

Company announcement No. 25/2024

Delivering on business plan with CfD awards for Hornsea 3 and 4 in the UK, a significant divestment, and better than assumed settlements for Ocean Wind. Solid 9M operational earnings and EBITDA guidance narrowed

Today, Ørsted's Board of Directors approved the interim report for the first nine months of 2024.

Mads Nipper, Group President and CEO of Ørsted, says in a comment to the interim report for the first nine months of 2024:

"I am pleased with our operational performance and financials results. Based on solid 9M earnings, we have narrowed our EBITDA guidance for the year. Furthermore, we have successfully renegotiated and settled contracts related to the close-down of Ocean Wind with a positive outcome, resulting in a net reversal of cancellation fees of DKK 6.4 billion.

"In the first nine months of the year, we have executed on the updated business plan that we presented in February, and we have put more than 2.4 GW of renewable energy capacity into operation. We are on track with our divestment programme, where we have signed an agreement to divest a minority share in four UK assets. Furthermore, we have secured additional value-creating renewable growth opportunities in the UK with the 3.5 GW award for Hornsea 3 and 4, which is a significant contribution to Ørsted's long-term renewable capacity goals.

"Revolution Wind and Sunrise Wind, our two offshore wind projects in the US, are progressing according to the updated construction plan. However, we have seen risks impacting the construction of Revolution Wind, and we are working diligently and with a strong focus to de-risk the continued project execution."

Guidance

Based on solid 9M earnings, we have narrowed our full-year EBITDA guidance from DKK 23-26 billion to DKK 24-26 billion, excluding earnings from new partnerships and impact from cancellation fees.

We have lowered our gross investments guidance by DKK 8 billion to DKK 36-40 billion due to timing effects across our project portfolio.

Results for 9M 2024

Operating profit (EBITDA) for the first nine months amounted to DKK 23.6 billion compared to DKK 19.4 billion in the same period last year, of which

DKK 6.4 billion related to a net reversal of provisions for cancelled projects. EBITDA excluding new partnerships and cancellation fees in 9M

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2024 amounted to DKK 17.2 billion, which is an underlying increase of 12 % compared to the same period last year.

Earnings from our offshore sites amounted to DKK 15.3 billion, which was an increase of DKK 2.2 billion compared to the same period last year. The increase was driven by the ramp-up of generation at our offshore wind farms Greater Changhua 1 and 2a, South Fork, and Gode Wind 3, higher wind speeds, and higher prices on our inflation-indexed CfDs and green certificates.

Impairment losses had a negative effect of DKK 0.3 billion in Q3 2024 and DKK 3.4 billion in 9M 2024. The main contributors to the net impairment were our decision to cease execution of FlagshipONE (DKK 1.5 billion) and, for Revolution Wind, the construction delay related to the onshore substation, challenges related to the offshore substation monopile installation work, an additional contingency due to a higher risk assessment, and updated market prices (DKK 3.8 billion). This was partly offset by a positive effect from our Sunrise Wind project (DKK 1.8 billion) due to it being awarded a higher OREC by the State of New York. Furthermore, we saw a positive effect from the decrease in the US long-dated interest rate (DKK 1.4 billion) across our US portfolio.

Return on capital employed (ROCE) came in at 8.1 %. ROCE adjusted for impairment losses and cancellation fees in 9M 2024 was 11.5 %.

	Q3 2024	Q3 2023	%	9M 2024	9M 2023	%
EBITDA	9,548	9,173	4 %	23,606	19,403	22 %
- New partnerships	-	4,007	n.a.	-	4,007	n.a.
- Cancellation fees	5,109	-	n.a.	6,409	-	n.a.
- EBITDA excl. new partnerships and cancellation fees	4,439	5,166	(14 %)	17,197	15,396	12 %
Impairments	(284)	(28,422)	(99 %)	(3,436)	(28,422)	(88 %)
Profit (loss) for the period	5,169	(22,562)	n.a.	6,100	(19,898)	n.a.
Cash flow from operating activities	(1,639)	9,796	n.a.	8,050	22,362	(64 %)
Gross investments	(9,780)	(9,204)	6 %	(25,694)	(25,470)	1 %
Divestments	108	1,735	(94 %)	2,363	(319)	n.a.
Free cash flow	(11,311)	2,327	n.a.	(15,281)	(3,427)	346 %
Net interest-bearing debt	62,817	42,892	46 %	62,817	42,892	46 %
FFO/adjusted net debt	12.6	20.9	(8 %p)	12.6	20.9	(8 %p)
ROCE	8.1	(13.7)	22 %p	8.1	(13.7)	22 %p

Earnings call

In connection with the presentation of the interim report for the first nine months, an earnings call for investors and analysts will be held on Tuesday, 5 November 2024 at 14:00 CET.

The earnings call can be followed live at:
[Ørsted Interim report for the first nine months of 2024](#)

Presentation slides will be available prior to the earnings call at:
[Investors | Ørsted \(orsted.com\)](#)

The interim report is available for download at:
<https://orsted.com/financial-reports>

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About Ørsted

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, renewable hydrogen and green fuels facilities, and bioenergy plants. Ørsted is recognised on the CDP Climate Change A List as a global leader on climate action and was the first energy company in the world to have its science-based net-zero emissions target validated by the Science Based Targets initiative (SBTi). Headquartered in Denmark, Ørsted employs approx. 8,400 people. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2023, the group's revenue was DKK 79.3 billion (EUR 10.6 billion). Visit orsted.com or follow us on [Facebook](#), [LinkedIn](#), Instagram, and [X](#).

Attachments to this company announcement:

Interim financial report 9M 2024 (PDF)

Company announcement (PDF)

Investor presentation (PDF)