

**Company announcement
No. 03/2025**

Ørsted adjusts its business plan to strengthen the capital structure through a disciplined, value-focused capital allocation with a reduced investment programme

Today, Ørsted's Board of Directors approved adjustments to the company's business plan towards a focused capital allocation to strengthen the capital structure. The company will prioritise the most value-accretive growth opportunities through a self-funded investment programme.

During 2024, Ørsted delivered full-year results in line with expectations, reaching an EBITDA excluding new partnerships and cancellation fees of DKK 24.8 billion. In addition, commissioning of 2.4 GW of renewable capacity took place, 3.5 GW of offshore wind capacity was awarded in the UK, and the final investment decision on the offshore wind farm Baltica 2 in Poland was made last week. All of which contribute to the strategic progress of the company.

Despite delivering full-year results in line with expectations and the strategic progress, Ørsted has experienced challenges, especially related to the US offshore wind portfolio, which have led to further pressure on our credit metric. This development, in combination with the wider renewable industry challenges, has led Ørsted to reduce its investment programme towards 2030 by around 25 % compared to its previous strategic ambition on a like-for-like basis. The reduced investment programme is in line with our commitment to ensure a capital structure that can support a solid investment grade credit rating.

Rasmus Errboe, Group President and CEO of Ørsted, says:

"We'll reduce our investment programme towards 2030 through a stricter, more value-focused approach to capital allocation. We do this to ensure a stronger balance sheet, supporting a solid investment grade rating, and to ensure that we only invest our capital in the most financially attractive opportunities.

"Our number one priority throughout the next three years will be to deliver on our committed 8.4 GW offshore wind construction programme, which will almost double our installed offshore wind capacity. The market remains challenging, but delivering on this programme will solidify our position as the undisputed global leader in offshore wind.

"I'd like to emphasise that Ørsted continues to believe in the long-term fundamentals of and value perspectives for offshore wind and renewables

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(CVR no.) 36 21 37 28

5 February 2025

more broadly, based on the expected doubling of the global electricity demand by 2050.”

Improving the credit metric projections will be achieved through a self-funded business plan, requiring a reduction of our investment programme, execution of our construction projects according to plan, and delivery of our divestment programme. The business plan is financed through a combination of operating cash flow, partnerships and divestments, tax equity, and debt and hybrid issuances, without any need for raising new equity.

We will adopt a focused approach to capital allocation by prioritising geographies and technologies with the most attractive value-creation potential. Additionally, we will continue our company-wide efficiency programme to further drive cost efficiency beyond the DKK 1 billion savings plan implemented during 2024. As we do not expect to construct at the same pace as our current build-out programme, we will also be rightsizing our cost base and organisation continuously.

These adjustments will not affect the execution of the 9 GW of renewable projects that Ørsted is currently constructing. The construction portfolio brings line of sight to an expansion of renewable capacity from 18 GW to more than 27 GW.

Adjusted investment programme, financial targets, and financial policies

With the adjustments to its business plan, Ørsted has the following financial targets and policies:

- Ørsted plans a DKK 210-230 billion investment programme in the period 2024-2030.
- Ørsted maintains its target of an unlevered, fully loaded lifecycle IRR at 150-300 bps spread to WACC when we bid in tenders or take FIDs (whichever comes first).
- Ørsted expects EBITDA (excluding new partnerships and cancellation fees) to increase to approx. DKK 29-33 billion in 2026.
- Ørsted expects a return on capital employed (ROCE) of approx. 13 % on average in the period 2024-2030.
- Ørsted continues to be committed to a solid investment grade credit rating.
- Ørsted maintains its target to reinstate dividends from the financial year 2026.

The previous ambition for installed renewable capacity of 35-38 GW by 2030 and the targeted EBITDA (excluding new partnerships) of approx. DKK 39-43 billion in 2030 have been discontinued.

Earnings call

In connection with the presentation of the annual report for 2024, Rasmus Errboe, Group President and CEO of Ørsted, and Trond Westlie, Group CFO of Ørsted, will host an earnings call for investors and analysts on Thursday, 6 February 2025 at 14:00 CET.

To follow the presentation via live streaming, please click here: [Ørsted full-year results 2024](#).

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

Press briefing

Ørsted will host a phone press briefing for journalists on Thursday, 6 February 2025 at 09:45 CET to elaborate on and answer questions about the annual results for 2024.

Dial-in numbers for the press briefing:

United Kingdom: +44 (0)20 3936 2999/+44 (0)800 358 1035 (toll-free)

Denmark: +45 89 87 50 45/+45 80 82 00 35 (toll-free)

Access code: 149625

[Global dial-in numbers](#)

For participation in the press briefing, please register: [here](#)

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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, 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. 8,300 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](#).

Disclaimer

This company announcement contains certain forward-looking statements which include projections of Ørsted's ambition, short- and long-term financial performance and targets, and its financial policies.

Statements herein, other than statements of historical fact, regarding Ørsted's future results of operations, financial condition, cash flows, business strategy, ambitions, plans, and future objectives are forward-looking statements. Words such as 'targets', 'believe', 'expect', 'aim', 'intend', 'plan', 'seek', 'will', 'may', 'should', 'anticipate', 'continue', 'predict', or variations of these words as well as other statements regarding matters that are not historical facts or regarding future events or prospects constitute forward-looking statements. These forward-looking statements are based on current views with respect to future events and financial performance. These statements are by nature uncertain and associated with risk. Many factors may cause the actual development to differ materially from Ørsted's current expectations. These factors include, but are not limited to, changes in temperature, wind conditions, wake and blockage effects, precipitation levels, the development in power, coal, carbon, gas, oil, currency, and interest rate markets, the ability to uphold hedge accounting, inflation rates, changes in legislation, regulations, or standards, the renegotiation of contracts, changes in the competitive environment in Ørsted's markets, reliability of supply, market volatility, and disruptions from geopolitical tensions. As a result, investors are cautioned not to rely on these forward-looking statements.

Please read more about the risks in Ørsted's most recent annual report available at www.orsted.com. Unless required by law, Ørsted is under no duty and undertakes no obligation to update or revise any forward-looking statement after the release of this company announcement, whether as a result of new information, future events, or otherwise.