

**Company announcement
No. 01/2025**

Ørsted announces impairments relating to US interest rate increases, value of seabed leases, and execution of Sunrise Wind. 2024 EBITDA excluding new partnership agreements and cancellation fees of DKK 24.8 billion, in line with guidance

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Ørsted presents an operating profit (EBITDA) for 2024 based on preliminary and unaudited reporting. EBITDA excluding new partnership agreements and cancellation fees is expected to total DKK 24.8 billion in 2024, in line with the latest guidance. The operational earnings from Offshore and Onshore were the main contributors and delivered in line with our expectations.

During Q4 2024, the development of the long-dated US interest rates led to a 75-basis-point increase in the weighted average cost of capital. This increase adversely impacted the value-in-use for the US portfolio, primarily the offshore wind projects, leading to an impairment of DKK 4.3 billion in Q4 2024.

Market-informed valuation indications for our seabed leases located off the coasts of New Jersey, Maryland, and Delaware, which reflect prevailing market uncertainties among other factors, lead to an impairment of DKK 3.5 billion in Q4 2024. While this impairment substantially reduces the book value of the seabed leases, we believe the leases continue to hold strategic optionality and value, based on the long-term potential of the US offshore market.

The Sunrise Wind project is progressing on a tight construction schedule and is navigating challenges related to supply chain and construction. The project follows on from Revolution Wind, which is currently under construction, including offshore installation work. Implementing learnings from Revolution Wind, such as the wind turbine installation rate, has led to a reassessment of the Sunrise Wind project to include schedule delays and increased costs. Additionally, we have updated our installation expectations for the first-ever US offshore HVDC system, including finalisation and installation of the jacket and export cables. The expected commissioning of the project has consequently been delayed into the second half of 2027. These developments, combined with considerably increased project costs relating especially to the monopile foundations to keep fabrication and installation on track, have led to higher cost expectations related to the execution of the Sunrise Wind project. The delayed commissioning and higher expected project costs will lead to an impairment of DKK 4.3 billion in Q4 2024.

The developments relating to the interest rate increase, seabed leases, and the execution of Sunrise Wind, will, in aggregate, result in a DKK 12.1 billion impairment in Q4 2024.

Mads Nipper, Group President and CEO of Ørsted, says:

"The impairments announced today, and especially the continued construction challenges, are very disappointing. We are, however, encouraged by the performance of our operations, and we're confirming our full-year EBITDA guidance, supported by the increasing power production from our growing global fleet of renewable energy assets.

"We remain committed to the US market in the long term with its potential for renewables to meet the growing electricity demand and create thousands of industrial jobs across the US. We continue to navigate the complexities and uncertainties we face in a nascent offshore industry in the new US market. Our dedicated efforts to strengthen execution and navigate supply chain challenges will continue. We're working diligently and in close collaboration with our suppliers to manage the remaining risks impacting the construction of Sunrise Wind. Delivering the project within the updated schedule and cost is an absolute top priority for Ørsted.

"Including these adverse developments, the Sunrise Wind project is still profitable with a mid-single-digit lifecycle IRR and an attractive forward-looking IRR based on current assumptions. With enough offshore wind energy to power nearly 600,000 domestic homes, Sunrise Wind will create hundreds of long-term US-based jobs and build a statewide renewable energy economy that will energise New York for decades to come."

Investor and analyst call

In connection with the announcement of the impairments and preliminary and unaudited EBITDA for 2024, a call for investors and analysts will be held on 21 January 2025 at 08:00 CET.

The investor and analyst call can be followed live at <https://getvisualtv.net/stream/?orsted-update-hpvawfblmk>.

Presentation slides will be available after the call at: [Annual reports and presentations | Ørsted](#)

Ørsted will publish its annual report for 2024 on Thursday, 6 February 2025.

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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](#).