable capacity is based on the capacities which have been awarded to Ørsted in auctions and tenders.

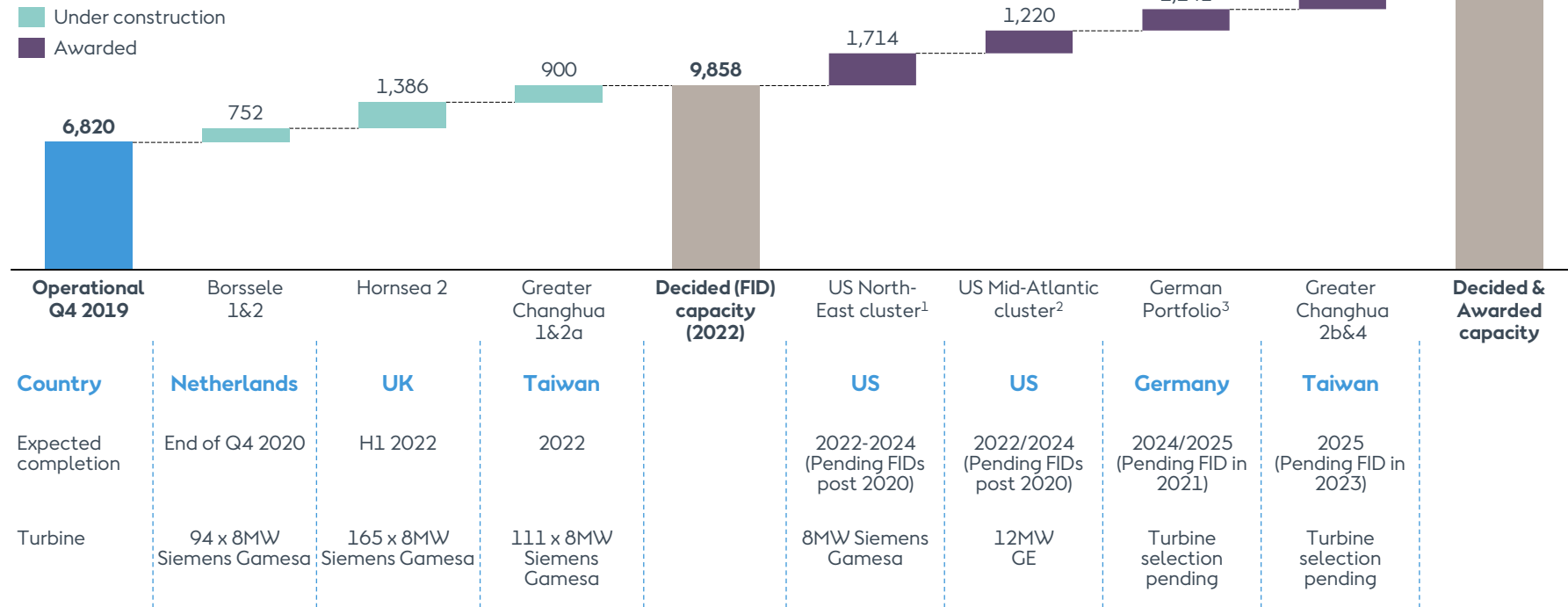
Contracted capacity is the capacity for which Ørsted has signed a contract or power purchase agreement (PPA) concerning a new renewable energy plant.

Typically, offshore wind farms are awarded, whereas onshore wind farms are contracted. We include the full capacity if more than 50% of PPAs/offtake are secured.

Offshore wind build-out plan

Installed capacity

MW



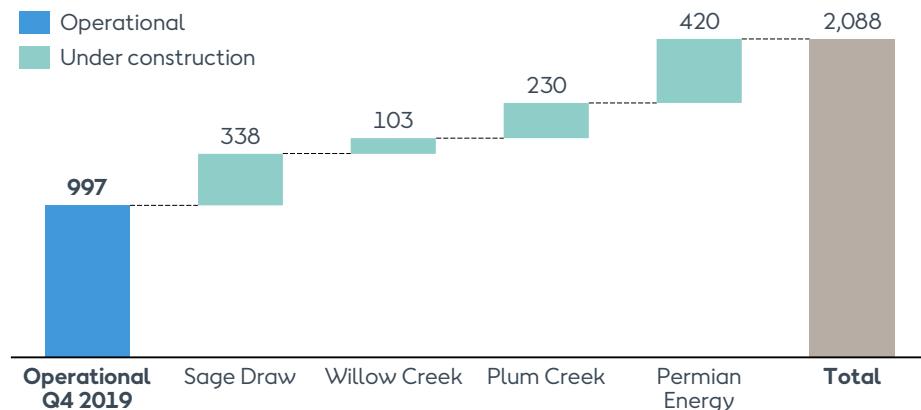
Onshore wind build-out plan

Installed capacity

MW

Operational

Under construction



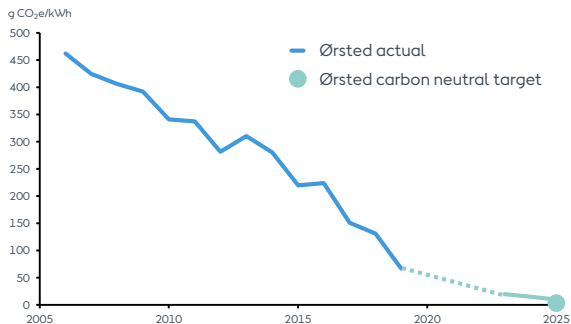
Region	ERCOT, TX	SPP, SD	SPP, NE	ERCOT, TX
Expected completion	Q1 2020	Q4 2020	Q4 2020	2021
Turbine	GE	GE	GE	n/a
Offtake solution	PPA with ExxonMobil	Contract with Ørsted affiliate	PPAs with Smucker Co, Avery Dennison and Vail Resort	PPA with ExxonMobil



Sustainability and ESG at Ørsted

Green leadership

- We want to help keep global warming below 1.5°C.
- In 2019, 86% of our energy generation was green. By 2025, we target 99%.
- We have reduced the carbon intensity of our energy generation by 86%¹ to 65g CO₂e/kWh.
- By 2025, our target is to become carbon neutral in our energy generation and operations (scope 1 and 2).
- For our energy trading and supply chain, we target a 50% reduction by 2032 compared to 2018, and our ambition is to be carbon neutral in our total carbon footprint by 2040 as required by science.



Contributing to the global goals



Ørsted is a signatory to the UN Global Compact and adheres to its ten principles for responsible business behaviour.

Strong commitment to UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) define some of the greatest societal challenges of our time.

SDGs where Ørsted makes the biggest difference:



Ensure access to affordable, reliable, sustainable and modern energy for all



Take urgent action to combat climate change and its impacts

ESG ratings of Ørsted

Rating agency	Rating	Benchmark
	A	<ul style="list-style-type: none"> • Highest possible rating • Recognised as a global leader on climate action
	AAA	<ul style="list-style-type: none"> • Highest possible rating
	83 of 100	<ul style="list-style-type: none"> • No. 1 among direct market cap peers • Highest possible 'Leader' status
	B+	<ul style="list-style-type: none"> • No. 1 of all utilities • Awarded highest possible 'Prime' status
	A	<ul style="list-style-type: none"> • Highest possible rating in the GRESB Infrastructure Public Disclosure Assessment

Group – Financial highlights

FINANCIAL HIGHLIGHTS		Q4 2019	Q4 2018	Δ	FY 2019	FY 2018	Δ
EBITDA	DKKmn	4,613	19,206	(76%)	17,484	30,029	(42%)
• Offshore		4,048	18,847	(79%)	15,161	28,046	(46%)
• Onshore		165	44	275%	786	44	n.a.
• Markets & Bioenergy		490	303	62%	1,495	2,100	(29%)
Net profit – continuing operations		925	15,160	(94%)	6,100	19,486	(69%)
Net profit – discontinued operations		(29)	34	n.a.	(56)	10	n.a.
Total net profit		896	15,194	(94%)	6,044	19,496	(69%)
Operating cash flow		4,816	7,565	(36%)	13,079	10,343	26%
Gross investments		(8,816)	(14,916)	(41%)	(23,305)	(24,481)	(5%)
Divestments		402	18,749	(98%)	3,329	19,950	(83%)
Free cash flow – continuing operations		(3,598)	11,398	n.a.	(6,897)	5,812	n.a.
Net interest-bearing debt		17,230	(2,219)	n.a.	17,230	(2,219)	n.a.
FFO/Adjusted net debt ¹	%	31.0	69.0	(38%p)	31.0	69.0	(38%p)
ROCE ¹	%	10.6	32.1	(22%p)	10.6	32.1	(22%p)



Offshore – Financial highlights

FINANCIAL HIGHLIGHTS		Q4 2019	Q4 2018	Δ	FY 2019	FY 2018	Δ
EBITDA	DKKmn	4,048	18,847	(79%)	15,161	28,046	(46%)
• Sites incl. O&Ms and PPAs		4,626	4,109	13%	13,750	11,279	22%
• Partnership agreements and farm-down gains		51	15,413	(100%)	3,765	18,765	(80%)
• Other, incl. project development		(629)	(675)	(7%)	(2,354)	(1,998)	18%

KEY BUSINESS DRIVERS

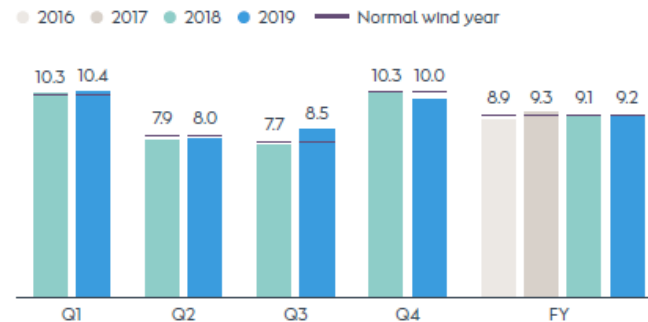
Power generation	TWh	3.9	3.3	21%	12.0	10.0	20%
Wind speed	m/s	10.0	10.3	(3%)	9.2	9.1	1%
Availability	%	93	93	0%p	93	93	0%p
Load factor	%	50	53	(3%p)	42	42	0%
Decided (FID) and installed capacity*	GW	9.9	9.0	10%	9.9	9.0	10%
Installed capacity*	GW	6.8	5.6	21%	6.8	5.6	21%
Generation capacity**	GW	3.6	3.0	20%	3.6	3.0	20%

* Installed capacity: gross offshore wind capacity installed by Ørsted before divestments

** Generation capacity: the Gunfleet Sands and Walney 1 & 2 are consolidated according to ownership interest. Other wind farms are financially consolidated

WIND SPEED

(m/s), offshore wind farms



The wind speed indicates how many metres per second the wind has blown in the areas where we have offshore wind farms. The weighting is based on our generation capacity.

Onshore – Financial highlights

FINANCIAL HIGHLIGHTS		Q4 2019	Q4 2018	Δ	FY 2019	FY 2018*	Δ
EBITDA	DKKm	165	44	275%	786	44	n.a.
• Sites		73	40	83%	466	40	n.a.
• Production tax credits and tax attributes		201	85	136%	628	85	n.a.
• Other, incl. project development		(109)	(81)	35%	(308)	(81)	n.a.

KEY BUSINESS DRIVERS

Power generation	TWh	1.0	0.6	67%	3.5	0.6	n.a.
Wind speed	m/s	7.3	7.3	0%	7.3	7.3	0%
Availability	%	98	98	0%p	98	98	0%p
Load factor	%	46	41	5%p	45	41	4%p
Installed capacity	MW	1.0	0.8	25%	997	81.3	23%

* As we acquired Lincoln Clean Energy and established the Onshore business unit on 1 October 2018, comparison figures for 2018 only include Q4.



Markets & Bioenergy – Financial highlights

FINANCIAL HIGHLIGHTS

		Q4 2019	Q4 2018	Δ	FY 2019	FY 2018	Δ
EBITDA	DKKm	490	303	62%	1,495	2,100	(29%)
• CHP plants		354	365	(3%)	1,152	715	61%
• Gas markets & Infrastructure		620	(36)	n.a.	390	705	(45%)
• LNG		(691)	(139)	397%	(957)	(43)	n.a.
• Distributions B2C and city lights		257	250	3%	1,280	1,135	13%
• Other, incl. project development		(50)	(137)	(64%)	(370)	(412)	(10%)
Free cash flow		(739)	(533)	39%	(655)	672	n.a.

KEY BUSINESS DRIVERS

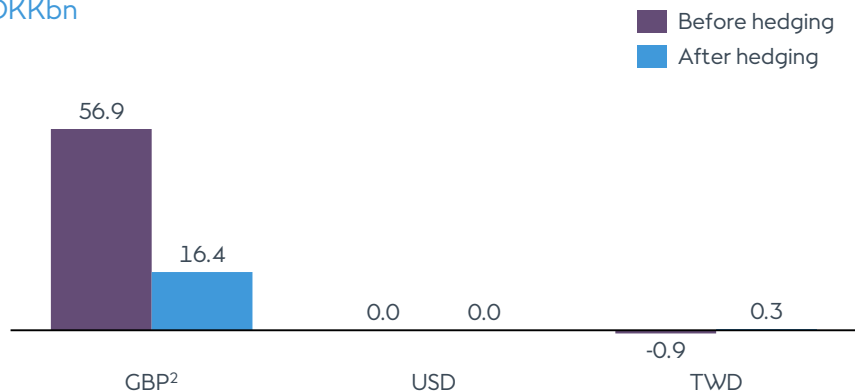
Heat generation	TWh	3.0	2.8	7%	8.3	8.8	(6%)
Power generation	TWh	1.6	1.8	(11%)	4.6	6.7	(31%)
Degree days	#	882	884	0%	2,399	2,526	(5%)



Currency and energy exposure

Currency exposure 2020-2024¹

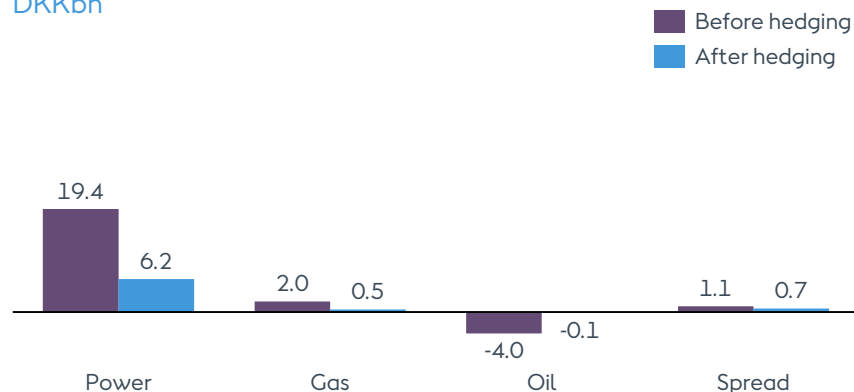
DKKbn



Risk after hedging, DKKbn	Effect of price +10%	Effect of price -10%
GBP: 16.4 sales position	+1.6	-1.6
USD: 0.0 sales position	+0.0	-0.0
TWD: 0.3 sales position	+0.0	-0.0

Energy exposure 2020-2024

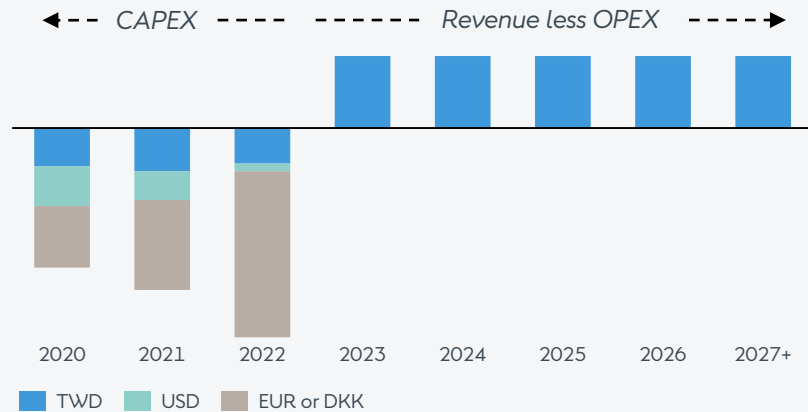
DKKbn



Risk after hedging DKKbn	Effect of price +10%	Effect of price -10%
Power: 6.2 sales position	+0.6	-0.6
Gas: 0.5 sales position	+0.0	-0.0
Oil: 0.1 purchase position	-0.0	+0.0
Spread: 0.7 sales position	+0.0	-0.0

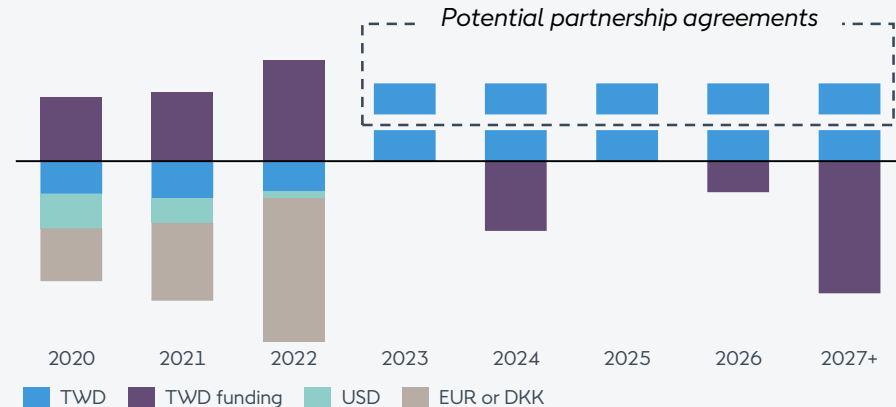
Natural hedges significantly reduce Taiwan Dollar risk

Cash flows from Changhua 1 & 2a Illustrative



- CAPEX primarily denominated in EUR, DKK and TWD and to a minor extent USD
- Future revenue minus OPEX denominated in TWD

Risk mitigation Illustrative



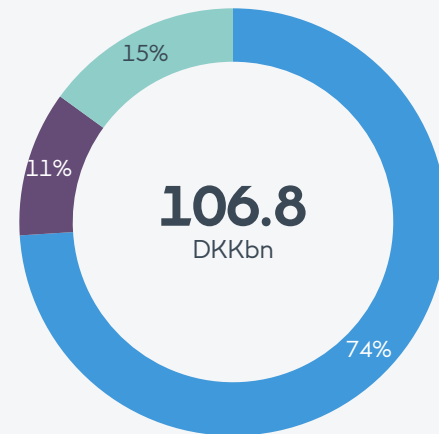
- TWD hedged with derivatives in the near-term
- Natural TWD hedges:
 - TWD funding (Revolving Credit Facilities and Bonds)
 - Potential partnership agreements
 - CAPEX in local currency

Capital employed

CAPITAL EMPLOYED, DKKm	FY 2019	FY 2018
Intangible assets and property and equipment	106,685	84,832
Equity Investments and non-current receivables	1,044	1,445
Net working capital, work in progress	8,756	9,654
Net working capital, tax equity	(4,587)	(3,719)
Net working capital, capital expenditures	(3,304)	(2,978)
Net working capital, other items	2,540	1,489
Derivatives, net	782	(2,626)
Assets classified as held for sale, net	8,211	10,372
Decommissioning obligations	(6,158)	(5,472)
Other provisions	(6,443)	(7,982)
Tax, net	(253)	(2,629)
Other receivables and other payables, net	(481)	510
TOTAL CAPITAL EMPLOYED	106,792	82,896
OF WHICH CONTINUING OPERATIONS	106,833	83,039
OF WHICH DISCONTINUED OPERATIONS	(41)	(143)

Capital employed by segment %, FY 2019

■ Offshore
 ■ Markets & Bioenergy
 ■ Onshore

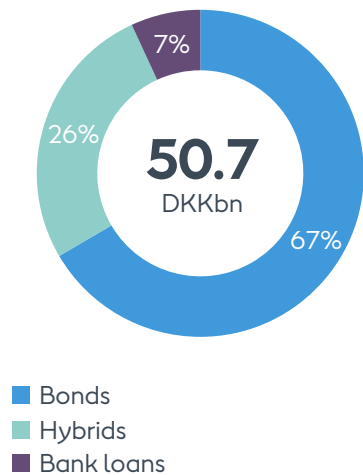


FFO/Adjusted net debt calculation

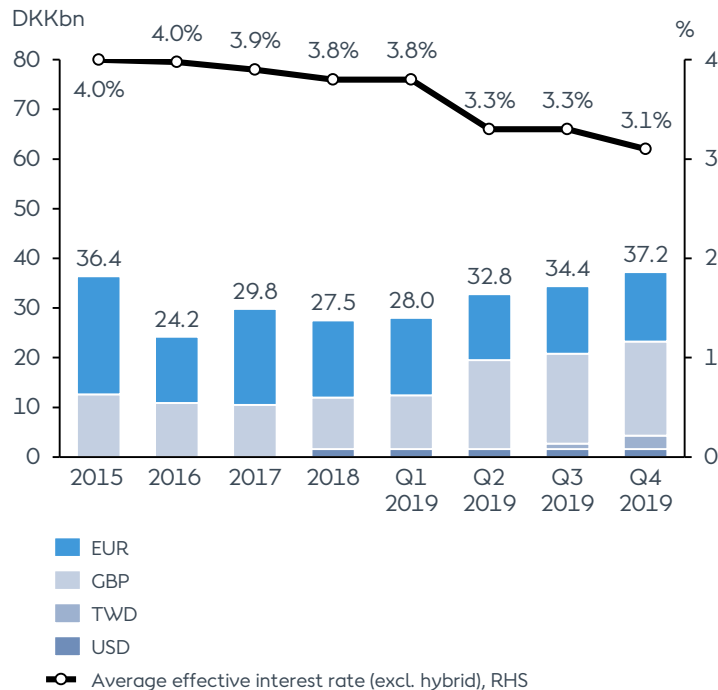
FUNDS FROM OPERATIONS / ADJUSTED NET DEBT, DKKm	FY 2019	FY 2018
EBITDA – Business Performance	17,484	30,029
Interest expenses, net	(1,312)	(877)
Interest expenses, leasing	(171)	-
Reversal of interest expenses transferred to assets	(344)	(506)
Interest element of decommission obligations	(211)	(192)
50% of coupon payments on hybrid capital	(279)	(272)
Operating lease obligations, interest element	-	(196)
Adjusted net interest expenses	(2,318)	(2,043)
Reversal of gain (loss) on divestment of assets	101	(14,995)
Reversal of recognised lease payment	-	778
Current tax	(5,799)	(3,068)
FUNDS FROM OPERATION (FFO)	9,468	10,701
Total interest-bearing net debt	17,230	(2,219)
50% of hybrid capital	6,616	6,619
Cash and securities, not available for distribution	1,437	1,583
Present value of operating lease payments	-	4,819
Decommission obligations	6,158	5,471
Deferred tax on decommissioning obligations	(866)	(757)
ADJUSTED INTEREST-BEARING NET DEBT	30,575	15,516
FFO / ADJUSTED INTEREST-BEARING NET DEBT	31.0%	69.0%

Debt overview

Gross debt and hybrids 31 December 2019

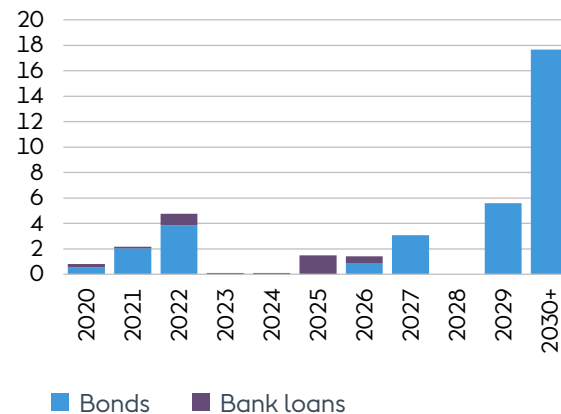


Effective funding costs – gross debt (excl. hybrid)



Long term gross debt maturity schedule DKKbn

	Cost of debt (%)	Modified duration (%)	Avg. time to maturity (years)
Bond loans	3.3	8.7	11.2
Bank loans	2.1	0.3	4.9
Total	3.1	8.6	10.6



Hybrid capital in short

Hybrid capital can broadly be defined as funding instruments that combine features of debt and equity in a cost-efficient manner:

- Hybrid capital encompasses the credit-supportive features of equity and improves rating ratios
- Perpetual or long-dated final maturity (1,000 years for Ørsted)
- Absolute discretion to defer coupon payments and such deferrals do not constitute default nor trigger cross-default

- Deeply subordinated and only senior to common equity
- Without being dilutive to equity holders (no ownership and voting rights, no right to dividend)

Due to hybrid's equity-like features, rating agencies assign equity content to the hybrids when calculating central rating ratios (e.g. FFO/NIBD).

The hybrid capital has increased Ørsted's investment capacity and supports the growth strategy and rating target.

Ørsted has made use of hybrid capital to maintain our ratings at target level in connection with the merger with Danish power distribution and production companies back in 2006 and in recent years to support our growth in the offshore wind sector.

HYBRIDS ISSUED BY ØRSTED A/S ¹	PRINCIPAL AMOUNT	TYPE	FIRST PAR CALL	COUPON	ACCOUNTING TREATMENT ²	TAX TREATMENT	RATING TREATMENT
6.25% hybrid due 3013	EUR 700m	Hybrid capital (subordinated)	June 2023	Fixed for the first 10 years, first 25bp step-up in June 2023	100% equity	Debt – tax-deductible coupon payments	50% equity, 50% debt
2.25% Green hybrid due 3017	EUR 500m	Hybrid capital (subordinated)	Nov. 2024	Fixed during the first 7 years, first 25bp step-up in Nov. 2029	100% equity	Debt – tax-deductible coupon payments	50% equity, 50% debt
1.75% Green hybrid due 3019³	EUR 600m	Hybrid capital (subordinated)	Dec. 2027	Fixed during the first 8 years, first 25bp step-up in Dec. 2032	100% equity	Debt – tax-deductible coupon payments	50% equity, 50% debt

1. All listed on Luxembourg Stock Exchange and rated Baa3 (Moody's), BB+ (S&P) and BBB- (Fitch). The two Green hybrids are furthermore listed on the Luxembourg Green Exchange (LGX)

2. Due to the 1,000-year structure

3. The hybrid was issued as a refinancing of the EUR 600m 3% hybrid with first par call day in November 2020, of which 87.29% was brought back in a tender offer process. The remaining EUR 76m will be redeemed at par in February 2020

Ørsted's outstanding Green Bonds



*CICERO
Dark Green

Ørsted A/S

Bond Type	Face Value	Coupon	Issue date	Maturity	Allocated to green projects (in DKK)	Avoided emissions (t CO2/year) attributable to the bonds
Senior Unsecured	EUR 750m	1.5%	24 November 2017	26 November 2029	5,499	733,000
Hybrid capital	EUR 500m	2.25%	24 November 2017	24 November 3017	3,674	459,000
Senior Unsecured	GBP 350m	2.125%	16 May 2019	17 May 2027	2,400	285,000
Senior Unsecured	GBP 300m	2.5%	16 May 2019	16 May 2033	2,100	239,000
Senior Unsecured/CPI-linked	GBP 250m	0.375%	16 May 2019	16 May 2034	1,600	183,000
Hybrid capital	EUR 600m	1.75%	9 December 2019	9 December 3019	200	26,000

Ørsted Wind Power TW Holding A/S

Bond Type	Face Value	Coupon	Issue date	Maturity	Allocated to green projects (in DKK)	Avoided emissions (t CO2/year) attributable to the bonds
Senior Unsecured	TWD 4,000m	0.92%	19 November 2019	19 November 2026	882	73,000
Senior Unsecured	TWD 8,000m	1.5%	19 November 2019	19 November 2034	1,500	125,000

Ørsted has developed a Green Finance Framework which is an update to the previous framework from 2017. In the 2019 update Ørsted has broadened the green financing instruments to include Green Bonds, Green Loans and other types of green financing instruments. Furthermore Ørsted has decided to only use green proceeds for financing of offshore wind projects.

Besides the five outstanding Green Bonds, Ørsted has in May established a TWD 25bn Green RCF to finance the construction of the offshore wind projects in Taiwan

Financing strategy



We have a centralised financing strategy as customary for vertically and horizontally integrated European energy utilities.

The strategy supports:

- A capital structure supportive of our BBB+ rating ambition
- Concentration of and scale in financing activities
- Cost efficient financing based on a strong parent rating
- Optimal terms and conditions and uniform documentation
- Transparent debt structure and simplicity
- No financial covenants and restrictions on operating arrangements
- Corporate market more stable and predictable than project finance market
- Avoidance of structural subordination

All cash flow generated by our subsidiaries supports the creditworthiness and rating of and thus the debt taken up by the parent company, Ørsted A/S.

The financing strategy optimizes the effect of a fully integrated cash pool where cash at practically all of the company's more than 150 subsidiaries is made available for the company's financing and liquidity purposes.

Financing of activities at subsidiary level is provided by Ørsted A/S in a standardised and cost-efficient setup involving very few resources at Business Unit and Corporate Treasury.

Widespread use of project financing is not considered cost-efficient and dilutes the creditworthiness of the company.

Currency risk management

General hedging principles

- The main principle is to hedge highly certain cash flows, such as FX from hedged energy.
- Cost-of-hedging is minimized by netting of exposures, use of local currency in construction contracts and debt in local currency.

Managing outright long risk (GBP)

- Operations: minimum 5-year hedging staircase determined by the Board of Directors with 100% in year 1 – declining to 20% in year 5. The hedging staircase is a compromise between stabilizing cash flows in the front-end and ensuring a balanced FFO/NIBD.
- Above 5-years the GBP exposure is to some extent hedged with GBP-denominated debt.

Managing time-spread risk (new markets)

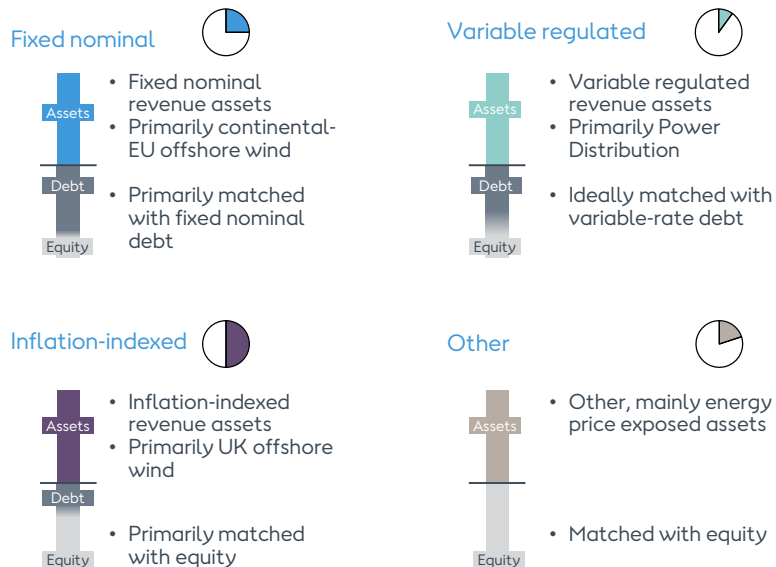
- Construction period: Hedge 100% of year 1 currency cash flow risk, while not increasing the total portfolio currency exposure.
- In markets where Ørsted has capital expenditures, but no revenue in local currency, the time-spread nature of the exposures is taken into account.



Interest rate and inflation risk management

Four risk categories of assets and debt allocation

Illustrative



Objectives of interest rate and inflation risk management

1. Protect long-term real value of equity by offsetting interest and inflation risk exposure embedded in assets by allocating debt with similar, but opposite risk exposure
2. Cost of funding optimized by actively managing debt portfolio
3. Cost of hedging minimised by using natural portfolio synergies between assets, allowing matching of up to 100% of asset value with appropriate debt

Framework for risk management

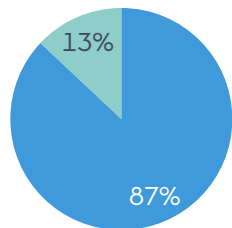
- Assets divided into four different risk categories, based on nature of inflation and interest risk exposure
- Simple risk metrics are used to match assets with appropriate debt within each category
- Fixed nominal-category has first priority for debt allocation, to protect shareholders against inflation eroding the real value from fixed nominal cash flows
- Inflation-indexed revenues reserved to service equity return for shareholders thereby to a large extent protecting the real value of equity against fluctuations in inflation rates

Energy risk management

Risk picture

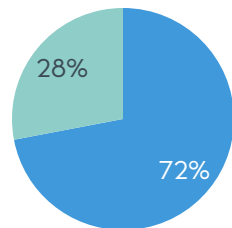
- We manage market risks to protect Ørsted against market price volatility and ensure stable and robust financial ratios that support our growth strategy
- For Offshore, a substantial share of energy production is subsidized through either fixed tariffs or green certificates. Remaining exposure is hedged at a declining rate up to five years
- Onshore mitigate their power exposure by entering into long term power sales agreements
- Markets & Bioenergy manage their market risk actively by hedging with derivatives in the energy markets up to five years

Offshore exposure



■ Subsidized exposure
■ Market exposure

Onshore exposure



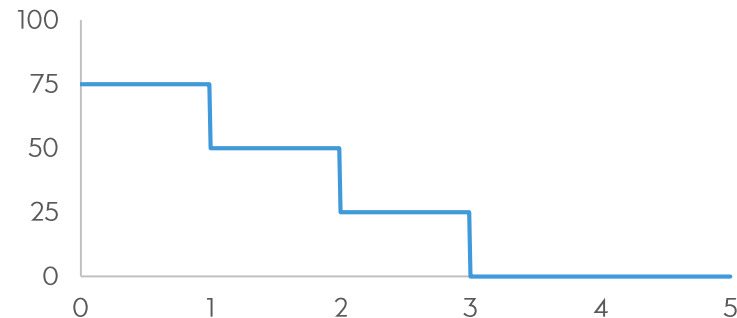
■ Power purchase agreements
■ Market exposure

Note: expected exposure 2020-2024, as of 31/12/2019

Hedging of open exposure

- Open energy exposure is reduced actively
- Minimum hedging requirements are determined by the Board of Directors. In the first two years, a high degree of hedging is desired to ensure stable cash flows after tax
- The degree of hedging is declining in subsequent years. This is due to: 1) reduced certainty about long-term production volumes and 2) increasing hedging costs in the medium to long term; both spread costs and potential cost of collateral

Offshore minimum power hedging requirement



Note: actual hedging level is significantly higher

Glossary

Availability

Offshore: The production-based availability (PBA) is calculated as the ratio of actual production to the possible production, which is the sum of lost production and actual production in a given period. PBA is impacted by grid and wind-turbine outages, which are technical production losses. PBA is not impacted by market requested shutdowns and park curtailments, as it is deemed not to be reflective of site performance, but due to external factors.

Onshore: The time-based availability factor is calculated as the ratio of the number of hours the wind farms are available for power generation to the total number of hours in a given period. Total availability is determined by weighting the individual wind farm's availability against the capacity of the wind farm. Availability is not commercially adjusted nor impacted by market-regulated factors.

Awarded and contracted renewable capacity

The awarded renewable capacity is based on the capacities which have been awarded to Ørsted in auctions and tenders. The contracted capacity is the capacity for which Ørsted has signed a contract or power purchase agreement (PPA) concerning a new renewable energy plant. Typically, offshore wind farms are awarded, whereas onshore wind farms are contracted. We include the full capacity if more than 50% of PPAs/offtake are secured.

Decided (FID) renewable capacity

Decided (FID) capacity is the renewable capacity for which a final investment decision (FID) has been made.

Degree days

Degree days are a measure of how cold it has been and thus indicate the amount of energy needed to heat a building. The number of degree days helps to compare the heat demand for a given year with a normal year. The number of degree days expresses the difference between an average indoor temperature of 17°C and the outside mean temperature for a given period. The need for heat increases with the number of degree days.

Green energy share

The green (renewable energy) share of our heat and power generation and the distribution of the generation from the individual energy sources and fuels are calculated on the basis of the energy sources used and the energy generated at the different energy plants.

Wind and solar-based generation is computed as the input from the individual plant (wind and solar), as there is only one source of power for each plant. For CHP plants, the share of the specific fuel (e.g. biomass) is calculated relative to the total fuel consumption for a given plant/unit within a given time period. The specific fuel share is then multiplied with the total heat and power generation for the specific plant/unit in the specific period. The result is the fuel-based generation for the individual unit – for example the biomass-based generation of heat and power from the CHP unit within a given time period.

The following energy sources and fuels are considered renewable energy: wind, solar and biomass. The following energy sources are considered fossil energy sources: coal, natural gas and oil.

Heat generation

Thermal heat (including steam) generation is measured as net output sold to heat customers.

Installed renewable capacity

The installed renewable capacity is calculated as the cumulative renewable gross capacity installed by Ørsted before divestments.

For installed renewable thermal capacity, we use the heat capacity, as heat is the primary outcome of thermal energy generation, and as bioconversions of the combined heat and power plants are driven by heat contracts.

Load factor

The load factor is calculated as the ratio between actual generation over a period relative to potential generation, which is possible by continuously exploiting the maximum capacity over the same period. The load factor is commercially adjusted. New wind turbines are included in the calculation of availability and load factor once they have passed a 240-hour test.

Commercially adjusted means that, for Danish and German offshore wind farms, the load factor is adjusted if the offshore wind farm has been financially compensated by the transmission system operators in situations where the offshore wind farm is available for generation, but the output cannot be supplied to the grid due to maintenance or grid interruptions. Wind farms in other countries are not compensated for non-access to the grid.

Power generation

Power generation from wind farms is determined as generation sold. The Gunfleet Sands and Walney 1 & 2 offshore wind farms have been consolidated according to ownership interest.

Thermal power generation is determined as net generation sold based on settlements from the official Danish production database. Data for generation from foreign facilities are provided by the operators.

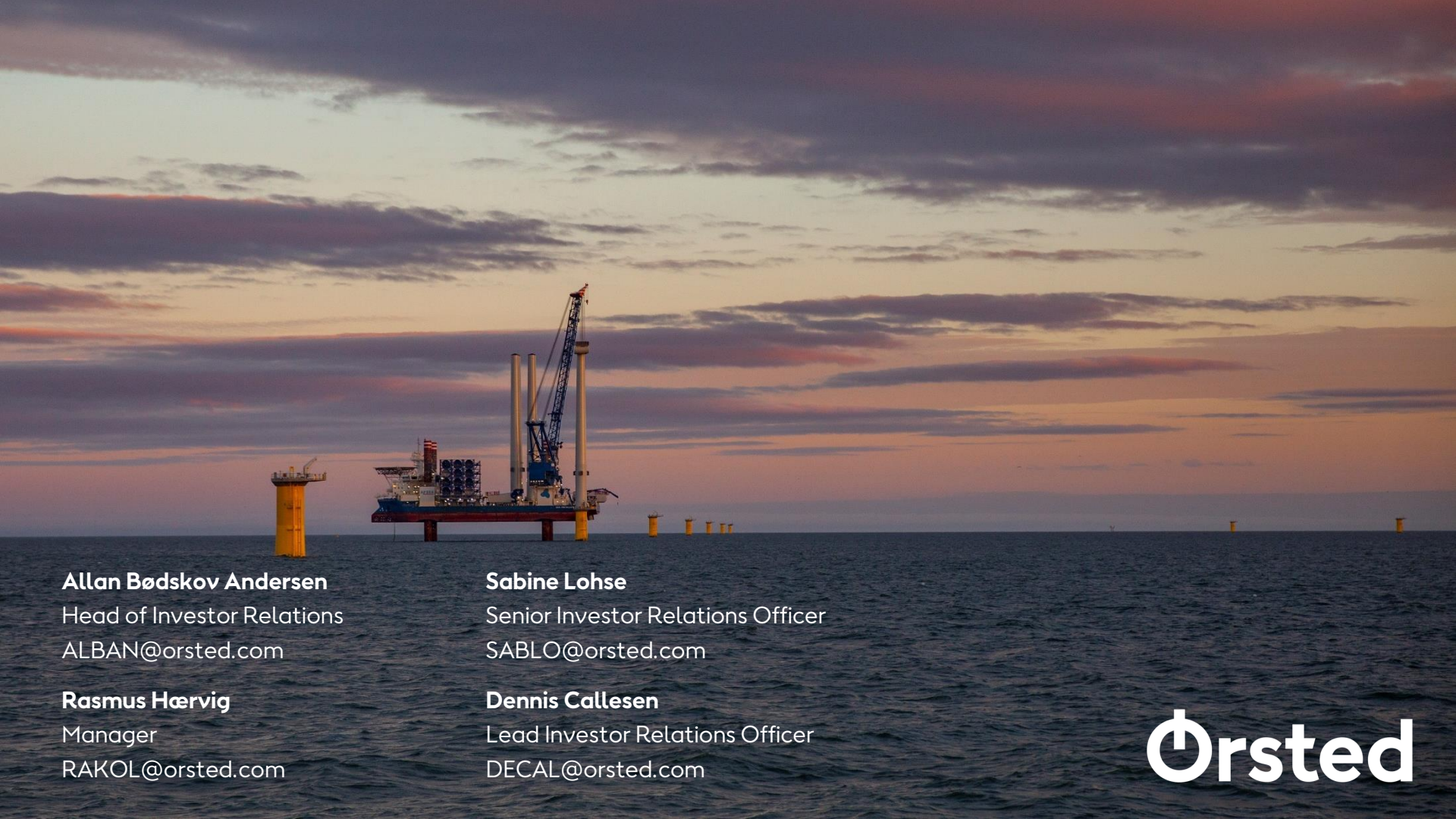
Safety

The lost-time injury frequency (LTIF) is calculated as the number of lost-time injuries per one million hours worked. The number of hours worked is based on 1,667 working hours annually per full-time employee and monthly records of the number of employees converted into full-time employees. For suppliers, the actual number of hours worked is recognised on the basis of data provided by the supplier, access control systems at locations or estimates.

LTIF includes lost-time injuries defined as injuries that result in an incapacity to work for one or more calendar days in addition to the day of the incident.

Wind speed

Wind speeds for the areas where Ørsted's offshore wind farms are located are provided to Ørsted by an external supplier. Wind speeds are weighted on the basis of the capacity of the individual offshore wind farms and consolidated to an Ørsted total. Onshore wind speed is based on wind speed measurements from anemometers on the wind turbines.



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