

Ørsted sets ambitious goals for the green transformation

The Board of Directors of Ørsted (former DONG Energy) has today approved the interim financial report for 9M 2017. Operating profit (EBITDA) for the first nine months amounted to DKK 9.5 billion, corresponding to an underlying growth of 11%. The results lived up to our expectations.

Following the farm-down of 50% of Walney Extension we have increased our EBITDA guidance for 2017 from DKK 17-19 billion to DKK 19-21 billion. The farm-down was expected in 2017, but the transaction has resulted in a higher share of the total EBITDA gain on Walney Extension to be realised in 2017.

Development in financial results in Q3 2017:

- Our underlying operating profit (EBITDA) was 10% lower compared with Q3 2016. Earnings from our operating offshore wind farms increased by 39%, driven by ramp-up generation from new offshore wind farms. The decrease in our remaining earnings was primarily due to partnership income in Wind Power being higher in Q3 2016 than in Q3 2017
- Reported operating profit (EBITDA) from continuing operations totalled DKK 1.8 billion against DKK 3.1 billion in Q3 2016. The decline was expected and was primarily due to Q3 2016 being positively affected by one-off compensations of DKK 1.1 billion from the renegotiation of a gas purchase contract
- Return on capital employed was 15% at the end of Q3 2017, and was thus unchanged compared with the same period last year

Strategic results in Q3 2017:

- We divested our upstream oil and gas business. The sale is a milestone in our strategic transformation from black to green energy
- On that background the general meeting on 30 October approved to change our name from DONG Energy to Ørsted
- We were awarded the contract to build the offshore wind farm Hornsea 2 in the UK and thus expanded our portfolio of offshore wind farms. Our installed and decided capacity now accounts for almost 9GW out of our ambition of 11-12GW by the end of 2025
- We inaugurated Skærbæk Power Station following the conversion from gas to sustainable biomass (wood chips).

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The Ørsted vision is a world that runs entirely on green energy. Ørsted develops, constructs and operates offshore wind farms, bioenergy plants and innovative waste-to-energy solutions and provides smart energy products to its customers. Headquartered in Denmark, Ørsted employs 5,600 people. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2016, the company's revenue was DKK 61 billion (EUR 8.2 billion). For more information on Ørsted, visit orsted.com or follow us on Facebook, LinkedIn, Instagram and Twitter.

CEO and president Henrik Poulsen says:

"The divestment of our upstream oil and gas business to INEOS was a milestone in our strategic transformation from black to green energy. Our vision is to create a world that runs entirely on green energy. We expect that more than 95% of the power and heat we generate in 2023 will be green.

The year is developing according to our expectations and today we increased our EBITDA guidance for 2017 by DKK 2bn to DKK 19-21 billion following the agreement to divest 50% of Walney Extension to PKA and PFA, two leading Danish pension funds.

In Q3 2017, we increased generation from our offshore wind farms and at the same time we strengthened our long-term development pipeline with the world's largest offshore wind farm Hornsea 2 with a capacity of 1.4GW, which will be completed in 2022. This will be our first offshore wind farm, which can generate power at a lower price than newly constructed coal- and gas-fired power stations. This is a major breakthrough, both for Ørsted and the green transformation."

Outlook 2017

We have raised our EBITDA guidance (business performance) from DKK 17-19 billion to DKK 19-21 billion. This corresponds to an underlying growth of 32-45%. We still expect to finalise the divestment of 50% of Borkum Riffgrund 2 and Walney Extension in 2017.

The outlook for gross investments is unchanged relative to the annual report for 2016 and is still expected to amount to DKK 18-20 billion.

Financial results Q3 and 9M 2017:

| Financial results (DKK million) | Q3 2017 | Q3 2016 | % | 9M 2017 | 9M 2016 | % |
|--|---------|---------|--------|----------|----------|--------|
| EBITDA | 1,757 | 3,099 | (43%) | 9,487 | 12,799 | (26%) |
| Underlying EBITDA | 1,757 | 1,952 | (10%) | 9,487 | 8,571 | 11% |
| Profit (loss) for the period from cont. operations | 209 | 2,520 | (92%) | 3,929 | 8,173 | (52%) |
| Profit (loss) for the period from discount. operations | 2,931 | 811 | 261% | 6,841 | 1,526 | 348% |
| Profit (loss) for the period | 3,140 | 3,331 | (6%) | 10,770 | 9,699 | 11% |
| Cash flows from operating activities | (1,096) | (56) | n.a. | (2,055) | 9,520 | n.a. |
| Gross investments | (5,149) | (4,658) | 11% | (11,939) | (10,229) | 17% |
| Divestments | 1,882 | 2,139 | (12%) | 2,107 | 4,042 | (48%) |
| Free cash flow | (4,363) | (2,575) | 69% | (11,887) | 3,333 | n.a. |
| Net interest-bearing debt | 10,260 | 5,942 | 73% | 10,260 | 5,942 | 73% |
| FFO/adjusted net debt | 42% | 55% | (13%p) | 42% | 55% | (13%p) |
| ROCE | 15% | 15% | 0%p | 15% | 15% | 0%p |

Further information**Media Relations**

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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 02 November 2017 at 10:00am CET:

Denmark: +45 3544 5583

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US: +1 855 269 2604

The conference call can be followed live at:

<https://orsted.eventcdn.net/2017q3/>

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

www.dongenergy.com/presentations

The interim financial report can be downloaded at:

www.dongenergy.com/interimreports