

**Company announcement  
No. 4/2021**

**Annual report 2020**

**2020 showed very strong results, both operationally and financially**

**Ørsted**  
Kraftværksvej 53  
Skærbæk  
DK-7000 Fredericia

www.orssted.com  
Company registration no.  
(CVR no.) 36 21 37 28

3 February 2021

Today, Ørsted's Board of Directors approved the annual report for 2020. Our operating profit (EBITDA) amounted to DKK 18.1 billion, a 4 % increase compared to last year and above our most recent guidance of DKK 16-17 billion.

Earnings from offshore and onshore wind farms in operation increased by 14 % to DKK 16.9 billion, driven by the ramp-up of power generation from Hornsea 1, Borssele 1 & 2, Lockett, Sage Draw, Plum Creek, and Willow Creek. In addition, our year-on-year development was positively impacted by the receipt of CfDs of another 400 MW of Hornsea 1 from April, and higher wind speeds. This was partly offset by adverse COVID-19 impacts on especially the UK power market and lower earnings from trading activities.

We closed the divestment of our Danish power distribution, residential customer, and city light businesses. The transaction resulted in proceeds of DKK 20.5 billion and a gain of DKK 10.9 billion which will be deployed into our global renewable energy build-out plan.

Net profit amounted to DKK 16.7 billion, and return on capital employed (ROCE) came in at 10 %, in line with our target.

Our green share of heat and power generation continued to increase and reached an all-time high of 90 % in 2020, driven by continued ramp-up of our offshore and onshore wind farms.

The Board of Directors recommends a dividend of DKK 11.5 per share (DKK 4.8 billion in total), up 9.5 % and in line with our dividend policy.

**Mads Nipper, Group President and CEO of Ørsted, says in a comment to the annual report for 2020:**

"Ørsted delivered a strong set of results in 2020, both operationally and financially. Despite the challenges posed by COVID-19, our colleagues have done an outstanding job to keep our energy production assets fully operational at normal availability rates. During 2020, we've also commissioned five new wind farms and managed to move our construction projects forward. This demonstrates the resilience of our

The Ørsted vision is a world that runs entirely on green energy. Ørsted develops, constructs, and operates offshore and onshore wind farms, solar farms, energy storage facilities, and bioenergy plants, and provides energy products to its customers. Ørsted ranks as the world's most sustainable energy company in Corporate Knights' 2021 index of the Global 100 most sustainable corporations in the world and is recognised on the CDP Climate Change A List as a global leader on climate action. Headquartered in Denmark, Ørsted employs 6,179 people. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2020, the group's revenue was DKK 52.6 billion (EUR 7.1 billion). Visit orsted.com or follow us on Facebook, LinkedIn, Instagram, and Twitter.

business model and the skills and spirit of our people. Safety continues to remain our key priority, and we continue to do our utmost to keep our colleagues safe across our locations.

In January 2021, we were named the world's most sustainable energy company for the third consecutive year, and our focus on sustainability remains stronger than ever. We are fully on track with our plan to reduce our greenhouse gas emissions to become carbon-neutral as a company in 2025.

I am grateful for the support and professionalism of our customers and partners. I am keenly aware that only together, we can do great things and move towards our vision of a world that runs entirely on green energy."

### Financial key figures for Q4 2020 and FY 2020:

DKK million	Q4 2020	Q4 2019	%	2020	2019	%
EBITDA	5,003	4,613	8 %	18,124	17,484	4 %
Profit (loss) for the year from cont. operations	2,174	925	135 %	16,727	6,100	174 %
Profit (loss) for the year from discount operations	15	(29)	n.a.	(11)	(56)	(80 %)
Profit (loss) for the year	2,189	896	144 %	16,716	6,044	177 %
Cash flows from operating activities	6,756	4,816	40 %	16,466	13,079	26 %
Gross investments	(8,639)	(8,816)	(2 %)	(26,967)	(23,305)	16 %
Divestments	(1,519)	402	n.a.	19,039	3,329	472 %
Free cash flow	(3,402)	(3,598)	(5 %)	8,538	(6,897)	n.a.
Net interest-bearing debt	12,343	17,230	(28 %)	12,343	17,230	(28 %)
FFO/adjusted net debt	48 %	31 %	17 %p	48 %	31 %	17 %p
ROCE	10 %	11 %	(1 %p)	10 %	11 %	(1 %p)

### Outlook 2021

On 12 January 2021, we announced our operating profit (EBITDA) guidance for 2021. Excluding new partnership agreements, we expect EBITDA to be DKK 15-16 billion in 2021 compared to DKK 18.1 billion in 2020. Further details about our outlook for EBITDA for 2021, including directional guidance for the business units, can be found in the financial outlook section in the annual report for 2020.

Gross investments for 2021 are expected to amount to DKK 32-34 billion, reflecting a high level of construction activity related to offshore wind, onshore wind, and solar PV projects.

**For further information, please contact:**

**Media Relations**

Martin Barlebo  
+45 99 55 95 52

**Investor Relations**

Allan Bødskov Andersen  
+45 99 55 79 96

**Earnings call**

In connection with the presentation of the annual report, an earnings call for investors and analysts will be held on Wednesday, 3 February 2021 at 14:00 CET.

Denmark: +45 7815 0110

UK: +44 333 300 9270

USA: +1 833 249 8407

The earnings call can be followed live at:

<https://edge.media-server.com/mmc/p/fi48sxzy>

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

[www.orsted.com/en/investors/ir-material/financial-reports-and-presentations#0](http://www.orsted.com/en/investors/ir-material/financial-reports-and-presentations#0)

The annual report is available for download at:

[www.orsted.com/en/investors/ir-material/financial-reports-and-presentations#0](http://www.orsted.com/en/investors/ir-material/financial-reports-and-presentations#0)

Attachments to this company announcement:

Annual report 2020 (pdf)

Company announcement (pdf)

Investor presentation (pdf)