

**Company announcement  
No. 23/2019**

**Interim report for the first half-year of 2019**

**Strong first half with two major US offshore wind projects awarded**

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Company registration no.  
(CVR no.) 36 21 37 28

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Today, Ørsted's Board of Directors approved the interim report for the first half-year (H1) of 2019. We achieved an operating profit (EBITDA) of DKK 8.8 billion, up 2% compared to H1 2018 and we are well on track to deliver on our full-year guidance.

Earnings from our offshore wind farms in operation increased by 18%, driven by ramp-up of generation from new wind farms in operation. In addition, our onshore wind business contributed positively to the year-on-year development as did higher earnings from trading related to hedging of our energy exposures as well as strong margins in our gas portfolio. This was partly offset by higher project development costs, a positive outcome of a gas sourcing arbitration case in 2018, and a temporarily negative effect from our gas at storage due to the substantial drop in gas prices during H1 2019.

The green share of generation increased from 71% to 82%.

Return on capital employed (ROCE) increased to 29%, up 6 percentage points compared to H1 2018.

Our guidance for 2019 is unchanged relative to the guidance in the annual report for 2018. EBITDA, excluding new partnerships, is expected to amount to DKK 15.5-16.5 billion, and gross investments are expected to amount to DKK 21-23 billion.

**CEO and President Henrik Poulsen says:**

"2019 has been a very good year for Ørsted so far. Operating profit for the first half of the year amounted to DKK 8.8 billion, which was in line with our expectations and keeps us well on track to deliver on our full-year guidance of DKK 15.5-16.5 billion.

We were selected as preferred bidder in the auctions in both New Jersey with our Ocean Wind project (1.1GW) and New York with the Sunrise Wind project (880MW) which we own in a JV with Eversource. Subject to final investment decisions, the wind farms are expected to be completed by 2024. We are very pleased with these awards and are well on track to

The Ørsted vision is a world that runs entirely on green energy. Ørsted develops, constructs and operates offshore and onshore wind farms, bioenergy plants and provides energy products to its customers. Headquartered in Denmark, Ørsted employs 6,300 people. Ørsted's shares are listed on Nasdaq Copenhagen (Ørsted). In 2018, the group's revenue was DKK 76.9 billion (EUR 10.3 billion). For more information on Ørsted, visit orsted.com or follow us on Facebook, LinkedIn, Instagram and Twitter.

reach our ambition of 15GW offshore wind capacity by 2025 as we continue to pioneer the global offshore wind industry.

In June, we officially inaugurated the Borkum Riffgrund 2 offshore wind farm in Germany and in July, we commissioned the Lockett onshore wind farm in the US well ahead of schedule.

In June, we acquired the 103MW construction-ready onshore wind project Willow Creek in South Dakota in the US. The project is expected to be commissioned by Q4 2020 and will expand our operations in the Southwest Power Pool market, covering the central US.

Over the past decade, we have undertaken one of the most ambitious green transformations in the global energy industry, guided by our vision of creating a world that runs entirely on green energy and our strong commitment to the Paris Agreement and the UN Sustainable Development Goals. We are fully on track to meet our target of a 98% reduction of the carbon emission intensity from our energy generation by 2025, making it essentially carbon free.

We now take the next major step in our decarbonisation strategy and announce a new target that covers the indirect carbon emissions related to our business, which primarily relate to the sale of natural gas and fossil-based power in our customer business, and to the goods and services we source for construction of wind farms. By 2032, we want to reduce our indirect emissions by 50%, compared to 2018.

To further drive out carbon emissions from our business operations, we today announce a new target to phase out fossil-fuelled cars from our company car fleet and fully convert to electric vehicles by 2025.

We remain very pleased with the operational and financial performance of the company as we continue to expand our position as a global leader in green energy."

### Financial key figures for Q2 and H1 2019:

DKK million	Q2 2019	Q2 2018	%	H1 2019	H1 2018	%
EBITDA	3,625	3,079	18%	8,755	8,598	2%
Profit (loss) for the period from cont. operations	1,093	876	25%	3,732	3,908	(5%)
Profit (loss) for the period from discont. operations	(18)	(19)	(5%)	(61)	(11)	455%
Profit (loss) for the period	1,075	857	25%	3,671	3,897	(6%)
Cash flows from operating activities	7,510	3,293	128%	7,392	2,895	155%
Gross investments	(3,368)	(3,109)	8%	(7,267)	(5,180)	40%
Divestments	(11)	(14)	(21%)	2,667	821	225%
Free cash flow	4,131	170	n.a.	2,792	(1,464)	n.a.
Net interest-bearing debt	4,980	4,603	8%	4,980	4,603	8%
FFO/adjusted net debt (last 12 months)	58%	44%	13%p	58%	44%	13%p
ROCE (last 12 months)	29%	23%	6%p	29%	23%	6%p

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**Conference call**

In connection with the presentation of the interim financial report a conference call for investors and analysts will be held on Thursday 8 August 2019 at 14:00 CEST.

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The conference call can be followed live at:

<https://orsted.eventcdn.net/201908H1/>

Presentation slides will be available prior to the conference call at:

<https://orsted.com/financial-reports>

The interim report is available for download at:

<https://orsted.com/financial-reports>