



Ørsted

Interim financial report

First half year 2020



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EARNINGS CALL

In connection with the presentation of the interim financial report an earnings call for investors and analysts will be held on Wednesday 12 August 2020 at 14:00 CEST:

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The earnings call can be followed live at:
<https://edge.media-server.com/mmc/p/fm7kbt6i>

Presentation slides will be available prior to the earnings call at:
www.orsted.com/en/investors/ir-material/financial-reports-and-presentations#0

The interim financial report can be downloaded at:
www.orsted.com/en/investors/ir-material/financial-reports-and-presentations#0

FURTHER INFORMATION

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CEO's review — first half year 2020

Strong first half

- Operating profit (EBITDA) increased by 11% to DKK 9.8 billion.
- EBITDA from offshore and onshore wind farms in operation increased by 17% to DKK 8.2 billion.
- Operations have remained stable throughout the COVID-19 crisis.
- 2020 EBITDA guidance re-iterated despite COVID-19.
- Green share of heat and power generation increased from 82% to 88%.
- 78 turbines installed at Borssele 1 & 2.
- Signed largest-ever renewable corporate PPA for our Greater Changhua 2b & 4 offshore wind project in Taiwan.
- Ørsted co-founded the 'Green fuels for Denmark' partnership.
- WESTKÜSTE 100 received funding from the German government.
- Plum Creek Onshore Wind Farm commissioned ahead of schedule and on budget.

Financial results

Our operating profit (EBITDA) for the first half of the year amounted to DKK 9.8 billion, an 11% increase compared to the same period last year.

Earnings from our offshore and onshore wind farms in operation increased by 17%, driven by ramp-up of power generation from Hornsea 1, Lockett and Sage Draw together with high wind speeds and as H1 2019 was impacted by a higher number of outages and curtailments across the portfolio than normal. This was partly offset by lower earnings from trading related to hedging of our power exposures and power portfolio optimisation activities, which had very high earnings in H1 2019. In addition, we saw adverse COVID-19 related impacts on

especially the UK power market due to lower demand for electricity. This has led to higher balancing tariffs (BSUoS) from National Grid, some periods with negative prices and lower expected ROC recycle prices.

Return on capital employed (ROCE) for the last 12 months amounted to 11% after H1 2020.

We re-iterate our EBITDA guidance of DKK 16-17 billion but lower our expectation to gross investments by DKK 2 billion to DKK 28-30 billion in 2020.

COVID-19

Our Corporate Crisis Management Organisation has met regularly throughout the second quarter, focusing on business continuity and the partial re-opening of our locations in Continental Europe and Taiwan.

During Q2 2020, our asset base has continued to be fully operational and we have maintained normal availability rates on our offshore and onshore wind farms. However, as described above, we have seen negative effects on European power markets, especially in the UK, driven by lower demand for electricity.

Our construction projects have largely progressed according to plans, both in Europe, Asia and the US. The most affected part of our portfolio is the construction of topsides for the offshore substations at Hornsea 2 and Greater Changhua 1 & 2a. These topsides are being constructed at two shipyards in Singapore, which were closed down for two months due to COVID-19. However, the shipyards began to slowly ramp-up in June. Although we still expect to be able to complete both projects within our current budget and time schedule, we see an



On 11 June, we reached a significant milestone with the installation of Ørsted's offshore wind turbine number 1,500, which was the 25th of Borssele 1 & 2's 8MW wind turbines

increased risk of delays; especially at Hornsea 2. In general, we continue to see an increased risk of moderate delays across our portfolio, but we expect any such delays to have a limited overall impact on project economics.

Offshore

On 11 June, we reached a significant milestone with the installation of Ørsted's offshore wind turbine number 1,500, which was the 25th of Borssele 1 & 2's 8MW wind turbines. We are set to more than double our offshore wind capacity in the coming five years using ever larger turbines.

At our Dutch Borssele 1 & 2 site, the offshore construction work is progressing well and in August we installed the 78th wind turbine out of 94. We still expect the 752MW wind farm to be completed during Q4 2020. In 2022, we expect to complete Hornsea 2 (1,386MW) in the UK and Greater Changhua 1 & 2a (900MW) in Taiwan.

In July, the Holland Coast North offshore wind project was awarded to a local Dutch consortium. When we join a tender we obviously want to win and as such the outcome was disappointing. We will extract any learning available and leverage the insight for future tenders in Continental Europe. With that said, it should also be reiterated that we cannot and should not win all the auctions and tenders we join. The important thing is that we stay disciplined in our

bidding to make sure we build a healthy, sustainable business, and over time secure enough wins to fulfil our long-term ambitions. We remain confident that Ørsted will reach its target of 15GW of installed offshore wind capacity by 2025 and more than 30GW of renewable capacity by 2030.

In the US, the Bureau of Ocean Energy Management (BOEM) released a draft of their Supplemental Environmental Impact Statement (SEIS) in June. The SEIS provides an evaluation of the foreseeable cumulative impacts of offshore wind projects from North Carolina to Maine and provides a framework for future development of the industry on the US East Coast.

Based on our assessment we do not believe that BOEM identifies any significant impact that cannot be mitigated by the offshore wind developers. The framework confirms the consensus developer layout in the Northeast cluster, a uniform one nautical mile by one nautical mile turbine layout, as the most viable configuration. An approach which has been supported by a recent US Coast Guard study. We expect that BOEM could decide on the preferred layout as early as this month. Given commentary in the SEIS, we remain optimistic that the 1 by 1 nautical mile layout will be the preferred alternative. A different alternative layout considered in the SEIS includes wide transit lanes going through the offshore development areas. As implement-

CEO's review — first half year 2020 continued

ing such transit lanes would be detrimental to the offshore wind industry in the US, and as noted in the SEIS, it would reduce the technical capacity of North-East development areas to less than the demand from the states, we consider it unlikely that this alternative lay-out will be chosen. We also note that the 1 by 1 nautical mile turbine spacing is materially wider than any other offshore wind project worldwide to accommodate for the navigation of other ocean users.

We are still awaiting the 'Notices of Intent' for most of our US projects, outlining the timeline for 'Construction and Operations Plan' (COP) approval. We expect to have more clarity during the second half of the year.

At the 12MW Coastal Virginia demonstration project in the US, which we are constructing for Dominion Energy as an EPC contractor, we successfully installed both monopile foundations and turbines in June. The wind farm is the first ever to be federally permitted and installed in US federal waters.

In July, we signed a corporate power purchase agreement (CPPA) with Taiwan-based TSMC, the world's largest semiconductor foundry. TSMC will offtake the full generation from our 920MW Greater Changhua 2b & 4 offshore wind farm, making it the largest ever renewable energy CPPA. The 20-year fixed-price contract period will start once Greater Changhua 2b & 4 reaches commercial operations expectedly in 2025/2026, subject to grid availability and Ørsted's final investment decision.

In June, we divested the offshore transmission assets at Walney Extension to Diamond Transmission Partners at a total asset value of GBP

447m (100%). Walney Extension is located in the UK with a capacity of 659MW.

Together with Copenhagen Airport, A.P. Moller - Maersk, DSV Panalpina and SAS, we have founded the partnership - 'Green fuels for Denmark' - to develop an industrial-scale facility to produce sustainable fuels for road, maritime and air transport in the Copenhagen area. The partnership brings together the demand and supply side of sustainable fuels with a vision to realise what could become one of the world's largest electrolyser and sustainable fuel production facilities.

In August, the German Federal Ministry for Economic Affairs and Energy confirmed funding for the WESTKÜSTE 100 project in which we partner with nine other organisations to develop the first large-scale hydrogen project in Germany under the Reallabor funding program. WESTKÜSTE 100 is our third hydrogen project to receive public funding and a significant step forward in our exploration of industrial-scale production of green hydrogen. The project includes a 30MW electrolyser plant which can support heavy industries and heavy transport with renewable alternatives and a vision to scale-up at a later stage.

Onshore

In June, we commissioned the onshore wind farm Plum Creek in Nebraska ahead of schedule and on budget and we received tax equity funding from our partners. The 230MW wind farm has performed as expected since commissioning and will generate enough energy to power up to 100,000 US households.

In July, we acquired the 227MW_{ac} solar PV project Muscle Shoals, located in Alabama.

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In July, we signed a corporate power purchase agreement (CPPA) with Taiwan-based TSMC, who will offtake the full generation from our 920MW Greater Changhua 2b & 4 offshore wind farm, making it the largest ever renewable energy CPPA

When completed, expectedly in Q3 2021, it will be the largest solar energy asset in the south-eastern US. The project is eligible for 30% ITC and has a fully contracted 20-year utility PPA.

In addition, we are currently constructing the onshore wind farm Willow Creek (103MW) in South Dakota and the combined solar (420MW_{ac}) and storage (40MW_{ac}) project Permian Energy Center in Texas. We expect Willow Creek to be commissioned in Q4 2020 whereas Permian Energy Center is expected to be commissioned by mid-2021. We are eligible for 100% PTC for Willow Creek and 30% ITC for Permian.

Markets & Bioenergy

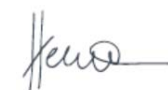
In June, the Danish competition authorities and the Danish Energy Agency approved the divestment of our Danish power distribution (Radius), residential customer and city light businesses to SEAS-NVE. As part of the competition approval, SEAS-NVE has agreed to sell the residential gas customers to OK, a Danish energy group. With the approval by the authorities, the transaction is expected to close by the end of August 2020. In 2019, we signed an agreement to divest our LNG activities to Glencore. We expect to close the transaction by late Q3 2020.

Following upgrades to our Renaissance facility in the UK late 2019 and a shut-down throughout

spring due to COVID-19, the plant has processed waste again since June. We expect the plant to be commissioned later this year.

Concluding remarks

The world continues to navigate a health crisis which has a severe impact on the lives and livelihoods of people across the globe as well as on global and local economies. In this challenging situation, Ørsted continues to focus on the health and well-being of its employees and their families while supporting a stable power supply in the markets where we operate. Our business model and organisation have proven very resilient and we remain confident about the company's ability to deliver on both its short-term and long-term performance targets. We continue to see strong political and public support for an accelerated transition to green energy and Ørsted's long-term growth prospects are as strong as ever.



Henrik Poulsen
CEO and President

Personal remarks from the CEO

On 15 June, I announced my resignation as CEO of Ørsted after eight years with the company. It has been an incredible ride, and I have a tremendous amount of affection for Ørsted, its vision, and not least its people. Together, we have transformed a Danish utility company predominantly based on fossil fuels into a global leader in green energy, now ranked as the world's most sustainable company. We are now at a point where the transformation is completed, and we have built a strong platform for global growth. I have concluded that it is the right time for me to step down to pursue other challenges. I owe a lot of gratitude to Ørsted's shareholders, the Board of Directors, and Group Executive Management for their confidence and support – and to all Ørsted team members for what we have achieved as a company during my tenure.

I will continue as CEO of Ørsted until 31 January 2021 at the latest and will remain fully committed during that time. The Board of Directors has offered to nominate me for the Ørsted Board at the annual general meeting in March next year and I have happily accepted the nomination. This will allow me to remain part of the Ørsted team and support the continued strategic development of the company.

The Board of Directors is in the process of finding my successor. The process is progressing as planned and Ørsted will make an announcement when completed, expectedly later this year.

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Together, we have transformed a Danish utility company predominantly based on fossil fuels into a global leader in green energy, now ranked as the world's most sustainable company



Henrik Poulsen
CEO and President

At a glance — First half year

Ørsted

EBITDA

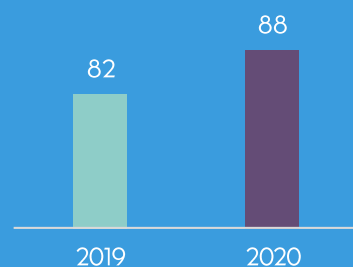


● From operating wind farms

Key figures H1 2020¹

Revenue	DKK 27.0bn
Gross investments	DKK 9.1bn
Capital employed	DKK 108.2bn
TRIR ²	4.7
Number of employees	6,731
ROCE ²	11%

Green share of heat and power generation, %



Offshore

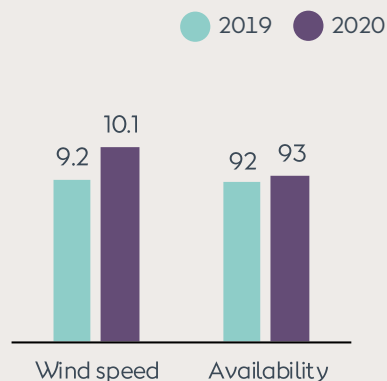
EBITDA



Key figures H1 2020¹

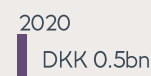
Revenue	DKK 17.3bn
Gross investments	DKK 7.1bn
Capital employed	DKK 84.3bn
TRIR ²	3.2
Number of employees	2,928

Wind speed and availability, m/s, %



Onshore

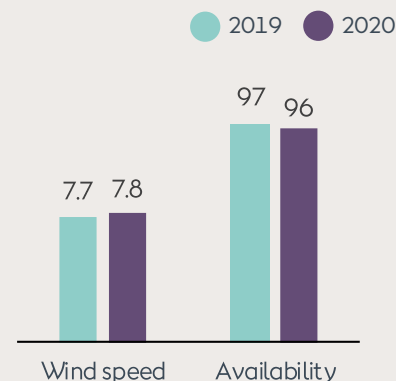
EBITDA



Key figures H1 2020¹

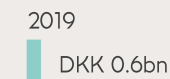
Revenue	DKK 0.3bn
Gross investments	DKK 1.5bn
Capital employed	DKK 8.6bn
TRIR ²	4.5
Number of employees	122

Wind speed and availability, m/s, %



Markets & Bioenergy

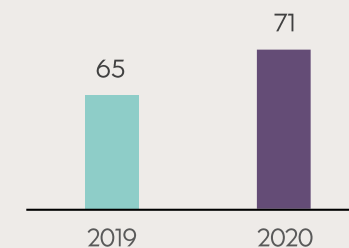
EBITDA



Key figures H1 2020¹

Revenue	DKK 11.4bn
Gross investments	DKK 0.4bn
Capital employed	DKK 13.7bn
TRIR ²	10.2
Number of employees	1,787

Green share of heat and power generation, %



¹Key figures (excluding capital employed) are for the continuing operations and include other activities/eliminations, ²Last 12 months

Outlook 2020

EBITDA

Our EBITDA guidance is unchanged relative to the guidance in our interim financial report for Q1 2020. EBITDA (business performance), excluding new partnership agreements, is expected to amount to DKK 16-17 billion.

The directional EBITDA guidance for Offshore and Onshore is unchanged relative to the guidance in our Q1 2020 report. However, for Offshore, we now expect higher earnings from existing partnerships compared to our previous expectations, whereas we expect lower growth from operating wind farms due to adverse COVID-19 impacts.

The directional guidance for Markets & Bioenergy has changed from 'lower' to 'in line'. The increase in expected earnings compared to our directional guidance in the Q1 2020 report, is mainly due to inclusion of earnings from power distribution, residential customer, and city light businesses for eight months of 2020 instead of the previously expected six months and due to higher sale of ancillary services at our CHP plants.

Gross investments

Gross investments are expected to amount to DKK 28-30 billion, down by DKK 2 billion relative to the guidance in our annual report for 2019. The adjustment is due to changed timing of payments.

Outlook for 2020, DKK billion	Guidance 12 Aug 2020	Guidance 29 Apr 2020	Guidance 4 Mar 2020	Guidance 30 Jan 2020	2019 realised
EBITDA (without new partnerships)	16-17	16-17	16-17	15-16	17.5
Offshore (without new partnerships)	Lower	Lower	Lower	Lower	15.2
Onshore	Higher	Higher	Higher	Higher	0.8
Markets & Bioenergy	In line	Lower	Lower	Lower	1.5
Gross investments	28-30	30-32	30-32	30-32	23.3



Our EBITDA guidance for the Group is the prevailing guidance, whereas the directional earnings development per business unit serves as a means to support this. Higher/lower indicates the direction of the business unit's earnings relative to the results for 2019.

Results Q2

EBITDA

Operating profit (EBITDA) totalled DKK 3.0 billion compared with DKK 3.6 billion in Q2 2019. The decrease of DKK 0.7 billion was expected and was mainly due to high construction activity at Hornsea 1 in Q2 2019. EBITDA excluding construction agreements increased with DKK 0.6 billion (29%).

Earnings from offshore and onshore wind farms in operation amounted to DKK 2.9 billion in Q2 2020, an increase of 7% compared to the same period last year. The increase was due to ramp-up of Hornsea 1, Lockett and Sage Draw, and a higher number of outages and curtailments across the portfolio in Q2 2019. This was partly offset by lower earnings from trading related to hedging of our power exposures and power portfolio optimisation activities, which had very high earnings in Q2 2019. In addition, we have seen adverse COVID-19 related impacts on especially the UK power market due to lower demand for electricity. This has led to higher balancing tariffs (BSUoS) from National Grid, some periods with negative prices and lower expected ROC recycle prices in Q2 2020.

Earnings from construction agreements for partners decreased by DKK 1.2 billion compared with Q2 2019 and amounted to DKK 0.4 billion in Q2 2020. The construction agreements in Q2 2020 primarily concerned the construction of Virginia Coastal Wind as well as minor updates regarding completed construction projects. Q2 2019 primarily concerned construction activity at Hornsea 1.

EBITDA from CHP plants increased by DKK 0.3 billion and amounted to DKK 0.2 billion, mainly due to increased sale of ancillary services and timing of fixed costs.

Earnings from our gas activities were DKK -0.2 billion, in line with Q2 2019. A less negative effect from revaluation of our gas at storage and storage hedges (gas prices had a steeper decline during Q2 2019 than in Q2 2020) was offset by lower earnings due to shut-down of the Tyra gas field from late 2019 until 2022.

Profit for the period

Profit for the period from continuing operations totalled DKK -0.8 billion, DKK 1.9 billion lower than Q2 2019. The decrease was due to the lower EBITDA, higher depreciation and higher net financial expenses due to a loss on interest rate swaps in June in connection with termination of local project financing and related swaps in the US (DKK -0.4 billion).

Furthermore, tax on profit for the period was higher in Q2 2020 due to the initial recognition of deferred taxes of DKK 0.9 billion related to tax equity at Sage Draw and Plum Creek.

Adjusted for these one-off effects, net profit amounted to DKK 0.4 billion.

Cash flows from operating activities

Cash flows from operating activities totalled DKK 8.2 billion in Q2 2020. The increase of DKK 0.7 billion compared to the same period last year was mainly due to tax equity contributions from our partners at the Sage Draw and Plum Creek wind farms, lower trade receivables due to lower revenue as well as the divestment of the offshore transmission asset at Walney Extension in Q2 2020. This was partly offset by received milestone payments related to the construction of Hornsea 1 in Q2 2019.

Financial results, DKKm	Q2 2020	Q2 2019	%
Revenue	11,625	16,443	(29%)
EBITDA	2,956	3,625	(18%)
Depreciation	(1,827)	(1,689)	8%
EBIT	1,129	1,936	(42%)
Gain (loss) on divestment of enterprises	(3)	(18)	(83%)
Profit (loss) from associates and joint ventures	3	3	0%
Financial items, net	(1,010)	(545)	85%
Profit before tax	119	1,376	(91%)
Tax on profit (loss) for the period	(928)	(283)	228%
Tax rate	780%	21%	n.a.
Profit (loss) for the period, continuing operations	(809)	1,093	n.a.
Profit (loss) for the period, discontinued operations	(16)	(18)	(11%)
Profit (loss) for the period	(825)	1,075	n.a.

Cash flow and net debt, DKKm	Q2 2020	Q2 2019	%
Cash flows from operating activities	8,197	7,510	9%
EBITDA	2,956	3,625	(18%)
Change in derivatives, other adjustments	680	(358)	n.a.
Change in provisions	(349)	39	n.a.
Reversal of gain (loss) on divestments of assets	(71)	(190)	(63%)
Other items	(43)	85	n.a.
Interest expense, net	(634)	(683)	(7%)
Paid tax	(86)	(30)	187%
Change in work in progress	(177)	4,271	n.a.
Change in tax equity partner liabilities	3,017	(138)	n.a.
Change in other working capital	2,904	889	227%
Gross investments	(3,757)	(3,368)	12%
Divestments	45	(11)	n.a.
Free cash flow	4,485	4,131	9%
Net debt, beginning of period	27,084	9,111	197%
Free cash flow from continuing operations	(4,485)	(4,131)	9%
Free cash flow from discontinued operations	(102)	3	n.a.
Dividends and hybrid coupon paid	378	378	0%
Addition of lease obligations	138	63	119%
Interest bearing receivable re. O&G divestment	16	16	0%
Exchange rate adjustments, etc.	(757)	(460)	65%
Net debt, end of period	22,272	4,980	347%

Results H1

Financial results

Revenue

Power generation from offshore and onshore wind increased by 42% and totalled 9.8TWh in H1 2020, mainly due to ramp-up of generation from Hornsea 1, Lockett and Sage Draw and to some extent Borssele 1 & 2, as well as higher wind speeds throughout H1 2020. Furthermore, H1 2019 saw a higher number of outages and curtailments across the offshore portfolio than normal. This was partly offset by a cable replacement campaign at Hornsea 1 at the beginning of this year as well as some periods with negative prices due to lower demand for electricity driven by COVID-19.

Our production-based availability in Offshore amounted to 93%, up one percentage point compared to the same period last year.

Thermal power generation amounted to 2.5TWh and heat generation amounted to 4.1TWh, down 6% and 15%, respectively, compared to the same period last year. The decreases were driven by windy and wet weather and a warm first quarter of 2020. The underlying

decline in power generation was even higher, but was partly offset by generation associated with higher delivery of ancillary services.

Offshore and onshore wind accounted for 80% of our total power generation, while the renewable energy share of our total heat and power generation accounted for 88% in H1 2020 compared with 82% in H1 2019.

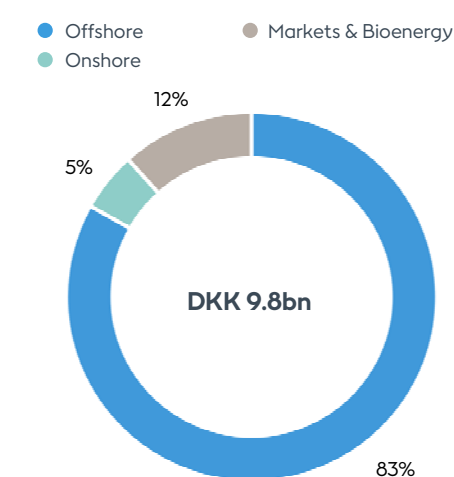
Revenue amounted to DKK 27.0 billion. The decrease of 20% relative to H1 2019 was primarily due to significantly lower gas and power prices, lower sale of gas, limited construction work on wind farms for partners and lower thermal heat and power generation, partly offset by the increase in wind based power generation.

EBITDA

Operating profit (EBITDA) totalled DKK 9.8 billion compared with DKK 8.8 billion in H1 2019. The increase was mainly driven by a 17% increase in earnings from offshore and onshore wind farms in operation, which was due to ramp-up of Hornsea 1, Lockett and Sage Draw together with high wind speeds, partly offset by

Financial results, DKKm	H1 2020	H1 2019	%
Revenue	27,001	33,682	(20%)
EBITDA	9,761	8,755	11%
Depreciation	(3,581)	(3,307)	8%
EBIT	6,180	5,448	13%
Gain (loss) on divestment of enterprises	(17)	(35)	(51%)
Profit (loss) from associates and joint ventures	6	4	50%
Financial items, net	(1,786)	(444)	302%
Profit before tax	4,383	4,973	(12%)
Tax on profit (loss) for the period	(1,846)	(1,241)	49%
Tax rate	42%	25%	17%p
Profit (loss) for the period, continuing operations	2,537	3,732	(32%)
Profit (loss) for the period, discontinued operations	(44)	(61)	(28%)
Profit (loss) for the period	2,493	3,671	(32%)

EBITDA, DKK billion



lower earnings from trading related to hedging of our power exposures and power portfolio optimisation activities, which achieved very high results in H1 2019.

Earnings from construction agreements for partners totalled DKK 1.5 billion compared with DKK 2.5 billion in H1 2019. The construction agreements in H1 2020 primarily concerned the updated assumptions regarding the divestment of the transmission asset for Hornsea 1, the construction of Virginia Coastal Wind as well as minor updates regarding completed construction projects. H1 2019 included earnings from construction activity at Hornsea 1 and Borkum Riffgrund 2.

EBITDA from CHP plants increased by DKK 0.2 billion relative to the same period last year and totalled DKK 0.7 billion in H1 2020. The increase was primarily driven by higher sale of ancillary

Business performance vs IFRS

We use business performance as an alternative to the results prepared in accordance with IFRS. Business performance represents the underlying financial performance of the Group in the reporting period as results are adjusted for temporary fluctuations in the market value of contracts (including hedging transactions) relating to other periods. The difference between the two principles will be eliminated as the contracts expire. Apart from this, there is no difference between business performance and the IFRS results.

EBITDA in accordance with IFRS amounted to DKK 11.0 billion in H1 2020 against DKK 10.4 billion in the same period in 2019. In accordance with the business performance principle, EBITDA was DKK 9.8 billion and DKK 8.8 billion, respectively. The difference between the two principles was thus DKK 1.3 billion in H1 2020 against DKK 1.7 billion in H1 2019.

In the presentation of the results according to IFRS, we have elected not to apply the provisions on hedge accounting of commodities and related currency exposures. The market value adjustments of these are continuously recognised in the income statement, which means that the IFRS results for the individual years are not comparable. IFRS results do not reflect the commercial risk hedging, according to which the business units and the Group are managed and evaluated. In the management's review, comments are made on business performance only.

Business performance vs IFRS	H1 2020	H1 2019
EBITDA - Business performance	9,761	8,755
Adjustments	1,280	1,677
EBITDA - IFRS	11,041	10,432

Results H1 continued

services.

EBITDA from Gas Markets & Infrastructure increased by DKK 0.1 billion and amounted to DKK -0.2 billion. The increase was mainly due to a less negative effect from revaluating our gas at storage (gas prices had a steeper decline during H1 2019 than in H1 2020) and a positive impact from storage hedges. This was partly offset by lower earnings due to shut-down of the Tyra gas field from late 2019 until 2022 as well as a provision for bad debt in our B2B business to cover the extraordinary COVID-19 related default risk among our customers.

EBIT

EBIT increased by DKK 0.7 billion to DKK 6.2 billion in H1 2020, primarily as a result of the higher EBITDA partly offset by higher depreciation driven by more wind farms in operation.

Financial income and expenses

Net financial income and expenses amounted to an expense of DKK 1.8 billion compared with DKK 0.4 billion in the same period last year. The increase was mainly due to higher net interest expenses, a loss on interest rate swaps in June in connection with early termination of local project financing and swaps in the US, less positive effects from exchange rate adjustments due to a weakening of GBP and capital losses on the bond portfolio due to the increasing interest rates.

Tax and tax rate

Tax on profit for the period amounted to DKK 1.8 billion, DKK 0.6 billion higher than the same period last year. The increase was mainly due to initial recognition of deferred taxes of DKK 0.9 billion related to tax equity at Sage Draw in

April and Plum Creek in June. The effective tax rate was 42%.

Profit for the period

Profit for the period from continuing operations totalled DKK 2.5 billion, DKK 1.2 billion lower than H1 2019. The decrease was primarily due to the higher net financial expenses, higher taxes and higher depreciation, only partly offset by the higher EBITDA.

Cash flows and net debt

Cash flows from operating activities

Cash flows from operating activities totalled DKK 7.8 billion in H1 2020 compared with DKK 7.4 billion in H1 2019. The increase of DKK 0.4 billion was mainly due to lower paid taxes in Denmark, tax equity contributions from our partners at the Sage Draw and Plum Creek wind farms, lower trade receivables due to lower revenue as well as the divestment of the offshore transmission asset at Walney Extension. This was partly offset by H1 2019 being positively affected by received milestone payments related to the construction of Hornsea 1.

In H1 2020, we had a net cash outflow from work in progress of DKK 2.0 billion. This was mainly due to supplier payments related to the construction of Hornsea 1 for partners, the construction of Virginia Coastal Wind and construction of the offshore transmission asset at Hornsea 2, only partly offset by the divestment of the offshore transmission asset at Walney Extension.

Investments and divestments

Gross investments amounted to DKK 9.1 billion against DKK 7.3 billion in H1 2019. The main in-

Cash flow and net debt, DKKm	H1 2020	H1 2019	%
Cash flows from operating activities	7,769	7,392	5%
EBITDA	9,761	8,755	11%
Change in derivatives, other adjustments	(514)	(224)	129%
Change in provisions	(365)	33	n.a.
Reversal of gain (loss) on divestments of assets	(1,288)	(308)	318%
Other items	(7)	83	n.a.
Interest expense, net	(1,163)	(774)	50%
Paid tax	(1,353)	(4,857)	(72%)
Change in work in progress	(2,015)	5,272	n.a.
Change in tax equity partner liabilities	2,892	(219)	n.a.
Change in other working capital	1,821	(369)	n.a.
Gross investments	(9,065)	(7,267)	25%
Divestments	52	2,667	(98%)
Free cash flow	(1,244)	2,792	n.a.
Net debt, beginning of period	17,230	(2,219)	n.a.
Free cash flow from continuing operations	1,244	(2,792)	n.a.
Free cash flow from discontinued operations	44	1	n.a.
Dividends and hybrid coupon paid	4,921	4,615	7%
Addition of lease obligations	147	5,285	(97%)
Interest bearing receivable re. O&G divestment	8	8	0%
Exchange rate adjustments, etc.	(1,322)	82	n.a.
Net debt, end of period	22,272	4,980	347%

vestments in H1 2020 were:

- offshore wind farms (DKK 7.1 billion), including Borssele 1 & 2 in the Netherlands, Hornsea 2 in the UK, Greater Changhua 1 & 2a in Taiwan and Ocean Wind in the US.
- onshore wind and solar farms (DKK 1.5 billion), including Sage Draw, Plum Creek and Permian Energy Center, all three in the US.
- Markets & Bioenergy (DKK 0.4 billion), mainly related to maintenance of the power distribution grid.

Cash flow from divestments in H1 2020 related to the divestment of our 10MW_{ac} Oak Solar farm in New Jersey and Inbicon production facilities partly offset by compensations paid under our partnership agreements. Cash flow from divestments in H1 2019 related to the receipt of deferred proceeds from the farm-down of 50% of Hornsea 1 in 2018 (DKK 1.7 billion) and to the strengthening of our strategic partnership with Eversource as they became a 50% partner in our activities in the New England area in February 2019 (DKK 1.0 billion).

Results H1 continued

Interest-bearing net debt

Interest-bearing net debt totalled DKK 22.3 billion at the end of June 2020 against DKK 17.2 billion at the end of 2019. The DKK 5.0 billion increase was mainly due to negative free cash flow of DKK 1.2 billion and dividend and hybrid coupon payments of DKK 4.9 billion.

Equity

Equity was DKK 85.9 billion at the end of June 2020 against DKK 89.6 billion at the end of 2019.

Capital employed

Capital employed was DKK 108.2 billion at 30 June 2020 against DKK 106.8 billion at the end of 2019. The increase was mainly due to investments. Capital employed in Markets & Bioenergy amounted to DKK 13.7 billion of which DKK 8.2 billion relates to assets and liabilities to be divested.

Financial ratios

Return on capital employed (ROCE)

Return on capital employed (ROCE, last 12 months) was 11% at the end of H1 2020. The decrease compared to the same period last year was attributable to the lower EBIT over the 12-month period, which in H1 2019 was significantly impacted by the farm-down of Hornsea 1 in Q4 2018.

Credit metric (FFO/adjusted net debt)

The funds from operations (FFO)/adjusted net debt credit metric was 23% at the end of June 2020 against 58% in the same period last year. The low ratio by H1 2020 is adversely impacted by current tax related to both 2019 and 2020,

and is expected to be around the target level of 30% at the end of the year.

Non-financial results

Green share of heat and power generation

The green share of heat and power generation amounted to 88% in H1 2020, up six percentage points relative to the same period last year. The increase came from higher generation from offshore and onshore wind farms due to additional capacity and higher wind speeds. Furthermore, the green share increased from lower fossil fuel-based heat and power generation due to the more wet and windy weather in H1 2020, which led to reduced heat and power demand from the CHP plants. This was partly offset by power generation associated with the delivery of ancillary services.

Greenhouse gas emissions

Greenhouse gas intensity from our heat and power generation and other operating activities (scope 1 and 2), decreased to 64g CO₂e/kWh in H1 2020 against 80g CO₂e/kWh in H1 2019. The emissions per kWh decreased for the same reasons as mentioned above.

Greenhouse gas emissions from our supply chain and sales activities (scope 3) decreased by 16% to 13.1 million tonnes in H1 2020 driven by a 19% decrease in gas sales.

Safety

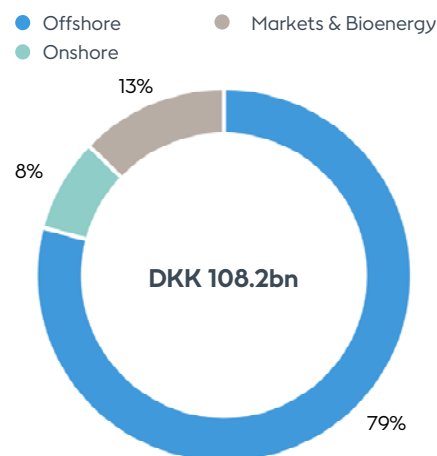
In H1 2020, we have had 39 total recordable injuries (TRIs), of which 29 injuries were related to contractors' employees. This was a decrease of three injuries compared to H1 2019 or a 7% reduction. The number of hours worked was 10.5

Key ratios, DKKm, %

	H1 2020	H1 2019	%
ROCE ¹	10.8	29.3	-19%p
Adjusted net debt	36,106	17,755	103%
FFO/adjusted net debt ¹	23.1	57.5	-34%p

¹ See page 79 in the annual report for 2019 for definitions.

Capital employed, %



million hours, in line with H1 2019. Consequently, the total recordable injury rate (TRIR) over the last 6 months decreased from 4.0 in H1 2019 to 3.7 in H1 2020.

Offshore

Highlights Q2 2020

- 78 turbines installed at Borssele 1 & 2.
- We signed the largest-ever renewable corporate PPA for our Greater Changhua 2b & 4 offshore wind project in Taiwan.
- We divested the offshore transmission asset at Walney Extension.
- We co-founded the 'Green fuels for Denmark' partnership.
- WESTKÜSTE 100 received funding from the German government.

Financial results Q2 2020

Power generation increased by 20% relative to Q2 2019, primarily due to ramp-up of generation from Hornsea 1 and to some extent Borssele 1 & 2. Furthermore, Q2 2019 saw a higher number of outages and curtailments across the portfolio. In Q2 2020 we have seen adverse COVID-19 impacts on especially the UK power market due to lower demand for electricity. This led to higher balancing tariffs (BSUoS) from National Grid, some periods with negative prices and lower expected ROC recycle prices in Q2 2020. Most wind farms in the UK under the CfD regime do not receive subsidies in periods where the day-ahead prices are negative for more than six consecutive hours. Consequently, we shut down part of our UK capacity in such periods. In Germany, we also experienced more hours with negative prices than in the same period last year.

Wind speeds were in line with Q2 2019 and amounted to a portfolio average of 8.0m/s. This was below a normal wind year (8.2m/s). However, availability reached 95%, which was significantly higher than Q2 2019 due to the various outages and curtailments last year.

Revenue decreased by 16% to DKK 9.4 billion.

Revenue from offshore wind farms in operation increased 18% to DKK 3.6 billion primarily due to the ramp-up of Hornsea 1 partly offset by more periods with negative prices. Revenue from power sales decreased by DKK 0.5 billion due to lower power prices.

Revenue from construction agreements decreased by DKK 1.7 billion due to high activity in Q2 2019 related to the construction of the Hornsea 1 offshore wind farm for partners. In Q2 2020, revenue from construction agreements was primarily related to the divestment of the offshore transmission assets at Walney Extension, the construction of Virginia Coastal Wind and the completion of Hornsea 1.

EBITDA decreased DKK 1.2 billion relative to Q2 2019 and amounted to DKK 2.4 billion.

EBITDA from Sites, O&M and PPAs amounted to DKK 2.6 billion in Q2 2020. The 1% increase was due to Hornsea 1 ramp-up partly offset by the above-mentioned adverse COVID-19 impacts (approx. DKK 150 million) and by lower earnings from trading related to hedging of our power exposures and power portfolio optimisation activities, which achieved very high results in Q2 2019 (DKK 0.3 billion).

EBITDA from partnerships decreased by DKK 1.2 billion and amounted to DKK 0.4 billion. In Q2 2020, earnings from construction agreements were primarily related to the construction of Virginia Coastal Wind, the completion of Hornsea 1 and minor updates regarding finalised construction projects. In Q2 2019, earnings from construction agreements primarily concerned Hornsea 1.

Financial results

Business drivers

		Q2 2020	Q2 2019	%	H1 2020	H12019	%
Decided (FID'ed) and installed capacity, offshore wind	GW	9.9	9.9	0%	9.9	9.9	0%
Installed capacity, offshore wind	GW	6.8	5.6	22%	6.8	5.6	22%
Generation capacity, offshore wind	GW	3.8	3.3	13%	3.8	3.3	13%
Wind speed	m/s	8.0	8.0	0%	10.1	9.2	9%
Load factor	%	32	31	1%p	46	41	5%p
Availability	%	95	87	8%p	93	92	1%p
Power generation	TWh	2.6	2.2	20%	7.2	5.3	36%
Denmark		0.4	0.5	(12%)	1.1	1.1	6%
United Kingdom		1.7	1.2	35%	4.7	3.1	53%
Germany		0.4	0.4	(4%)	1.2	1.0	14%
Other		0.1	0.1	0%	0.1	0.1	0%
Power sales (net of internally sourced generation)	TWh	5.5	5.7	(3%)	14.3	12.9	11%
Power price, LEBA UK	GBP/MWh	25.4	41.4	(39%)	29.5	47.0	(37%)
British pound	DKK/GBP	8.4	8.5	(1%)	8.5	8.5	0%

Financial performance

Revenue	DKKkm	9,364	11,107	(16%)	17,339	19,474	(11%)
Sites, O&M and PPAs		3,625	3,078	18%	9,350	7,518	24%
Power sales		3,208	3,660	(12%)	4,872	5,689	(14%)
Construction agreements		2,486	4,200	(41%)	3,049	6,190	(51%)
Other		46	169	(73%)	68	77	(12%)
EBITDA	DKKkm	2,361	3,572	(34%)	7,993	7,890	1%
Sites, O&M and PPAs		2,578	2,552	1%	7,514	6,512	15%
Construction agreements and divestment gains		396	1,638	(76%)	1,495	2,526	(41%)
Other incl. project development		(613)	(618)	(1%)	(1,016)	(1,148)	(11%)
Depreciation	DKKkm	(1,452)	(1,355)	7%	(2,860)	(2,653)	8%
EBIT	DKKkm	909	2,217	(59%)	5,133	5,237	(2%)
Cash flow from operating activities	DKKkm	4,338	8,036	(46%)	2,785	6,073	(54%)
Gross investments	DKKkm	(2,802)	(1,563)	79%	(7,094)	(4,442)	60%
Divestments	DKKkm	(150)	(45)	233%	(141)	2,648	n.a.
Free cash flow	DKKkm	1,386	6,428	(78%)	(4,450)	4,279	n.a.
Capital employed	DKKkm	84,311	67,345	25%	84,311	67,345	25%



O&M: Operation and maintenance agreements
PPAs: Power purchase agreements

Offshore continued

EBITDA from other activities, including project development amounted to DKK -0.6 billion and was in line with Q2 2019.

Depreciation increased by 7% and amounted to DKK 1.5 billion. The increase was mainly due to the commissioning of Hornsea 1.

Cash flow from operating activities amounted to DKK 4.3 billion, which was DKK 3.7 billion lower than in Q2 2019. This was primarily due to the lower EBITDA and higher net cash inflow from work in progress in Q2 2019 due to received milestone payments related to the construction of Hornsea 1.

In Q2 2020, we had a net cash outflow from work in progress of DKK 0.2 billion, mainly from the construction of Virginia Coastal Wind and construction of the offshore transmission asset at Hornsea 2, partly offset by the divestment of the offshore transmission asset at Walney Extension.

Gross investments amounted to DKK 2.8 billion and mainly related to Borssele 1 & 2, Hornsea 2, Greater Changhua 1 & 2a and Ocean Wind.

Financial results H1 2020

Power generation increased by 36% relative to H1 2019, primarily due to ramp-up of generation from Hornsea 1 and to some extent Borssele 1 & 2 as well as higher wind speeds throughout H1 2020. Furthermore, H1 2019 saw a higher number of outages and curtailments across the portfolio than normal. This was partly offset by a cable replacement campaign at Hornsea 1 at the beginning of this year as well as some periods with negative prices due to lower demand for electricity driven by COVID-19.

Wind speeds amounted to 10.1m/s for the portfolio, which was above a normal wind year with very strong wind in January and February. Availability reached 93%, which was above H1 2019 due to the various campaigns and curtailments and outages across the portfolio last year.

Revenue decreased by 11% to DKK 17.3 billion.

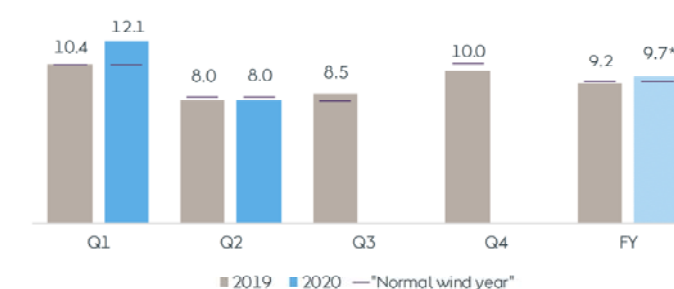
Revenue from offshore wind farms in operation increased 24% to DKK 9.4 billion due to the above-mentioned ramp-up from Hornsea 1 and higher wind speeds partly offset by more periods with negative prices. Despite of higher volumes sold, revenue from power sales decreased by DKK 0.8 billion due to lower power prices.

Revenue from construction agreements decreased by DKK 3.2 billion primarily due to high activity in H1 2019 related to the construction of the Hornsea 1 offshore wind farm for partners. In H1 2020, revenue from construction agreements primarily related to the divestment of the offshore transmission assets at Walney Extension, construction of Virginia Coastal Wind and the finalisation of Hornsea 1.

EBITDA increased by 1% relative to H1 2019 and amounted to DKK 8.0 billion.

EBITDA from Sites, O&M and PPAs amounted to DKK 7.5 billion in H1 2020. The 15% increase was due to Hornsea 1 ramp-up and higher wind speeds partly offset by the above-mentioned adverse COVID-19 impacts and by lower earnings from trading related to hedging of our power exposures and power portfolio optimisation activities, which achieved very high

Wind speed, (m/s) for our offshore wind farms



The wind speed indicates how many metres per second the wind has blown in the areas where we have offshore wind farms. The weighting is based on our generation capacity.



* Indicates m/s for full year 2020 (if Q3 and Q4 follows the normal wind year)

results in H1 2019.

EBITDA from partnerships decreased by DKK 1.0 billion and amounted to DKK 1.5 billion. In H1 2020, our earnings from construction agreements mainly related to the lowered assumptions regarding the preferred bidder's expected return requirement on the Hornsea 1 transmission asset, the construction of Virginia Coastal Wind and minor updates regarding completed construction projects which positively impacted EBITDA. In H1 2019, earnings from construction agreements primarily concerned Hornsea 1 and Borkum Riffgrund 2.

EBITDA from other activities, including project development amounted to DKK -1.0 billion. The decreased spend relative to H1 2019 was mainly due to higher expensed project development activities in the US and Taiwan in H1 2019.

Depreciation increased by 8% and amounted to DKK 2.9 billion. The increase was mainly due to commissioning of Hornsea 1.

Cash flow from operating activities amounted to DKK 2.8 billion, which was DKK 3.3 billion

below H1 2019. This was mainly due to funds tied up in work in progress in H1 2020 versus a release in H1 2019, partly offset by less paid tax in H1 2020. In H1 2020, we had a net cash outflow from work in progress of DKK 2.0 billion. This was mainly due to supplier payments related to the construction of Hornsea 1 for partners, the construction of Virginia Coastal Wind and construction of the offshore transmission asset at Hornsea 2, partly offset by the divestment of the offshore transmission asset at Walney Extension.

Gross investments amounted to DKK 7.1 billion and mainly related to Borssele 1 & 2, Hornsea 2, Greater Changhua 1 & 2a and Ocean Wind.

Cash flow from divestments in H1 2020 related to compensations paid under the partnership agreements for Walney Extension. In H1 2019, cash flow from divestments related to the receipt of deferred proceeds from the farm -down of 50% of Hornsea 1 in 2018 (DKK 1.7 billion) and to the strengthening of our strategic partnership with Eversource as they became a 50% partner in our activities in the New England area in February (DKK 1.0 billion).

Onshore

Highlights Q2 2020

- Plum Creek Onshore Wind Farm (230MW) commissioned ahead of schedule and on budget.
- We acquired the 227MW_{ac} solar PV project Muscle Shoals, located in Alabama.
- We divested our 10MW Oak Solar farm in New Jersey.

Financial results Q2 2020

Power generation increased by 83% relative to Q2 2019. The increase was due to new wind farms in operation (Sage Draw, Lockett and Plum Creek). Wind speeds amounted to a portfolio average of 8.0m/s, which was higher than same period last year, but slightly lower than a normal wind year (8.1m/s).

Revenue from wind farms in operation increased by 19% due to the higher generation partly offset by lower prices for the part of the portfolio not covered by PPAs.

EBITDA almost doubled and amounted to DKK 0.3 billion. The increase was primarily due to the above-mentioned factors.

Cash flow from operating activities amounted to DKK 3.2 billion which primarily comprised tax equity contributions from our partners at the Sage Draw and Plum Creek wind farms, in April and June, respectively.

Gross investments amounted to DKK 0.7 billion in Q2 2020 and related to the construction of Permian Energy Center, Sage Draw and Plum Creek.

Cash flow from divestments in Q2 2020 related

to the divestment of our 10MW Oak Solar farm in New Jersey.

Financial results H1 2020

Power generation increased by 61% relative to H1 2019. The increase was due to new wind farms in operation (Sage Draw, Lockett and Plum Creek). Wind speeds amounted to a portfolio average of 7.8m/s, slightly below a normal wind year (7.9m/s), however, above the average wind speed in H1 2019.

Revenue from wind farms in operation increased by 20% due to the higher generation partly offset by lower prices.

EBITDA increased by 59% and amounted to DKK 0.5 billion. The increase was primarily due to the above-mentioned factors.

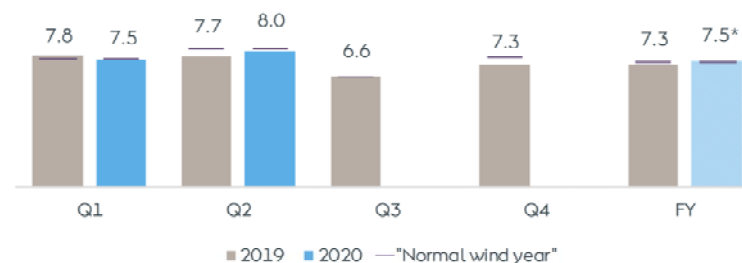
Cash flow from operating activities amounted to DKK 3.2 billion which primarily comprised tax equity contribution from our partners for the Sage Draw and Plum Creek wind farms.

Gross investments amounted to DKK 1.5 billion in H1 2020 and related to the construction of Permian Energy Center, Sage Draw and Plum Creek.

Financial results

		Q2 2020	Q2 2019	%	H1 2020	H1 2019	%
Business drivers							
Decided (FID'ed) and installed capacity	MW	2,088	1,438	45%	2,088	1,438	45%
Installed capacity	MW	1,565	813	92%	1,565	813	92%
Wind speed	m/s	8.0	7.7	4%	7.8	7.7	1%
Load factor	%	49	47	2%p	47	47	0%p
Availability	%	96	97	(1%p)	96	97	(1%p)
Power generation	TWh	1.6	0.8	95%	2.7	1.7	61%
Net realised price	USD/MWh	11.3	16.3	(31%)	12.1	16.9	(28%)
US dollar	DKK/USD	6.8	6.6	2%	6.8	6.6	3%
Financial performance							
Revenue	DKKm	160	134	19%	297	248	20%
EBITDA	DKKm	312	162	93%	499	313	59%
Sites		103	75	37%	176	159	11%
Production tax credits and tax attributes		268	140	91%	477	282	69%
Other incl. project development		(59)	(53)	11%	(154)	(128)	20%
Depreciation	DKKm	(109)	(78)	40%	(207)	(158)	31%
EBIT	DKKm	203	84	142%	292	155	88%
Cash flow from operating activities	DKKm	3,209	78	n.a.	3,162	(16)	n.a.
Gross investments	DKKm	(733)	(1,258)	(42%)	(1,481)	(1,798)	(18%)
Divestments	DKKm	114	-	n.a.	114	-	n.a.
Free cash flow	DKKm	2,590	(1,180)	n.a.	1,795	(1,814)	n.a.
Capital employed	DKKm	8,608	8,033	7%	8,608	8,033	7%

Wind speed, (m/s) for our onshore wind farms



* Indicates m/s for full year 2020 (if Q3 and Q4 follows the normal wind year)



The wind speed indicates how many metres per second the wind has blown in the areas where we have onshore wind farms. The weighting is based on our generation capacity.

Markets & Bioenergy

Highlights Q2 2020

- Divestment of our Danish power distribution (Radius), residential customer and city light business to SEAS-NVE approved by the Danish competition authorities.
- We divested the Inbicon production facilities.
- Our Renescence facility in the UK has processed waste again since June.

Financial results Q2 2020

Revenue decreased by 47% compared to Q2 2019 and amounted to DKK 3.9 billion. The decrease was mainly driven by a significant decrease in average gas and power prices relative to the same period last year as well as lower gas and power volumes sold.

Power generation was 0.2TWh higher than in Q2 2019, driven by generation associated with delivery of ancillary services (see box on following page). Heat generation decreased by 0.1TWh despite of colder weather.

EBITDA amounted to DKK 0.2 billion compared to DKK -0.1 billion in Q2 2019.

EBITDA from CHP plants increased by DKK 0.3 billion and amounted to DKK 0.2 billion. The increase was mainly due to higher sale of ancillary services, lower fixed costs due to timing and a positive one-off gain from divestment of the closed Inbicon production facilities in April.

EBITDA from Gas Markets & Infrastructure was in line with the same period last year and amounted to DKK -0.2 billion. A less net negative effect from revaluing our gas at storage (gas prices had a steeper decline during Q2 2019 than in Q2 2020) was partly offset by lower earnings due to the shut-down of the Tyra gas

field from late 2019, and lasting until 2022.

EBITDA from LNG amounted to DKK 0 billion. Following the agreement to divest our LNG activities we have made provisions to offset the negative earnings.

EBITDA from Distribution, B2C and city light was in line with the same period last year and amounted to DKK 0.3 billion.

Cash flow from operating activities amounted to DKK 0.8 billion in Q2 2020. The increase of DKK 1.4 billion was mainly due to lower trade receivables due to the lower revenue, partly offset by lower trade payables.

Financial results H1 2020

Revenue decreased by 32% compared to H1 2019 and amounted to DKK 11.4 billion. The decrease was mainly driven by a significant decrease in average gas and power prices relative to the same period last year as well as lower gas and power volumes sold.

Power generation was 6% lower than in H1 2019, driven by more windy and wet weather and a warm first quarter 2020. Heat generation decreased by 15% in H1 2020 mainly due to warmer weather in Q1 2020. In contrast, demand for ancillary services increased.

EBITDA amounted to DKK 1.1 billion compared to DKK 0.6 billion in H1 2019.

EBITDA from CHP plants increased by DKK 0.2 billion relative to the same period last year and totalled DKK 0.7 billion in H1 2020. Higher sale of ancillary services was partly offset by the decrease in power and heat generation and the negative spread development.

Financial results

		Q2 2020	Q2 2019	%	H1 2020	H1 2019	%
Business drivers							
Degree days	Number	436	269	62%	1,501	1,409	7%
Heat generation	TWh	1.0	1.1	(13%)	4.1	4.8	(15%)
Power generation	TWh	0.9	0.7	37%	2.5	2.6	(6%)
Gas sales	TWh	20.1	31.8	(37%)	46.7	57.5	(19%)
Power sales	TWh	3.0	3.3	(8%)	6.6	7.3	(9%)
Gas price, TTF	EUR/MWh	5.3	13.0	(59%)	7.5	15.7	(52%)
Power price, DK	EUR/MWh	20.5	36.8	(44%)	20.8	39.9	(48%)
Power price, LEBA UK	GBP/MWh	25.4	41.4	(39%)	29.5	47.0	(37%)
Green dark spread, DK	EUR/MWh	(12.2)	(3.4)	261%	(13.7)	(2.0)	569%
Green spark spread, DK	EUR/MWh	1.2	0.1	851%	(3.2)	(1.6)	98%
Financial performance							
Revenue	DKKm	3,895	7,411	(47%)	11,404	16,821	(32%)
EBITDA	DKKm	185	(115)	n.a.	1,118	569	96%
CHP plants		152	(126)	n.a.	672	428	57%
Gas Markets & Infrastructure		(190)	(163)	17%	(179)	(280)	(36%)
LNG		-	(41)	n.a.	-	(111)	n.a.
Distribution, B2C and city light		305	261	17%	781	671	16%
Other, incl. project development		(82)	(46)	78%	(156)	(139)	12%
Depreciation	DKKm	(208)	(203)	2%	(400)	(388)	3%
EBIT	DKKm	(23)	(318)	(93%)	718	181	297%
Cash flow from operating activities	DKKm	817	(641)	n.a.	2,374	1,346	76%
Gross investments	DKKm	(179)	(495)	(64%)	(423)	(962)	(56%)
Divestments	DKKm	81	35	131%	80	20	300%
Free cash flow	DKKm	719	(1,101)	n.a.	2,031	404	403%
Capital employed	DKKm	13,670	14,238	(4%)	13,670	14,238	(4%)

Reporting

We run our business on an end-to-end value chain thinking. All activities and earnings that relate to Offshore and Onshore are reported in these segments, even if the daily activities are performed on behalf of the group in Markets & Bioenergy. Therefore, earnings from trading related to hedging of our power exposures and power portfolio optimisation activities in relation to Offshore and Onshore are presented in these business units.

In H1 2020, EBITDA of DKK 151 million and DKK -6 million were transferred to Offshore and Onshore, respectively (DKK 590 million and DKK -6 million respectively in H1 2019). In Q2 2020, EBITDA of DKK -46m and DKK 4 million were transferred to Offshore and Onshore, respectively (DKK 271 million and DKK -6 million respectively in Q2 2019).

Markets & Bioenergy continued

EBITDA from Gas Markets & Infrastructure increased by DKK 0.1 billion and amounted to DKK -0.2 billion. The increase was mainly due to a positive impact from storage hedges and a less negative effect from revaluating our gas at storage (gas prices had a steeper decline during H1 2019 than in H1 2020). This was partly offset by lower earnings due to the shut-down from late 2019 of the Tyra gas field as well as a provision for bad debt of DKK 0.1 billion in our B2B business to cover the extraordinary COVID-19 related default risk among our customers.

EBITDA from LNG amounted to DKK 0 billion. Following the agreement to divest our LNG activities we have made provisions to offset the negative earnings.

EBITDA from Distribution, B2C and city light increased by DKK 0.1 billion to DKK 0.8 billion. The increase was mainly due to lower costs.

Cash flow from operating activities amounted to DKK 2.4 billion in H1 2020. The increase of DKK 1.0 billion was mainly due to lower paid taxes (receipt of on account taxes in H1 2020 versus payment of taxes on account in H1 2019) and lower trade receivables due to lower revenue. This was partly offset by changes in the value of derivatives and more gas at storage.

Gross investments amounted to DKK 0.4 billion in H1 2020 and were mainly related to maintenance of the power distribution grid and concluding work related to the bioconversion of Asnæs Power Station.

Ancillary services

Ancillary services are different types of services where power market participants provide flexible capacity (generation or consumption) to balance the power system and to support security of supply.

From early 2020, one of these services (automatic Frequency Restoration Reserves, aFRR) has been offered through tenders in western Denmark after having been supplied via a contract with the TSO in Norway for the last five years. The services are offered for one month at a time and require the market participants to be able to increase or decrease its generation/consumption with the awarded amount (up to 100MW) for up to 15 minutes.

As a large thermal generator in Denmark, Ørsted is obliged to offer its available power generation capacity to the market at marginal costs, including for delivery of ancillary services. This implies, that we are not allowed to prioritise delivery of ancillary services from green energy sources to support our green strategy and targets.

In H1 2020, we were awarded a substantial share of the aFRR being tendered by Energinet, and we have consequently supplied up to 100MW additional power generation from Esbjerg and Studstrup power stations, which we would otherwise not have supplied. This led to an increase in the carbon emissions from these power stations.

Performance highlights

Income statement (Business performance), DKKm

	H1 2020	H1 2019	Q2 2020	Q2 2019	2019
Revenue	27,001	33,682	11,625	16,443	67,842
EBITDA	9,761	8,755	2,956	3,625	17,484
Offshore	7,993	7,890	2,361	3,572	15,161
- Sites, O&M and PPAs	7,514	6,512	2,578	2,552	13,750
- Construction agreements and other	479	1,378	(217)	1,020	1,411
Onshore	499	313	312	162	786
Markets & Bioenergy	1,118	569	185	(115)	1,495
Other activities	151	(17)	98	6	42
Depreciation and amortisation	(3,581)	(3,307)	(1,827)	(1,689)	(6,864)
Impairment losses	-	-	-	-	(568)
Operating profit (loss) (EBIT)	6,180	5,448	1,129	1,936	10,052
Gain (loss) on divestment of enterprises	(17)	(35)	(3)	(18)	(63)
Net financial income and expenses	(1,786)	(444)	(1,010)	(545)	(1,135)
Profit (loss) before tax	4,383	4,973	119	1,376	8,856
Tax	(1,846)	(1,241)	(928)	(283)	(2,756)
Profit (loss) for the period from continuing operations	2,537	3,732	(809)	1,093	6,100
Profit (loss) for the period	2,493	3,671	(825)	1,075	6,044

Balance sheet

	H1 2020	H1 2019	Q2 2020	Q2 2019	2019
Assets	193,124	185,949	193,124	185,949	192,860
Equity	85,930	86,446	85,930	86,446	89,562
Shareholders in Ørsted A/S	69,789	69,960	69,789	69,960	73,082
Non-controlling interests	2,909	3,247	2,909	3,247	3,248
Hybrid capital	13,232	13,239	13,232	13,239	13,232
Interest-bearing net debt	22,272	4,980	22,272	4,980	17,230
Capital employed	108,203	91,426	108,203	91,426	106,792
Additions to property, plant, and equipment	14,844	7,431	10,011	3,755	22,440

Cash flow

	H1 2020	H1 2019	Q2 2020	Q2 2019	2019
Cash flow from operating activities	7,769	7,392	8,197	7,510	13,079
Gross investments	(9,065)	(7,267)	(3,757)	(3,368)	(23,305)
Divestments	52	2,667	45	(11)	3,329
Free cash flow	(1,244)	2,792	4,485	4,131	(6,897)

Financial ratios

	H1 2020	H1 2019	Q2 2020	Q2 2019	2019
Return on capital employed (ROCE) ¹ , %	10.8	29.3	10.8	29.3	10.6
FFO/adjusted net debt ^{2,4} , %	23.1	57.5	23.1	57.5	31.0
Number of outstanding shares, end of period, '000	419,985	419,985	419,985	419,985	419,985
Share price, end of period, DKK	765	533	765	504	689
Market capitalisation, end of period, DKK billion	321	224	321	212	290
Earnings per share (EPS) (BP), DKK	5.2	7.9	(2.7)	1.9	12.7
Dividend yield, %					1.5

Income statement (IFRS)

	H1 2020	H1 2019	Q2 2020	Q2 2019	2019
Revenue	28,194	36,040	9,962	17,277	70,398
EBITDA	11,041	10,432	1,592	4,425	19,020
Profit (loss) for the period from continuing operations	3,537	5,040	(1,870)	1,718	7,291

Business drivers

	H1 2020	H1 2019	Q2 2020	Q2 2019	2019
Offshore					
Decided (FID'ed) and installed capacity ³ , offshore wind, GW	9.9	9.9	9.9	9.9	9.9
Installed capacity, offshore wind, GW	6.8	5.6	6.8	5.6	6.8
Generation capacity, offshore wind, GW	3.8	3.3	3.8	3.3	3.6
Wind speed ³ , m/s	10.1	9.2	8.0	8.0	9.2
Load factor ³ , %	46	41	32	31	42
Availability ³ , %	93	92	95	87	93
Power generation, TWh	7.2	5.3	2.6	2.2	12.0
Power sales, TWh	14.3	12.9	5.5	5.7	27.6
Onshore					
Decided (FID'ed) and installed capacity ³ , GW	2.1	1.4	2.1	1.4	2.1
Installed capacity ³ , GW	1.6	0.8	1.6	0.8	1.0
Wind speed ³ , m/s	7.8	7.7	8.0	7.7	7.3
Load factor ³ , %	47	47	49	47	45
Availability ³ , %	96	97	96	97	98
Power generation ³ , TWh	2.7	1.7	1.6	0.8	3.5
Markets & Bioenergy					
Degree days ³ , number	1,501	1,409	436	269	2,399
Heat generation, TWh	4.1	4.8	1.0	1.1	8.3
Power generation, TWh	2.5	2.6	0.9	0.7	4.6
Power sales, TWh	6.6	7.3	3.0	3.3	14.7
Gas sales, TWh	46.7	57.5	20.1	31.8	125.0
People and environment					
Employees (FTE), end of period number	6,731	6,312	6,731	6,312	6,526
Total recordable injury rate (TRIR) ⁴	4.7	4.1	12.9	4.1	4.9
Fatalities, number	0	1	0	1	1
Green share of heat and power generation, %	88	82	86	85	86
Greenhouse gas intensity, g CO ₂ e/kWh	64	80	84	71	65



Business performance vs. IFRS

Business performance represents the underlying financial performance of the Group in the reporting period as results are adjusted for temporary fluctuations in the market value of contracts (including hedging transactions) relating to other periods. Apart from this, there is no difference between business performance and IFRS results. Read more in note 2.

¹ EBIT (last 12 months)/average capital employed.

² Net debt including 50% of hybrid capital, cash and securities not available for use (with the exception of repo transactions), and decommissioning obligations less deferred tax.

³ See definition on page 164 and 'ESG statements' in the annual report for 2019.

⁴ Last 12 months.

Quarterly overview

Income statement	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3		Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
(Business performance), DKKm	2020	2020	2019	2019	2019	2019	2018	2018	Business drivers	2020	2020	2019	2019	2019	2019	2018	2018
Revenue	11,625	15,376	18,679	15,481	16,443	17,239	23,527	15,018	Offshore								
EBITDA	2,956	6,805	4,613	4,116	3,625	5,130	19,206	2,225	Decided (FID'ed) and installed capacity ³ , offshore wind, GW	9.9	9.9	9.9	9.9	9.9	9.0	9.0	8.9
Offshore	2,361	5,632	4,048	3,223	3,572	4,318	18,847	1,987	Installed capacity, offshore wind, GW	6.8	6.8	6.8	5.6	5.6	5.6	5.6	5.1
- Sites, O&M and PPAs	2,578	4,936	4,626	2,612	2,552	3,960	4,109	2,004	Generation capacity, offshore wind, GW	3.8	3.6	3.6	3.6	3.3	3.0	3.0	2.9
- Construction agreements and other	(217)	696	(578)	611	1,020	358	14,738	(17)	Wind speed, m/s	8.0	12.1	10.0	8.5	8.0	10.4	10.3	7.7
Onshore	312	187	165	308	162	151	44	-	Load factor ³ , %	32	60	50	37	31	51	53	32
Markets & Bioenergy	185	933	490	436	(115)	684	303	259	Availability ³ , %	95	93	93	93	87	96	93	92
Other activities	98	53	(90)	149	6	(23)	12	(21)	Power generation, TWh	2.6	4.6	3.9	2.8	2.2	3.1	3.3	1.9
Depreciation and amortisation	(1,827)	(1,754)	(1,876)	(1,681)	(1,689)	(1,618)	(1,697)	(1,437)	Power sales, TWh	5.5	8.8	7.7	7.0	5.7	7.2	7.7	5.0
Impairment losses	-	-	(568)	-	-	-	603	-	Onshore								
Operating profit (loss) (EBIT)	1,129	5,051	2,169	2,435	1,936	3,512	18,112	788	Decided (FID'ed) and installed capacity ³ , GW	2.1	2.1	2.1	1.7	1.4	1.0	1.0	-
Gain (loss) on divestment of enterprises	(3)	(14)	(13)	(15)	(18)	(17)	(28)	181	Installed capacity ³ , GW	1.6	1.3	1.0	1.0	0.8	0.8	0.8	-
Net financial income and expenses	(1,010)	(776)	(644)	(47)	(545)	101	(43)	(436)	Wind speed ³ , m/s	8.0	7.5	7.3	6.6	7.7	7.8	7.3	-
Profit (loss) before tax	119	4,264	1,515	2,368	1,376	3,597	18,038	535	Load factor ³ , %	49	44	46	39	47	47	41.0	-
Tax	(928)	(918)	(590)	(925)	(283)	(958)	(2,878)	(117)	Availability ³ , %	96	95	98	98	97	97	98.0	-
Profit (loss) for the period from continuing operations	(809)	3,346	925	1,443	1,093	2,639	15,160	418	Power generation, TWh	1.6	1.1	1.0	0.9	0.8	0.8	0.6	-
Profit (loss) for the period	(825)	3,318	896	1,477	1,075	2,596	15,194	405	Markets & Bioenergy								
Balance sheet									Degree days ³ , number	436	1,065	882	108	269	1,140	884	76
Assets	193,124	193,636	192,860	194,521	185,949	182,783	174,575	150,909	Heat generation, TWh	1.0	3.1	3.0	0.5	1.1	3.7	2.8	0.3
Equity	85,930	89,015	89,562	87,369	86,446	85,843	85,115	68,701	Power generation, TWh	0.9	1.6	1.6	0.4	0.7	1.9	1.8	0.7
Shareholders in Ørsted A/S	69,789	72,728	73,082	70,977	69,960	69,193	68,488	52,029	Power sales, TWh	3.0	3.6	4.1	3.3	3.3	4.0	4.2	3.5
Non-controlling interests	2,909	3,055	3,248	3,153	3,247	3,411	3,388	3,433	Gas sales, TWh	20.1	26.7	36.6	30.8	31.8	25.8	25.5	31.3
Hybrid capital	13,232	13,232	13,232	13,239	13,239	13,239	13,239	13,239	People and environment								
Interest-bearing net debt	22,272	27,084	17,230	12,082	4,980	9,111	(2,219)	8,957	Employees (FTE) end of period, number	6,731	6,608	6,526	6,454	6,312	6,176	6,080	5,882
Capital employed	108,203	116,098	106,792	99,451	91,426	94,954	82,896	77,658	Total recordable injury rate (TRIR) ⁴	4.7	4.7	4.9	4.5	4.1	4.3	4.7	5.0
Additions to property, plant, equipment	10,011	4,833	6,560	8,449	3,755	3,676	4,575	2,942	Fatalities, number	0	0	0	0	1	0	0	0
Cash flow									Green share of heat and power generation, %	86	90	90	87	85	80	83	71
Cash flow from operating activities	8,197	(428)	4,816	871	7,510	(118)	7,565	(117)	Greenhouse gas intensity, g CO ₂ e/kWh	84	53	44	62	71	85	87	212
Gross investments	(3,757)	(5,308)	(8,816)	(7,222)	(3,368)	(3,899)	(14,916)	(4,385)									
Divestments	45	7	402	260	(11)	2,678	18,749	380									
Free cash flow	4,485	(5,729)	(3,598)	(6,091)	4,131	(1,339)	11,398	(4,122)									
Financial ratios																	
Return on capital employed (ROCE) ¹ , %	10.8	11.0	10.6	29.3	29.3	28.2	32.1	23.0									
FFO/adjusted net debt ² , %	23.1	21.3	31.0	47.4	57.5	46.2	69.0	41.7									
Number of outstanding shares, end of period, '000	419,985	419,985	419,985	419,985	419,985	420,045	420,045	420,155									
Share price, end of period, DKK	765	666	689	637	533	504	436	436									
Market capitalisation, end of period, DKK billion	321	280	290	267	224	212	183	183									
Earnings per share (EPS) (BP), DKK	(2.7)	8.0	1.1	3.5	1.9	6.2	35.6	1.1									
Income statement (IFRS)																	
Revenue	9,962	18,232	19,815	14,543	17,277	18,763	26,165	12,798									
EBITDA	1,592	9,449	5,260	3,328	4,425	6,007	20,914	567									
Profit (loss) for the period from continuing operations	(1,870)	5,407	1,429	822	1,718	3,322	16,472	(875)									



Business performance vs. IFRS

Business performance represents the underlying financial performance of the Group in the reporting period as results are adjusted for temporary fluctuations in the market value of contracts (including hedging transactions) relating to other periods. Apart from this, there is no difference between business performance and IFRS results. Read more in note 2.

¹ EBIT (last 12 months)/average capital employed.

² Net debt including 50% of hybrid capital, cash and securities not available for use (with the exception of repo transactions), present value of lease obligations (in 2018), and decommissioning obligations less deferred tax.

³ See definition on page 164 and 'ESG statement' in the annual report for 2019.

⁴ Last 12 months.



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Income statement

1 January - 30 June

Note	Income statement, DKKm	HI 2020			HI 2019		
		Business performance	Adjustments	IFRS	Business performance	Adjustments	IFRS
4	Revenue	27,001	1,193	28,194	33,682	2,358	36,040
	Cost of sales	(14,623)	87	(14,536)	(21,066)	(681)	(21,747)
	Other external expenses	(2,467)	-	(2,467)	(2,954)	-	(2,954)
	Employee costs	(2,115)	-	(2,115)	(1,873)	-	(1,873)
	Share of profit (loss) in associates and joint ventures	11	-	11	(13)	-	(13)
5	Other operating income	2,101	-	2,101	1,138	-	1,138
5	Other operating expenses	(147)	-	(147)	(159)	-	(159)
	Operating profit (loss) before depreciation, amortisation and impairment losses (EBITDA)	9,761	1,280	11,041	8,755	1,677	10,432
	Amortisation, depreciation and impairment losses on intangible assets and property, plant and equipment	(3,581)	-	(3,581)	(3,307)	-	(3,307)
	Operating profit (loss) (EBIT)	6,180	1,280	7,460	5,448	1,677	7,125
	Gain (loss) on divestment of enterprises	(17)	-	(17)	(35)	-	(35)
	Share of profit (loss) in associates and joint ventures	6	-	6	4	-	4
9	Financial income	1,357	-	1,357	2,598	-	2,598
9	Financial expenses	(3,143)	-	(3,143)	(3,042)	-	(3,042)
	Profit (loss) before tax	4,383	1,280	5,663	4,973	1,677	6,650
10	Tax on profit (loss) for the period	(1,846)	(280)	(2,126)	(1,241)	(369)	(1,610)
	Profit (loss) for the period from continuing operations	2,537	1,000	3,537	3,732	1,308	5,040
8	Profit (loss) for the period from discontinued operations	(44)	-	(44)	(61)	-	(61)
	Profit (loss) for the period	2,493	1,000	3,493	3,671	1,308	4,979
	Profit (loss) for the period is attributable to:						
	Shareholders in Ørsted A/S	2,178	1,000	3,178	3,374	1,308	4,682
	Interests and costs, hybrid capital owners of Ørsted A/S	326	-	326	256	-	256
	Non-controlling interests	(11)	-	(11)	41	-	41
	Profit (loss) per share, DKK:						
	From continuing operations	5.3	-	7.7	8.2	-	11.3
	From discontinued operations	(0.1)	-	(0.1)	(0.1)	-	(0.1)
	Total profit (loss) per share	5.2	-	7.6	8.1	-	11.2

Accounting policies

Business performance

The business performance principle is our alternative performance measure. Under business performance, the market value adjustment of our energy hedges, where we do not apply IFRS hedge accounting, are deferred and recognised in the profit (loss) in the period in which the hedged exposure materialises. Energy hedges comprise hedging of energy and associated currency risks as well as fixed-price physical gas and power contracts. According to IFRS, the market value of energy hedges, where we do not apply IFRS hedge accounting, are recognised on an ongoing basis in the profit (loss) for the period. The difference between IFRS and business performance is specified in the 'Adjustments' column. Read more about the business performance principle in note 2 'Business performance' as well as note 1.5 'Business performance' in the annual report 2019.



Profit (loss) per share

Diluted profit (loss) per share corresponds to profit (loss) per share, as the dilutive effect of the share incentive programme is less than 0.1% of the share capital.

Statement of comprehensive income

1 January - 30 June

Statement of comprehensive income, DKKm	H1 2020			H1 2019		
	Business performance	Adjustments	IFRS	Business performance	Adjustments	IFRS
Profit (loss) for the period	2,493	1,000	3,493	3,671	1,308	4,979
Other comprehensive income:						
Cash flow hedging:						
Value adjustments for the period	844	(1,925)	(1,081)	2,491	(1,249)	1,242
Value adjustments transferred to income statement	(131)	645	514	552	(428)	124
Exchange rate adjustments:						
Exchange rate adjustments relating to net investment in foreign enterprises	(4,260)	-	(4,260)	(585)	-	(585)
Value adjustment of net investment hedges	2,111	-	2,111	293	-	293
Tax:						
Tax on hedging instruments	(183)	280	97	(566)	369	(197)
Tax on exchange rate adjustments	476	-	476	85	-	85
Other:						
Share of other comprehensive income of associated companies, after tax	(7)	-	(7)	(8)	-	(8)
Other comprehensive income	(1,150)	(1,000)	(2,150)	2,262	(1,308)	954
Total comprehensive income	1,343	-	1,343	5,933	-	5,933
Comprehensive income for the period is attributable to:						
Shareholders in Ørsted A/S			1,173			5,620
Interest payments and costs, hybrid capital owners of Ørsted A/S			326			256
Non-controlling interests			(156)			57
Total comprehensive income			1,343			5,933



Statement of comprehensive income
All items in 'Other comprehensive income' may be recycled to the income statement.

Income statement

1 April - 30 June

Note	Income statement, DKKm	Q2 2020			Q2 2019		
		Business performance	Adjustments	IFRS	Business performance	Adjustments	IFRS
4	Revenue	11,625	(1,663)	9,962	16,443	834	17,277
	Cost of sales	(6,816)	299	(6,517)	(10,703)	(34)	(10,737)
	Other external expenses	(1,208)	-	(1,208)	(1,554)	-	(1,554)
	Employee costs	(1,092)	-	(1,092)	(951)	-	(951)
	Share of profit (loss) in associates and joint ventures	7	-	7	(11)	-	(11)
5	Other operating income	514	-	514	465	-	465
5	Other operating expenses	(74)	-	(74)	(64)	-	(64)
	Operating profit (loss) before depreciation, amortisation and impairment losses (EBITDA)	2,956	(1,364)	1,592	3,625	800	4,425
	Amortisation, depreciation and impairment losses on intangible assets and property, plant and equipment	(1,827)	-	(1,827)	(1,689)	-	(1,689)
	Operating profit (loss) (EBIT)	1,129	(1,364)	(235)	1,936	800	2,736
	Gain (loss) on divestment of enterprises	(3)	-	(3)	(18)	-	(18)
	Share of profit (loss) in associates and joint ventures	3	-	3	3	-	3
9	Financial income	552	-	552	938	-	938
9	Financial expenses	(1,562)	-	(1,562)	(1,483)	-	(1,483)
	Profit (loss) before tax	119	(1,364)	(1,245)	1,376	800	2,176
10	Tax on profit (loss) for the period	(928)	303	(625)	(283)	(175)	(458)
	Profit (loss) for the period from continuing operations	(809)	(1,061)	(1,870)	1,093	625	1,718
8	Profit (loss) for the period from discontinued operations	(16)	-	(16)	(18)	-	(18)
	Profit (loss) for the period	(825)	(1,061)	(1,886)	1,075	625	1,700
	Profit (loss) for the period is attributable to:						
	Shareholders in Ørsted A/S	(1,140)	(1,061)	(2,201)	764	625	1,389
	Interests and costs, hybrid capital owners of Ørsted A/S	326		326	291		291
	Non-controlling interests	(11.0)		(11.0)	20		20
	Profit (loss) per share, DKK:						
	From continuing operations	(2.7)		(5.2)	1.9		3.4
	From discontinued operations	0.0		0.0	0.0		0.0
	Total profit (loss) per share	(2.7)		(5.2)	1.9		3.4



Profit (loss) per share

Diluted profit (loss) per share corresponds to profit (loss) per share, as the dilutive effect of the share incentive programme is less than 0.1% of the share capital.

Accounting policies

Business performance

The business performance principle is our alternative performance measure. Under business performance, the market value adjustment of our energy hedges, where we do not apply IFRS hedge accounting, are deferred and recognised in the profit (loss) in the period in which the hedged exposure materialises. Energy hedges comprise hedging of energy and associated currency risks as well as fixed-price physical gas and power contracts. According to IFRS, the market value of energy hedges, where we do not apply IFRS hedge accounting, are recognised on an ongoing basis in the profit (loss) for the period. The difference between IFRS and business performance is specified in the 'Adjustments' column. Read more about the business performance principle in note 2 'Business performance' as well as note 1.5 'Business performance' in the annual report 2019.

Statement of comprehensive income

1 April - 30 June

Statement of comprehensive income, DKKm	Q2 2020			Q2 2019		
	Business performance	Adjustments	IFRS	Business performance	Adjustments	IFRS
Profit (loss) for the period	(825)	(1,061)	(1,886)	1,075	625	1,700
Other comprehensive income:						
Cash-flow hedging:						
Value adjustments for the period	(1,740)	1,269	(471)	1,120	(676)	444
Value adjustments transferred to income statement	353	95	448	164	(124)	40
Exchange rate adjustments:						
Exchange rate adjustments relating to net investment in foreign enterprises	(1,991)	-	(1,991)	(2,558)	-	(2,558)
Value adjustment of net investment hedges	963	-	963	1,367	-	1,367
Tax:						
Tax on hedging instruments	388	(303)	85	(265)	175	(90)
Tax on exchange rate adjustments	203	-	203	112	-	112
Other:						
Share of other comprehensive income of associated companies, after tax	3	-	3	(7)	-	(7)
Other comprehensive income	(1,821)	1,061	(760)	(67)	(625)	(692)
Total comprehensive income	(2,646)	-	(2,646)	1,008	-	1,008
Comprehensive income for the period is attributable to:						
Shareholders in Ørsted A/S			(2,877)			824
Interest payments and costs after tax, hybrid capital owners of Ørsted A/S			326			291
Non-controlling interests			(95)			(107)
Total comprehensive income			(2,646)			1,008



Statement of comprehensive income
All items in 'Other comprehensive income' may be recycled to the income statement.

Balance sheet

Note	Assets, DKKm	30 June 2020	31 December 2019	30 June 2019	Note	Equity and liabilities, DKKm	30 June 2020	31 December 2019	30 June 2019
	Intangible assets	504	672	564					
	Land and buildings	5,073	5,177	4,897		Share capital	4,204	4,204	4,204
	Production assets	80,463	76,682	70,096		Reserves	(1,585)	413	(881)
	Fixtures and fittings, tools and equipment	588	652	711		Retained earnings	67,170	64,051	66,637
	Property, plant and equipment under construction	27,868	23,502	16,096		Proposed dividends	-	4,414	-
	Property, plant and equipment	113,992	106,013	91,800		Equity attributable to shareholders in Ørsted A/S	69,789	73,082	69,960
	Investments in associates and joint ventures	542	497	527		Hybrid capital	13,232	13,232	13,239
	Other securities and equity investments	227	217	213		Non-controlling interests	2,909	3,248	3,247
	Deferred tax	8,441	6,847	5,753		Equity	85,930	89,562	86,446
	Other receivables	3,019	1,713	2,144		Deferred tax	3,903	3,371	4,695
	Other non-current assets	12,229	9,274	8,637		Provisions	12,203	12,063	12,860
	Non-current assets	126,725	115,959	101,001		Lease liabilities	4,444	4,728	4,479
	Inventories	11,417	14,031	13,087		Bond and bank debt	32,975	36,039	32,400
13	Derivatives	7,841	7,740	6,303		Contract liabilities	3,703	3,762	3,720
	Contract assets	1,216	739	-		Tax equity liabilities	7,595	4,563	3,654
	Trade receivables	4,723	8,140	7,303		Other payables	463	469	242
	Other receivables	4,294	5,253	3,609		Non-current liabilities	65,286	64,995	62,050
	Income tax	1,176	346	6,308		Provisions	455	538	597
13	Securities	12,327	16,552	25,485		Lease liabilities	653	604	595
	Cash	6,754	7,148	6,968		Bond and bank debt	2,052	801	235
	Current assets	49,748	59,949	69,063		Derivatives	5,387	6,958	5,647
8	Assets classified as held for sale	16,651	16,952	15,885		Contract liabilities	435	784	3,009
	Assets	193,124	192,860	185,949		Trade payables	12,933	10,832	12,291
						Tax equity liabilities	630	632	446
						Other payables	4,846	4,247	3,915
						Income tax	6,048	4,075	5,931
						Current liabilities	33,439	29,471	32,666
						Liabilities	98,725	94,466	94,716
						Liabilities relating to assets classified as held for sale	8,469	8,832	4,787
						Equity and liabilities	193,124	192,860	185,949



Assets and liabilities classified as held for sale
Assets classified as held for sale at 30 June 2020 comprised our Danish power distribution, residential customer, and city light businesses, our oil pipe system in Denmark as well as our LNG business.

Statement of changes in equity

1 January - 30 June

DKK M	2020								2019							
	Share capital	Reserves*	Retained earnings	Proposed dividends	Shareholders in Ørsted A/S	Hybrid capital	Non-controlling interests	Total Group	Share capital	Reserves*	Retained earnings	Proposed dividends	Shareholders in Ørsted A/S	Hybrid capital	Non-controlling interests	Total Group
Equity at 1 January	4,204	413	64,051	4,414	73,082	13,232	3,248	89,562	4,204	(1,827)	62,012	4,099	68,488	13,239	3,388	85,115
Comprehensive income for the period:																
Profit (loss) for the period	-	-	3,178	-	3,178	326	(11)	3,493	-	-	4,682	-	4,682	256	41	4,979
Other comprehensive income:																
Cash-flow hedging	-	(567)	-	-	(567)	-	-	(567)	-	1,366	-	-	1,366	-	-	1,366
Exchange rate adjustments	-	(2,004)	-	-	(2,004)	-	(145)	(2,149)	-	(308)	-	-	(308)	-	16	(292)
Tax on other comprehensive income	-	573	-	-	573	-	-	573	-	(112)	-	-	(112)	-	-	(112)
Share of other comprehensive income of associated companies, after tax	-	-	(7)	-	(7)	-	-	(7)	-	-	(8)	-	(8)	-	-	(8)
Total comprehensive income	-	(1,998)	3,171	-	1,173	326	(156)	1,343	-	946	4,674	-	5,620	256	57	5,933
Transactions with owners:																
Coupon payments, hybrid capital	-	-	-	-	-	(326)	-	(326)	-	-	-	-	-	(327)	-	(327)
Tax, hybrid capital	-	-	-	-	-	-	-	-	-	-	-	-	-	71	-	71
Dividends paid	-	-	4	(4,414)	(4,410)	-	(185)	(4,595)	-	-	3	(4,099)	(4,096)	-	(198)	(4,294)
Purchases of treasury shares	-	-	(58)	-	(58)	-	-	(58)	-	-	(99)	-	(99)	-	-	(99)
Other changes	-	-	2	-	2	-	2	4	-	-	47	-	47	-	-	47
Total transactions with owners	-	-	(52)	(4,414)	(4,466)	(326)	(183)	(4,975)	-	-	(49)	(4,099)	(4,148)	(256)	(198)	(4,602)
Equity at 30 June	4,204	(1,585)	67,170	-	69,789	13,232	2,909	85,930	4,204	(881)	66,637	-	69,960	13,239	3,247	86,446

* See note 11 'Reserves' for more information about reserves.

Statement of cash flows

Note	Statement of cash flows, DKKm	H1 2020	H1 2019	Q2 2020	Q2 2019	Note	Statement of cash flows, DKKm	H1 2020	H1 2019	Q2 2020	Q2 2019
	Operating profit (loss) before depreciation, amortisation and impairment losses (EBITDA), IFRS	11,041	10,432	1,592	4,425		Proceeds from raising of loans	328	7,839	(3,311)	3,550
2	Change in derivatives, business performance adjustments	(1,280)	(1,677)	1,364	(800)		Instalments on loans	(977)	(2,202)	(407)	(2,202)
	Change in derivatives, other adjustments	(514)	(224)	680	(358)		Instalments on leases	(226)	(197)	(112)	(102)
	Change in provisions	(365)	33	(349)	39		Coupon payments on hybrid capital	(326)	(327)	(326)	(327)
	Reversal of gain (loss) on divestment of assets	(1,288)	(308)	(71)	(190)		Dividends paid to shareholders in Ørsted A/S	(4,410)	(4,096)	-	-
	Other items	(7)	83	(43)	85		Purchase of own shares	(58)	(99)	(58)	(99)
	Change in work in progress	(2,015)	5,272	(177)	4,271		Transactions with non-controlling interests	(228)	(204)	(89)	(61)
	Change in tax equity partner liabilities	2,892	(219)	3,017	(138)		Net proceeds from tax equity partners	3	(9)	23	(8)
	Change in other working capital	1,821	(369)	2,904	889		Collateral related to derivatives	2,376	41	586	2,266
	Interest received and similar items	2,326	2,141	694	1,402		Cash flows from financing activities	(3,518)	746	(3,694)	3,017
	Interest paid and similar items	(3,489)	(2,915)	(1,328)	(2,085)		Cash flows from continuing operations	(639)	3,656	1,578	3,268
	Income tax paid	(1,353)	(4,857)	(86)	(30)		Cash flows from discontinued operations	(44)	-	102	(2)
	Cash flows from operating activities	7,769	7,392	8,197	7,510		Total net change in cash and cash equivalents for the period	(683)	3,656	1,680	3,266
	Purchase of intangible assets and property, plant and equipment	(9,008)	(6,882)	(3,770)	(3,100)		Cash and cash equivalents at the beginning of the period	6,459	2,663	4,223	3,120
	Sale of intangible assets and property, plant and equipment	80	2,683	57	8		Total net change in cash and cash equivalents	(683)	3,656	1,680	3,266
	Acquisition of enterprises	1	(271)	(3)	(149)		Other change in cash and cash equivalents	80	(7)	1	(7)
	Divestment of enterprises	(22)	(40)	(5)	(19)		Exchange rate adjustments of cash and cash equivalents	23	(1)	(25)	(68)
	Purchase of other equity investments	(11)	(2)	(2)	(8)		Cash and cash equivalents at 30 June	5,879	6,311	5,879	6,311
	Purchase of securities	(4,133)	(12,782)	(593)	(10,175)						
	Sale/maturation of securities	8,250	12,918	1,373	6,289						
	Change in other non-current assets	-	(2)	-	(1)						
	Transactions with associates and joint ventures	(47)	(110)	18	(110)						
	Dividends received and capital reduction	-	6	-	6						
	Cash flows from investing activities	(4,890)	(4,482)	(2,925)	(7,259)						



Statement of cash flows

Our supplementary statement of gross and net investments appears from note 6 'Gross and net investments' and free cash flows (FCF) from note 3 'Segment information'.

'Cash' according to the balance sheet includes 'Cash, not available for use', amounting to DKK 876 million as at 30 June 2020.



Change in work in progress

'Change in work in progress' consists of elements in contract assets, contract liabilities, and construction management agreements related to construction of offshore wind farms and construction of offshore transmission assets as well as the related trade payables.

1. Basis of reporting

This section provides an overall description of our accounting policies as well as an overview of our implementation of new and amended accounting standards and interpretations.

Accounting policies

Ørsted is a listed public company, headquartered in Denmark.

This interim financial report for the first half-year of 2020 comprises the interim financial statements of Ørsted A/S (the parent company) and subsidiaries controlled by Ørsted A/S.

The interim financial report has been pre-

pared in accordance with the International Financial Reporting Standards (IFRS) and IAS 34 as adopted by the EU and further requirements in the Danish Financial Statements Act for the presentation of quarterly interim reports by listed companies.

The interim financial report for the first half-year of 2020 follows the same accounting policies as the annual report for 2019, except for any new, amended, or revised accounting standards and interpretations (IFRSs) endorsed by the EU, effective for the accounting period beginning on 1 January 2020.

In the sections below, the most relevant new or amended standards and interpretations are presented.

Definitions of alternative performance measures can be found on page 79 of the annual report for 2019.

This interim financial report contains selected accounting policies and should therefore be read in conjunction with the annual report for 2019.

Implementation of new or changed accounting standards and interpretations

Effective from 1 January 2020, we have

implemented the following new or changed accounting standards (IAS and IFRS) and interpretations:

- Amendments to IFRS 3: Business Combinations.
- Amendments to IFRS 9 and IFRS 7: Interest Rate Benchmark Reform.

The adoption of the new and changed accounting standards has not impacted our interim financial report and is not expected to impact the consolidated financial statements for 2020.



2. Business performance

Specification of the difference between EBITDA according to business performance and according to IFRS, DKKm

	H1 2020	H1 2019	Q2 2020	Q2 2019
EBITDA - business performance	9,761	8,755	2,956	3,625
Business performance adjustments in respect of revenue for the period	1,193	2,358	(1,663)	834
Business performance adjustments in respect of cost of sales for the period	87	(681)	299	(34)
EBITDA - IFRS	11,041	10,432	1,592	4,425
Total business performance adjustments for the period comprise:				
Market value adjustments for the period of financial and physical hedging contracts relating to a future period	1,925	1,249	(1,269)	676
Reversal of deferred gains (losses) relating to hedging contracts from previous periods where the hedged production or trade is recognised in business performance EBITDA in this period	(645)	428	(95)	124
Total adjustments	1,280	1,677	(1,364)	800

Financial impact of hedging

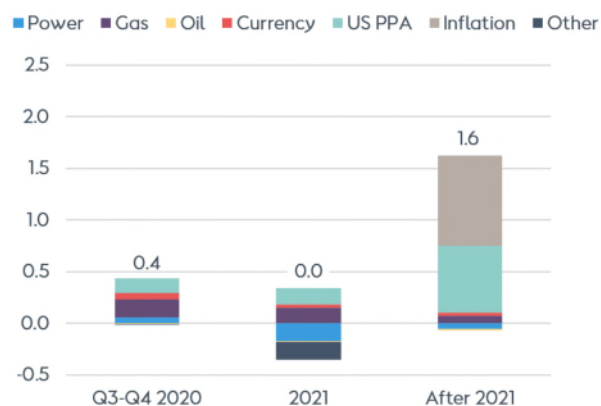
Our hedging of market risks is based on a number of different accounting principles, depending on the type of exposure being hedged.

In the business performance result, the value of hedging contracts concerning energy and related currencies is deferred for recognition in the period in which the hedged exposure

materialises.

Exposures from the proceeds from partial sales of new offshore wind farms and power purchase agreements in Onshore, among other things, are hedged as cash flow hedging in accordance with the IFRS principles and are transferred to both IFRS and business performance EBITDA in the period in which the hedged exposures materialise.

Expected value for recognition in business performance EBITDA, DKKbn



The figure shows the time of the transfer of the market value of hedging contracts in business performance EBITDA for both business performance and IFRS hedges.






The table shows the difference between the income statement according to business performance and according to IFRS, which is shown in the adjustments column in the income statement.

The difference between business performance and IFRS EBITDA in 2020 is mainly due to gains on currency hedges partly countered by the reversal of gains on gas hedges recognised in IFRS in prior years.



3. Segment information

				Reportable segments	Other activities/eliminations	Business performance	Adjustments	IFRS
H1 2020								
Income statement, DKKm								
External revenue	15,066	302	11,627	26,995	6	27,001	1,193	28,194
Intra-group revenue	2,273	(5)	(223)	2,045	(2,045) ¹	-	-	-
Revenue	17,339	297	11,404	29,040	(2,039)	27,001	1,193	28,194
Cost of sales	(7,853)	5	(8,706)	(16,554)	1,931	(14,623)	87	(14,536)
Employee costs and other external expenses	(2,892)	(315)	(1,635)	(4,842)	260	(4,582)	-	(4,582)
Gain (loss) on disposal of non-current assets	1,217	34	37	1,288	-	1,288	-	1,288
Additional other operating income and expenses	171	478	18	667	(1)	666	-	666
Share of profit (loss) in associates and joint ventures	11	-	-	11	-	11	-	11
EBITDA	7,993	499	1,118	9,610	151	9,761	1,280	11,041
Depreciation and amortisation	(2,860)	(207)	(400)	(3,467)	(114)	(3,581)	-	(3,581)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT)	5,133	292	718	6,143	37	6,180	1,280	7,460
Key ratios								
Intangible assets, property, plant and equipment	85,620	18,819	8,306	112,745	1,751	114,496	-	114,496
Equity investments and non-current receivables	1,849	-	239	2,088	153	2,241	-	2,241
Net working capital, work in progress	10,029	-	1	10,030	-	10,030	-	10,030
Net working capital, tax equity	-	(7,588)	-	(7,588)	-	(7,588)	-	(7,588)
Net working capital, capital expenditures	(9,006)	(89)	(26)	(9,121)	-	(9,121)	-	(9,121)
Net working capital, other items	3,777	80	(2,964)	893	199	1,092	-	1,092
Derivatives, net	552	(241)	2,007	2,318	136	2,454	-	2,454
Assets classified as held for sale, net	-	-	8,182	8,182	-	8,182	-	8,182
Decommissioning obligations	(4,797)	(383)	(1,310)	(6,490)	-	(6,490)	-	(6,490)
Other provisions	(3,797)	-	(1,639)	(5,436)	(732)	(6,168)	-	(6,168)
Tax, net	717	(1,990)	856	(417)	83	(334)	-	(334)
Other receivables and other payables, net	(633)	-	18	(615)	24	(591)	-	(591)
Capital employed at 30 June	84,311	8,608	13,670	106,589	1,614	108,203	-	108,203
Of which, capital employed for discontinued operations						(34)	-	(34)
Of which, capital employed for continuing operations						108,237	-	108,237
Return on capital employed (ROCE) %	-	-	-	-	-	10.8	-	-
Cash flow from operating activities	2,785	3,162	2,374	8,321	(552)	7,769	-	7,769
Gross investments	(7,094)	(1,481)	(423)	(8,998)	(67)	(9,065)	-	(9,065)
Divestments	(141)	114	80	53	(1)	52	-	52
Free cash flow (FCF)	(4,450)	1,795	2,031	(624)	(620)	(1,244)	-	(1,244)






Profit (loss) and cash flows are shown only for continuing operations.

The column 'Other activities/eliminations' primarily covers the elimination of inter-segment transactions. It also includes income and costs, assets and liabilities, investment activity, taxes, etc., handed at Group level.

¹Including the elimination of other activities, the total elimination of intra-group revenue amounts to DKK 3,440 million, which primarily relates to our Shared Functions services as well as our B2B, B2C, and power distribution businesses.

3. Segment information (continued)

								
H1 2019	Offshore	Onshore	Markets & Bioenergy	Reportable segments	Other activities/eliminations	Business performance	Adjustments	IFRS
Income statement, DKKm								
External revenue	16,446	248	17,055	33,749	(67)	33,682	2,358	36,040
Intra-group revenue	3,028	-	(234)	2,794	(2,794) ¹	-	-	-
Revenue	19,474	248	16,821	36,543	(2,861)	33,682	2,358	36,040
Cost of sales	(9,122)	(2)	(14,665)	(23,789)	2,723	(21,066)	(681)	(21,747)
Employee costs and other external expenses	(3,048)	(215)	(1,695)	(4,958)	131	(4,827)	-	(4,827)
Gain (loss) on disposal of non-current assets	312	-	(4)	308	-	308	-	308
Additional other operating income and expenses	285	282	114	681	(10)	671	-	671
Share of profit (loss) in associates and joint ventures	(11)	-	(2)	(13)	-	(13)	-	(13)
EBITDA	7,890	313	569	8,772	(17)	8,755	1,677	10,432
Depreciation and amortisation	(2,653)	(158)	(388)	(3,199)	(108)	(3,307)	-	(3,307)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT)	5,237	155	181	5,573	(125)	5,448	1,677	7,125
Key ratios								
Intangible assets, property, plant and equipment	68,468	12,757	9,128	90,353	2,011	92,364	-	92,364
Equity investments and non-current receivables	373	-	291	664	746	1,410	-	1,410
Net working capital, work in progress	4,551	-	-	4,551	-	4,551	-	4,551
Net working capital, tax equity	-	(3,528)	-	(3,528)	-	(3,528)	-	(3,528)
Net working capital, capital expenditures	(3,852)	(23)	(82)	(3,957)	-	(3,957)	-	(3,957)
Net working capital, other items	4,421	(34)	(3,368)	1,019	307	1,326	-	1,326
Derivatives, net	(1,043)	525	1,041	523	133	656	-	656
Assets classified as held for sale, net	-	-	11,098	11,098	-	11,098	-	11,098
Decommissioning obligations	(4,239)	(275)	(1,267)	(5,781)	-	(5,781)	-	(5,781)
Other provisions	(3,221)	-	(3,596)	(6,817)	(860)	(7,677)	-	(7,677)
Tax, net	1,882	(1,242)	907	1,547	(113)	1,434	-	1,434
Other receivables and other payables, net	5	(147)	86	(56)	(414)	(470)	-	(470)
Capital employed at 30 June	67,345	8,033	14,238	89,616	1,810	91,426	-	91,426
Of which, capital employed for discontinued operations						(186)	-	(186)
Of which, capital employed for continuing operations						91,612	-	91,612
Return on capital employed (ROCE) %	-	-	-	-	-	29.3	-	-
Cash flow from operating activities	6,073	(16)	1,346	7,403	(11)	7,392	-	7,392
Gross investments	(4,442)	(1,798)	(962)	(7,202)	(65)	(7,267)	-	(7,267)
Divestments	2,648	-	20	2,668	(1)	2,667	-	2,667
Free cash flow (FCF)	4,279	(1,814)	404	2,869	(77)	2,792	-	2,792






Profit (loss) and cash flows are shown only for continuing operations.

The column 'Other activities/eliminations' primarily covers the elimination of inter-segment transactions. It also includes income and costs, assets and liabilities, investment activity, taxes, etc., handled at Group level.

¹ Including the elimination of other activities, the total elimination of intra-group revenue amounts to DKK 4,063 million, which primarily relates to our Shared Functions services as well as our B2B, B2C, and power distribution businesses.

3. Segment information (continued)

								
Q2 2020, Income statement and FCF, DKKm	Offshore	Onshore	Markets & Bioenergy	Reporting segments	Other activities/ eliminations	Business performance	Adjustments	IFRS
External revenue	8,377	165	4,003	12,545	(920)	11,625	(1,663)	9,962
Intra-group revenue	987	(5)	(108)	874	(874) ¹	-	-	-
Revenue	9,364	160	3,895	13,419	(1,794)	11,625	(1,663)	9,962
Cost of sales	(5,594)	5	(2,985)	(8,574)	1,758	(6,816)	299	(6,517)
Employee costs and other external expenses	(1,512)	(157)	(767)	(2,436)	136	(2,300)	-	(2,300)
Gain (loss) on disposal of non-current assets	-	34	37	71	-	71	-	71
Additional other operating income and expenses	95	270	6	371	(2)	369	-	369
Share of profit (loss) in associates and joint ventures	8	-	(1)	7	-	7	-	7
EBITDA	2,361	312	185	2,858	98	2,956	(1,364)	1,592
Depreciation and amortisation	(1,452)	(109)	(208)	(1,769)	(58)	(1,827)	-	(1,827)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT)	909	203	(23)	1,089	40	1,129	(1,364)	(235)
Cash flow from operating activities	4,338	3,209	817	8,364	(167)	8,197	-	8,197
Gross investments	(2,802)	(733)	(179)	(3,714)	(43)	(3,757)	-	(3,757)
Divestments	(150)	114	81	45	-	45	-	45
Free cash flow (FCF)	1,386	2,590	719	4,695	(210)	4,485	-	4,485
Q2 2019, Income statement and FCF, DKKm								
External revenue	9,798	134	7,525	17,457	(1,014)	16,443	834	17,277
Intra-group revenue	1,309	-	(114)	1,195	(1,195) ¹	-	-	-
Revenue	11,107	134	7,411	18,652	(2,209)	16,443	834	17,277
Cost of sales	(6,152)	(2)	(6,681)	(12,835)	2,132	(10,703)	(34)	(10,737)
Employee costs and other external expenses	(1,616)	(110)	(860)	(2,586)	81	(2,505)	-	(2,505)
Gain (loss) on disposal of non-current assets	178	-	12	190	-	190	-	190
Additional other operating income and expenses	65	140	4	209	2	211	-	211
Share of profit (loss) in associates and joint ventures	(10)	-	(1)	(11)	-	(11)	-	(11)
EBITDA	3,572	162	(115)	3,619	6	3,625	800	4,425
Depreciation and amortisation	(1,355)	(78)	(203)	(1,636)	(53)	(1,689)	-	(1,689)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT)	2,217	84	(318)	1,983	(47)	1,936	800	2,736
Cash flow from operating activities	8,036	78	(641)	7,473	37	7,510	-	7,510
Gross investments	(1,563)	(1,258)	(495)	(3,316)	(52)	(3,368)	-	(3,368)
Divestments	(45)	-	35	(10)	(1)	(11)	-	(11)
Free cash flow (FCF)	6,428	(1,180)	(1,101)	4,147	(16)	4,131	-	4,131









Profit (loss) and cash flows are shown only for continuing operations.

The column 'Other activities/eliminations' primarily covers the elimination of inter-segment transactions. It also includes income and costs, assets and liabilities, investment activity, taxes, etc., handled at Group level.

¹Including the elimination of other activities, the total elimination of intra-group revenue amounts to DKK 1,560 million (Q2 2019: DKK 1,844 million), which primarily relates to our Shared Functions services as well as our B2B, B2C, and power distribution businesses.

4. Revenue

				Other activities/ eliminations	H1 2020 total				Other activities/ eliminations	H1 2019 total
Revenue, DKKm	Offshore	Onshore	Markets & Bioenergy			Offshore	Onshore	Markets & Bioenergy		
Sale of gas	-	-	3,915	5	3,920	-	-	7,873	(4)	7,869
Generation of power	2,023	222	840	-	3,085	2,330	191	1,345	-	3,866
Sale of power	4,684	-	3,059	(2,070)	5,673	5,194	-	4,149	(2,692)	6,651
Revenue from construction of offshore wind farms	3,049	-	-	-	3,049	6,190	-	-	-	6,190
Generation and sale of heat and steam	-	-	1,602	-	1,602	-	-	1,626	-	1,626
Distribution and transmission	-	-	1,128	(2)	1,126	-	-	1,292	(2)	1,290
Other revenue	931	26	453	(39)	1,371	950	(9)	332	(45)	1,228
Total revenue from customers, IFRS	10,687	248	10,997	(2,106)	19,826	14,664	182	16,617	(2,743)	28,720
Government grants	6,121	17	204	-	6,342	4,301	14	299	(14)	4,600
Economic hedging	2,307	32	(280)	216	2,275	224	2	804	(268)	762
Other revenue	(12)	(24)	(329)	116	(249)	389	52	1,555	(38)	1,958
Total revenue, IFRS	19,103	273	10,592	(1,774)	28,194	19,578	250	19,275	(3,063)	36,040
Adjustments	(1,764)	24	812	(265)	(1,193)	(104)	(2)	(2,454)	202	(2,358)
Total revenue, business performance	17,339	297	11,404	(2,039)	27,001	19,474	248	16,821	(2,861)	33,682
Timing of revenue recognition from customers, IFRS										
At a point in time	5,576	248	1,635	(2,106)	5,353	4,982	182	7,814	(2,743)	10,235
Over time	5,111	-	9,362	-	14,473	9,682	-	8,803	-	18,485
Total revenue from customers, IFRS	10,687	248	10,997	(2,106)	19,826	14,664	182	16,617	(2,743)	28,720



The timing of transfer of goods or services to customers is categorised as follows:

'At a point in time' mainly comprises:







- sale of gas or power in the market, e.g. North Pool, TTF, NBP
- transmission assets for offshore wind farms.

'Over time' mainly comprises:

- construction agreements for offshore wind farms and transmission assets
- long-term contracts with customers to deliver gas, heat, or power.

Revenue decreased by 20% relative to H1 2019 and was DKK 27,001 million in H1 2020. The decrease was mainly due to significantly lower gas and power prices, lower sold gas volumes, limited construction work on wind farms for partners, and lower thermal heat and power generation. This was only partly offset by the divestment of the Walney Extension transmission asset and the increase in government grants, mainly due to ramp-up of generation from Hornsea 1 and higher generation across the portfolio.

4. Revenue (continued)

				Other activities/ eliminations	Q2 2020 total				Other activities/ eliminations	Q2 2019 total
Revenue, DKKm	Offshore	Onshore	Markets & Bioenergy			Offshore	Onshore	Markets & Bioenergy		
Sale of gas	-	-	1,245	(2)	1,243	-	-	3,594	201	3,795
Generation of power	687	123	323	-	1,133	931	103	372	-	1,406
Sale of power	3,146	-	1,365	(1,848)	2,663	3,431	-	1,930	(2,123) ¹	3,238
Revenue from construction of offshore wind farms	2,486	-	-	-	2,486	4,200	-	-	-	4,200
Generation and sale of heat and steam	-	-	454	-	454	-	-	505	-	505
Distribution and transmission	-	-	468	(1)	467	-	-	589	(1)	588
Other revenue	511	13	164	(31)	657	466	(6)	167	(33)	594
Total revenue from customers, IFRS	6,830	136	4,019	(1,882)	9,103	9,028	97	7,157	(1,956)	14,326
Government grants	2,296	6	40	-	2,342	1,818	3	88	-	1,909
Economic hedging	(636)	8	(329)	489	(468)	791	5	172	59	1,027
Other revenue	(19)	(16)	(1,068)	88	(1,015)	174	34	38	(231)	15
Total revenue, IFRS	8,471	134	2,662	(1,305)	9,962	11,811	139	7,455	(2,128)	17,277
Adjustments	893	26	1,233	(489)	1,663	(704)	(5)	(44)	(81)	(834)
Total revenue, business performance	9,364	160	3,895	(1,794)	11,625	11,107	134	7,411	(2,209)	16,443
Timing of revenue recognition from customers, IFRS										
At a point in time	2,696	136	(529)	(1,882)	421	1,788	97	3,589	(1,956)	3,518
Over time	4,134	-	4,548	-	8,682	7,240	-	3,568	-	10,808
Total revenue from customers, IFRS	6,830	136	4,019	(1,882)	9,103	9,028	97	7,157	(1,956)	14,326

5. Other operating income and expenses

Other operating income, DKKm	H1 2020	H1 2019	Q2 2020	Q2 2019
Gain on divestment of assets	1,332	362	99	226
Other compensation	127	345	10	53
US tax credits and tax equity income	477	282	269	140
Miscellaneous operating income	165	149	136	46
Total other operating income	2,101	1,138	514	465

Other operating expenses, DKKm	H1 2020	H1 2019	Q2 2020	Q2 2019
Loss on divestment of assets	44	54	28	36
Miscellaneous operating expenses	103	105	46	28
Total other operating expenses	147	159	74	64

Gain on divestment of assets is mainly related to the Hornsea 1 offshore transmission asset where we lowered our assumption regarding the preferred bidder's expected return requirement in Q1 2020.

Other compensation is primarily related to compensations regarding outages and

curtailments, mainly from the German grid operator TenneT.

US tax credits and tax equity income originate from our US onshore wind farms in operation and correspond to the tax credits and other tax attributes provided to Ørsted and tax equity partners for generated power.

6. Gross and net investments

Gross and net investments, DKKm	H1 2020	H1 2019	Q2 2020	Q2 2019
Cash flow from investing activities	(4,890)	(4,482)	(2,925)	(7,259)
Dividends received and capital reductions reversed	-	(6)	-	(6)
Purchase and sale of securities, reversed	(4,117)	(136)	(780)	3,886
Sale of non-current assets, reversed	(58)	(2,643)	(52)	11
Total gross investments	(9,065)	(7,267)	(3,757)	(3,368)
Transactions with non-controlling interests in connection with divestments	(6)	24	(7)	-
Sale of non-current assets	58	2,643	52	(11)
Total cash flows from divestments	52	2,667	45	(11)
Total net investments	(9,013)	(4,600)	(3,712)	(3,379)



The table shows gross and net investments based on cash flows from investing activities.



7. Assets classified as held for sale

Assets classified as held for sale, DKKm	30 June 2020	31 December 2019	30 June 2019
Intangible assets	245	226	219
Property, plant and equipment	13,475	13,243	14,561
Deferred tax	320	589	-
Inventories	58	43	16
Trade receivables	657	736	647
Other receivables	1,862	2,113	380
Income tax	34	2	62
Total assets classified as held for sale	16,651	16,952	15,885
Deferred tax	1,126	1,315	870
Provisions	2,385	2,662	378
Contract liabilities	3,070	3,107	2,747
Trade payables	351	333	105
Other payables	968	970	590
Income tax	569	445	97
Total liabilities relating to assets classified as held for sale	8,469	8,832	4,787
Net assets classified as held for sale	8,182	8,120	11,098



The table shows assets and liabilities which have been put up for sale and, therefore, are not expected to contribute to our future earnings.

At 30 June 2020 and 31 December 2019, assets and related liabilities held for sale comprised our Danish power distribution, residential customer, and city light businesses, our oil pipe system in Denmark, and our LNG business. All activities are part of Markets & Bioenergy.

In June, the Danish competition authorities and the Danish Energy Agency approved the divestment of our Danish power distribution (Radius), residential customer, and city light

businesses to SEAS-NVE. Following the authorities' approval, we expect to close the transaction end of August 2020.

In 2019, we signed an agreement to divest our LNG activities to Glencore. We expect to close the transaction by late Q3 2020.

At 30 June 2019, assets and related liabilities held for sale comprised our Danish power distribution, residential customer, and city light businesses as well as our oil pipe system in Denmark.

8. Discontinued operations

Discontinued operations

Discontinued operations comprise assets and liabilities related to our divested Oil & Gas business, which was sold to INEOS on 29 September 2017.

Financial results

Loss for the period amounted to DKK -43 million and primarily concerned adjustments related to currency.

Cash flows for the period concerned a payment related to the Fredericia stabilisation plant.

Capital employed

Our capital employed in discontinued operations mainly consisted of provisions relating to the divestment of the Oil & Gas business (tax indemnifications and payments related to the Fredericia stabilisation plant) as well as a receivable selling price which does not carry any interest. We expect to receive the outstanding selling price in 2020.

In addition, we have an interest-bearing receivable of DKK 335 million (not part of capital employed), which we also expect to receive in 2020.

Performance highlights, DKKm	H1 2020	H1 2019	Q2 2020	Q2 2019
EBIT	-	(7)	-	(7)
Profit (loss) from discontinued operations	(44)	(61)	(16)	(18)
Cash flows from discontinued operations	(44)	-	102	(2)

Capital employed, discontinued operations DKKm	30 June 2020	30 June 2019
Non-current receivables	-	643
Derivatives, net	(42)	(55)
Other provisions	(679)	(807)
Tax, net	14	33
Other receivables and other payables, net	673	-
Total net assets	(34)	(186)

9. Financial income and expenses

Net financial income and expenses, DKKm	H1 2020	H1 2019	Q2 2020	Q2 2019
Interest expenses, net	(886)	(528)	(508)	(276)
Interest expenses, leasing	(97)	(76)	(53)	(40)
Interest element of provisions, etc.	(221)	(212)	(108)	(106)
Tax equity partner's contractual return	(209)	(139)	(118)	(70)
Capital losses on early repayment of loans and interest rate swaps	(369)	-	(369)	-
Value adjustments of derivatives, net	(72)	(190)	(30)	(92)
Exchange rate adjustments, net	195	536	(3)	(42)
Value adjustments of securities, net	(131)	222	191	78
Other financial income and expenses	4	(57)	(12)	3
Net financial income and expenses	(1,786)	(444)	(1,010)	(545)



The table shows net financial income and expenses corresponding to our internal control.

Exchange rate adjustments and hedging contracts entered into to hedge currency risks are presented net under the item 'Exchange rate adjustments, net'.

The increase in net financial income and expenses in 2020 compared with 2019 is mainly due to:

- higher net interest expenses, mainly related to interest regarding tax
- capital losses on early repayment of loans and interest rate swaps
- a lower gain on exchange rate adjustments in 2020
- a loss on value adjustment of securities in 2020 due to an increase in interest rates.



10. Tax on profit (loss) for the year

	Business performance					
	HI 2020			HI 2019		
	Profit (loss) before tax	Tax	Tax in %	Profit (loss) before tax	Tax	Tax in %
Tax for the period, DKK						
Deferred tax liability, new tax equity contributions	-	(885)	n.a.	-	n.a.	n.a.
Other items, including prior year adjustments	-	(50)	n.a.	-	(147)	n.a.
Ordinary business activities	4,383	(911)	21%	4,973	(1,094)	22%
Effective tax for the year	4,383	(1,846)	42%	4,973	(1,241)	25%

Tax on business performance profit (loss) was DKK 1,846 million in the first half year of 2020 compared to DKK 1,241 in the first half year of 2019. The effective tax rate for the first half year of 2020 was 42%. The effective tax rate was affected by recognition of a tax

liability in connection with the tax equity partnerships related to the Sage Draw and Plum Creek onshore wind farms. We received tax equity contributions from our tax equity partners in April and June, respectively.

Accounting policies

Effective tax rate

The estimated average annual tax rate is separated based on regions and into two different categories: a) ordinary business activities and b) gain (loss) on divestments and impacts from tax equity contributions.



Effective tax rate

The estimated average annual tax rate for ordinary business activities is 22% compared to 30% for the full-year of 2019.

The effective tax for the period is calculated on the basis of the profit (loss) before tax from continuing operations.



11. Reserves

	Foreign currency translation reserve	Hedging reserve	Total reserves
Reserves 2020, DKKm			
Reserves at 1 January 2020	168	245	413
Exchange rate adjustments	(4,115)	-	(4,115)
Value adjustments of hedging	-	1,030	1,030
Value adjustments transferred to:			
Revenue	-	53	53
Financial income and expenses	-	461	461
Tax:			
Tax on hedging and currency adjustments	940	(367)	573
Movement in comprehensive income for the period	(3,175)	1,177	(1,998)
Total reserves at 30 June	(3,007)	1,422	(1,585)

	Foreign currency translation reserve	Hedging reserve	Total reserves
Reserves 2019, DKKm			
Reserves at 1 January 2019	(1,906)	79	(1,827)
Exchange rate adjustments	(601)	-	(601)
Value adjustments of hedging	-	1,535	1,535
Value adjustments transferred to:			
Revenue	-	71	71
Financial income and expenses	-	53	53
Tax:			
Tax on hedging and currency adjustments	148	(260)	(112)
Movement in comprehensive income for the period	(453)	1,399	946
Total reserves at 30 June	(2,359)	1,478	(881)

12. Market risks

Market risks

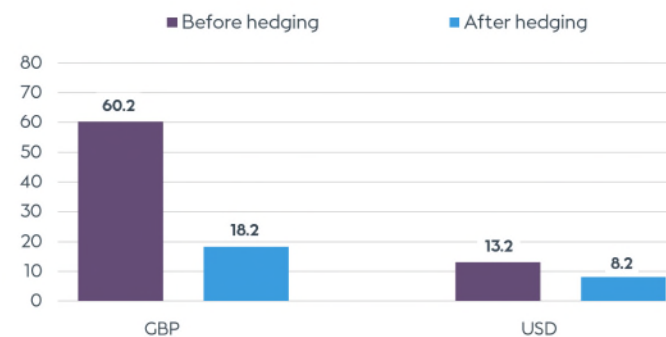
We manage market risks to protect Ørsted against market price volatility and ensure stable and robust financial ratios that support our growth strategy as well as protect the value of our assets.

In general, we hedge price exposures for up to five years to reduce cash flow fluctua-

tions. Prices are not hedged in the long term, and therefore our long-term market risks are determined by our strategic decisions on investments in new assets, the conclusion of long-term contracts as well as any divestment of assets.

Our energy and currency exposures for the near term is shown below.

Currency exposure, GBP 1 July 2020 - 30 June 2025, USD 1 July 2020 - 31 December 2036, DKKbn

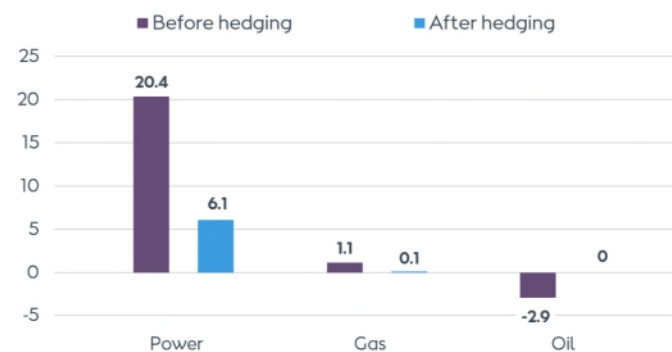


For USD, we manage our risk as a natural time spread between front-end capital expenditures and long-end revenue between 1 July 2020 - 31 December 2036.

NTD is not a material risk for the coming five years.

We do not deem EUR to constitute a risk, as we expect Denmark to maintain its fixed exchange-rate policy.

Energy exposure 1 July 2020 - 30 June 2025, DKKbn



The graph shows our energy exposure for the next five years.

Our energy exposures are significantly reduced due to hedging.

13. Fair value measurement

Fair value hierarchy DKKm	Assets			Liabilities	
	Inventories	Securities	Derivatives	Derivatives	Other payables
2020					
Quoted prices	285	-	8	30	-
Observable input	-	12,327	7,476	5,298	-
Non-observable input	-	-	357	59	-
Total 30 June 2020	285	12,327	7,841	5,387	-
2019					
Quoted prices	375	-	7	11	-
Observable input	-	25,485	5,058	5,166	-
Non-observable input	-	-	1,238	470	545
Total 30 June 2019	375	25,485	6,303	5,647	545



The table shows assets and liabilities measured at fair value, split between inputs.

Valuation principles and key assumptions

In order to minimise the use of subjective estimates or modifications of parameters and calculation models, it is our policy to determine fair values based on the external information that most accurately reflects the market values. We use pricing services and benchmark services to increase the data quality.

Market values are determined by the Treasury & Risk Management function which reports to the CFO. The developments in market values is monitored on a continuous basis and are reported to Group Executive Management.

Accounting policy

Quoted prices comprise gas and derivatives that are traded in active markets. Where derivatives are traded in an active market, we generally have daily settlements, for which reason the market value is zero.

Observable input comprises securities and derivatives, for which valuation models with observable inputs are used to measure fair value. The majority of our securities are quoted Danish mortgage or government bonds. Since these are not always traded on a daily basis, we are valuing these based on market interest rates for similar bonds. Non-observable input derivatives comprise primarily long-term contracts on the purchase or sale of power and gas. The fair values are based on assumptions concerning the long-term prices of, power and gas as well as risk premiums in respect of liquidity and market risks. Since there are no active markets for long-term prices, the fair value has been determined through an estimate of the future prices.

Derivatives valued on the basis of non-observable input, DKKm

	2020	2019
Market value at 1 January	236	(2,458)
Value adjustments through profit or loss	240	344
Value adjustments through other comprehensive income	-	1,192
Sales/redemptions	(205)	(136)
Purchase/issues	27	7
Market value at 30 June before deferred gain/loss	298	(1,051)
Deferred loss at initial recognition on 1 January	-	1,819
Market value at 30 June	298	768



The table shows the movements during the year in the total market value (assets and liabilities) of derivatives valued on the basis of non-observable inputs.

Non-observable inputs per commodity price input, DKKm

	2020	2019
US power prices	-	525
Other power prices	63	48
Gas prices	235	195
Total	298	768



After a change in the valuation methodology as of 31 December 2019, US power prices are no longer valued based on significant non-observable inputs.

Normally, the energy price can be observed for a maximum of five years in the power market, after which an active market no longer exists. Beyond the five-year horizon, the energy price is thus projected on the basis of the observable forward price for year one to five.

All assets and liabilities measured at fair value are measured on a recurring basis.

14. Interest-bearing debt and FFO

Interest-bearing debt and interest-bearing assets DKKm	30 June 2020	31 December 2019	30 June 2019
Interest-bearing debt:			
Bank debt	3,520	3,466	3,519
Bond debt	31,507	33,373	29,116
Total bond and bank debt	35,027	36,839	32,635
Tax equity liability	638	608	572
Lease liability	5,097	5,332	5,074
Other interest-bearing debt	1,690	649	664
Total interest-bearing debt	42,452	43,428	38,945
Interest-bearing assets:			
Securities	12,327	16,552	25,485
Cash	6,754	7,148	6,968
Other receivables	1,099	1,781	823
Receivables in connection with divestments	-	717	689
Total interest-bearing assets	20,180	26,198	33,965
Total interest-bearing net debt	22,272	17,230	4,980

Market value of bond and bank debt

The market values of bond and bank debts amounted to DKK 38.4 billion and DKK 3.7 billion, respectively, at 30 June 2020.



Interest-bearing net debt totalled DKK 22,272 million as of 30 June 2020, which was an increase of DKK 5,042 million relative to 31 December 2019. The increase was driven by a decrease in interest-bearing assets of DKK 6,018 million. In addition, interest-bearing debt decreased by DKK 976 million, which mainly related to the repayment of short-term repo debt and a decrease in bond debt due to the drop in GBP/DKK exchange rates, reducing the amount to be repaid in DKK.

Funds from operations (FFO) LTM ¹ DKKm	30 June 2020	31 December 2019	30 June 2019
EBITDA - business performance	18,489	17,484	30,186
Interest expenses, net	(1,849)	(1,312)	(889)
Interest expenses, leasing	(97)	(171)	(76)
Reversal of interest expenses transferred to assets	(377)	(344)	(428)
Interest element of decommissioning obligations	(220)	(212)	(209)
50% of coupon payments on hybrid capital	(278)	(279)	(273)
Calculated interest paid on operating lease obligations	-	-	76
Adjusted interest expenses, net	(2,821)	(2,318)	(1,799)
Reversal of gain (loss) on divestment of assets	(878)	101	(15,367)
Reversal of recognised operating lease payment in profit (loss) for the year	-	-	376
Total current tax	(6,437)	(5,799)	(3,186)
Funds from operations (FFO)	8,353	9,468	10,210

¹Last 12 months

Adjusted interest-bearing net debt DKKm	30 June 2020	31 December 2019	30 June 2019
Total interest-bearing net debt	22,272	17,230	4,980
50% of hybrid capital	6,616	6,616	6,619
Cash and securities not available for distribution, excluding repo loans	1,628	1,437	1,094
Decommissioning obligations	6,490	6,158	5,781
Deferred tax on decommissioning obligations	(900)	(866)	(719)
Total adjusted interest-bearing net debt	36,106	30,575	17,755

Funds from operations (FFO)/ adjusted interest-bearing net debt	30 June 2020	31 December 2019	30 June 2019
Funds from operations (FFO)/ adjusted interest-bearing net debt	23.1%	31.0%	57.5%



The table shows which items are included in funds from operations (FFO). FFO is calculated for the continuing operations.



The table shows which items are included in the adjusted interest-bearing debt as well as FFO relative to adjusted interest-bearing debt.

Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have today considered and approved the interim financial report of Ørsted A/S for the period 1 January - 30 June 2020.

The interim financial report, which has not been audited or reviewed by the company's independent auditors, has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and

additional requirements in the Danish Financial Statements Act. The accounting policies remain unchanged from the annual report for 2019.

In our opinion, the interim financial report gives a true and fair view of the Group's assets, liabilities, and financial position at 30 June 2020 and of the results of the Group's operations and cash flows for the period

1 January - 30 June 2020.

Furthermore, in our opinion, the management's review gives a fair presentation of the development in the Group's operations and financial circumstances, of the results for the period, and of the overall financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group.

Over and above the disclosures in the interim financial report, no changes in the Group's most significant risks and uncertainties have occurred relative to the disclosures in the annual report for 2019.

Skærbæk, 12 August 2020

Executive Board

Henrik Poulsen
President and CEO

Marianne Wiinholt
CFO

Board of Directors

Thomas Thune Andersen
Chairman

Lene Skole
Deputy Chairman

Lynda Armstrong

Jørgen Kildahl

Peter Korsholm

Dieter Wemmer

Hanne Sten Andersen*

Poul Dreyer*

Benny Gøbel*

*Employee representative

Forward-looking statements

Forward-looking statements

This report contains certain forward-looking statements, including but not limited to, the statements and expectations contained in the 'Outlook' section of this report (p. 7).

Statements herein, other than statements of historical facts, regarding our future results related to operations, financial condition, cash flows, business strategy, 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.

We have based these forward-looking statements on our current views with respect to future events and financial performance. These views involve a number of risks and uncertainties which could cause actual results to differ materially from those predicted in the forward-looking statements and from our past performance. Although, we believe that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ due to a variety of factors. These factors include, but are not limited to, market risks, development and construction of assets, changes in temperature, wind conditions, wake and blockage effects, precipitation levels, the development in power, coal, carbon, gas, oil, currency, and interest rate markets, changes in legislation, regulations

or standards, the renegotiation of contracts, changes in the competitive environment in our markets, security of supply, cable break-downs, or other disruptions. Read more about the risks in the chapter 'Risk and risk management' and in note 7 of the annual report 2019 available at www.orsted.com.

Unless required by law, we are under no duty and undertake no obligation to update or revise any forward-looking statement after the distribution of this report, whether as a result of new information, future events, or otherwise.