Ørsted

Interim financial report

First half 2018

Contents

CONFERENCE CALL

In connection with the presentation of the interim financial report a conference call for investors and analysts will be held on Thursday 9 August 2018 at 10:00am CET:

Denmark: +45 3544 5583
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USA: +1 855 269 2604

The conference call can be followed live at:

https://orsted.eventcdn.net/20180809

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

https://orsted.com/en/Investors/Reporting/Financial-reports#0

The interim financial report can be downloaded at:

https://orsted.com/en/Investors/Reporting/Financial-reports#0

FURTHER INFORMATION

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Language

At the general meeting on 8 March 2018 it was resolved that, as of the financial year 2018, Ørsted will present its financial statements and interim financial reports in English only.

CEO's review — first half year

Strong results and strategic progress

- Operating profit (EBITDA) increased by 11% and totalled DKK 8.6 billion.
- Operating profits from offshore wind farms in operation increased by 32%.
- Green share of generation increased from 59% to 71%.
- Awarded a total of 1,820MW offshore wind capacity in Taiwan.
- Awarded additional 552MW offshore wind capacity in Germany.
- Walney Extension in the UK commissioned ahead of schedule.
- Postponed commissioning of our first Renescience plant in the UK to H1 2019 due to mechanical challenges.
- The High Court of Western Denmark ruled in favour of Ørsted in case concerning the former Elsam.
- Initiated a process to divest our Danish power distribution and residential customer businesses.
- Signed agreement to acquire US based onshore wind developer Lincoln Clean Energy.

Financial results

Operating profit (EBITDA) for the first half year increased by 11% and amounted to DKK 8.6 billion. The result was driven mainly by higher generation from our offshore wind farms in operation. The newly commissioned Race Bank and Walney Extension offshore wind farms contributed to a 32% increase in EBITDA from our sites.

Income from partnerships in Wind Power was slightly lower than in H1 2017, which was positively affected by a deferred gain of DKK 1.4 billion from the 2016 Race Bank farm-down. Income from partnerships in H1 2018 was mainly related to the construction of Walney Extension and Borkum Riffgrund 2.

Bioenergy & Thermal Power also contributed to the positive development due to improved spreads and higher heat generation as well as the bioconversion of Skærbæk Power Station, which was inaugurated in Q4 2017. EBITDA in Distribution & Customer Solutions decreased, as expected, due to very good results in our Markets business during the first half of 2017.

Return on capital employed for the last 12 months increased from 18% in H1 2017 to 23% in H1 2018. The increase was mainly due to the farm-downs of 50% of the Walney Extension and Borkum Riffgrund 2 offshore wind farms in the last part of 2017 as well as the higher profits from wind farms in operation.

Following the inauguration of the bio-converted Skærbæk Power Station in October 2017 and the continued ramp-up of our offshore wind capacity, the green share of our heat and power generation increased substantially from 59% in H1 2017 to 71% in H1 2018.

We now see full-year EBITDA excluding new partnerships skewing towards the upper end of the guidance range of DKK 12.5-13.5 billion.

Furthermore, we now consider it likely that we will divest 50% of Hornsea 1 during the second half of 2018. Should the divestment materialise in H2 2018, EBITDA, including new partnerships, is expected to be significantly higher than the DKK 22.5 billion achieved in 2017.

Danish power distribution and residential customer business to be divested

We have undertaken a strategic review of our downstream business and concluded that access to the sale of energy solutions to corporate and wholesale customers, building on our presence in offshore wind, bioenergy, energy storage and other renewable energy technologies, will become strategically still more important.

The Danish power distribution and residential customer businesses are well-run and have a high level of customer satisfaction. However, they are not a sales channel supporting our long-term international growth in renewables. With continued significant investments in green energy in the coming years, the strategic and financial importance of the Danish power distribution and residential customer businesses will be further reduced in the coming years, compared to Ørsted's rapidly growing international business in green energy.

On this basis and in line with our strategy, we initiated a process in June to divest our Danish power distribution, residential customer and City Light businesses. We expect to make a decision about the potential divestment before the end of H1 2019.

Signed agreement to acquire US based onshore wind developer Lincoln Clean Energy

Today we announced that Ørsted has entered into an agreement to acquire Lincoln Clean Energy ('LCE') at a price of USD 580 million. LCE is a US based developer, owner and operator of onshore wind farms. LCE has an attractive portfolio of 513MW recently commissioned, 300MW under construction, and more than 1.5GW of pipeline to be completed by 2022. The global market for onshore wind power is expected to grow significantly in the coming years, and the U.S. is a leading onshore wind market. The acquisition of LCE will provide a strong growth platform in the US, which is one of Ørsted's strategic growth markets. It is an investment case with healthy economics based on prudent assumptions about key value drivers and market developments.

"

We were awarded 900MW capacity in the first Taiwanese grid allocation in April and 920MW in the Taiwanese price auction in June. With these awards, we have secured a market leading platform for continued growth in Asia.

CEO's review — first half year continued

Offshore wind

In May, we commissioned the world's largest offshore wind farm in operation, Walney Extension, well ahead of schedule. Located in the Irish Sea, in north-east England, it will supply more than 500,000 UK homes with green power.

At Borkum Riffgrund 2, we installed the first wind turbines in May and achieved first power in August. Furthermore, we have installed all three offshore substations and the world's first offshore Reactive Compensation Station (RCS) at Hornsea 1, which will overtake Walney Extension as the world's largest offshore wind farm when completed in 2020.

In April, we took final investment decision on phase II of the Formosa 1 project in Taiwan, of which we own 35%. We expect to commission the 120MW offshore wind farm in 2019.

In April, we were awarded 900MW capacity in the first Taiwanese grid allocation. Changhua 1 and Changhua 2 were awarded 605MW and 295MW, respectively. This means that we will be delivering the first large-scale commercial offshore wind project in the Changhua region and connect 900MW into Changhua's total available grid capacity of 1GW in 2021. All of this is subject to obtaining an establishment permit, securing the feed-in tariff by signing a power purchase agreement with Taipower and the final investment decision. We also won 920MW in the Taiwanese price auction in June. With a total capacity of 1,820MW, we are able to fully utilise our Greater Changhua 1, 2 and 3 projects, while also securing a market-leading platform for continued growth in Asia.

In the second transitional auction in Germany in April, we were awarded the right to build Borkum Riffgrund West 1 and Gode Wind 4 with a capacity of 420MW and 132MW, respectively. Combined with the awards from the auction last year, we have secured the full capacity of 900MW in the Borkum Riffgrund cluster (Cluster 1) without subsidy. In addition, we have secured a total capacity of 242MW for Gode Wind 3 and 4 at a weighted average feed-in tariff of EUR 81 per MWh. Subject to final investment decisions, the wind farms are expected to be operational in 2024 and 2025, respectively.

Assuming we take final investment decision on the above-mentioned awards of 2.9GW in Taiwan and Germany, our total installed and decided capacity will reach 11.9GW by 2025.

In May, the authorities in Massachusetts announced the preferred bidder of the December 2017 auction. We submitted what we considered to be a very competitive, yet value-creating bid; however, we were not selected for contract negotiations. Nonetheless, the US remains a key market to us and we continue to see the US as a significant long-term growth opportunity for Ørsted. Together with our partner Eversource, we will continue to progress the Bay State Wind project towards the next auctions in New England and New York. In addition, we will continue to develop our Ocean Wind project off the coast of Atlantic City, New Jersey, where we opened a new office in May.

Utility business

On 24 May, we received the decision in the court case between the Danish competition authorities and Elsam – one of the companies that formed part of the merger to DONG Energy, now Ørsted, back in 2006. The High Court of Western Denmark found that Elsam had not abused its dominant market position in 2005 and first half of 2006. We are pleased with the decision, but cannot yet put the lawsuit behind us, as our counterpart, the Danish competition authorities, has asked the Appeals Permission Board for permission to try the case at the Supreme Court.

The development of our Renescience plant in the UK is still ongoing. The core enzyme-based technology is performing as expected, but we have experienced mechanical challenges in the sorting process, and we have not yet been able to process as much waste volume as initially planned. Consequently, we have decided to initiate a programme to enhance flexibility and redundancy in the sorting hall, which we expect will significantly enhance operational performance. As a result, the plant is now expected to be commissioned in the first half of 2019.

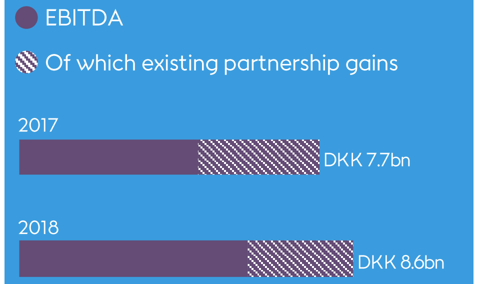
In June, we, together with our partner Bigadan, commissioned our new biogas plant in Kalundborg, Denmark. The new plant will reuse residues from the production facilities of Novozymes and Novo Nordisk and convert them into biogas.

In June, we entered into an agreement to divest our 50% ownership share in the gas-fired power plant, Enecogen, in the Netherlands to Castleton Commodities International LCC. Closing was completed in July. The divestment reinforces our focus on being a global leader in green energy.

At a glance — first half year

Ørsted

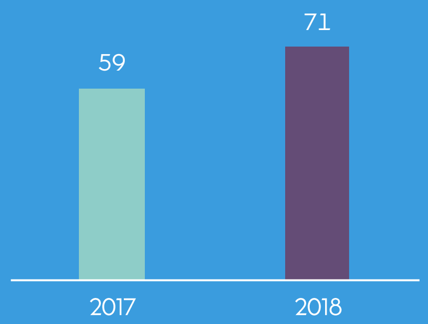
EBITDA



Key figures H1 2018[1]

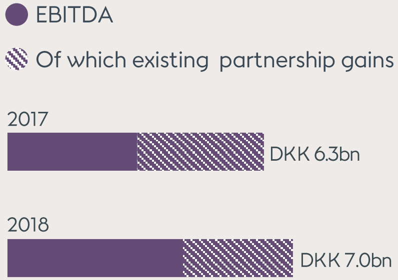
Revenue	DKK 38.4bn
Gross investments	DKK 5.2bn
Capital employed	DKK 74.3bn
ROCE[2]	23%
TRIR[2]	6.2
Number of employees	5,741

Green share of heat and power generation, %



Wind Power

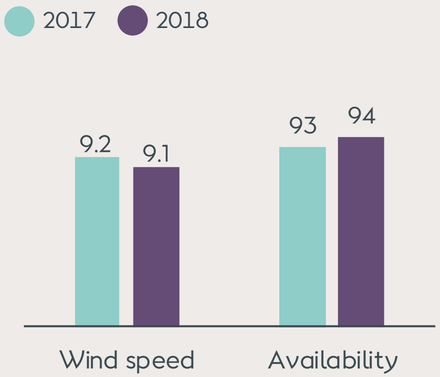
EBITDA



Key figures H1 2018

Revenue	DKK 14.5bn
Gross investments	DKK 4.2bn
Capital employed	DKK 63.2bn
ROCE[2]	27%
TRIR[2]	5.3
Number of employees	2,298

Wind speed and availability, m/s, %



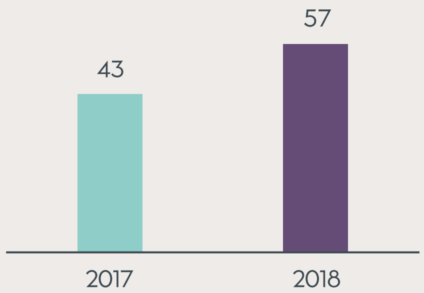
Bioenergy & Thermal Power

EBITDA

Key figures H1 2018

Revenue	DKK 3.8bn
Gross investments	DKK 0.6bn
Capital employed	DKK 2.5bn
Free cash flow	DKK 0.1bn
TRIR[2]	7.8
Number of employees	725

Biomass share in heat and power generation, %



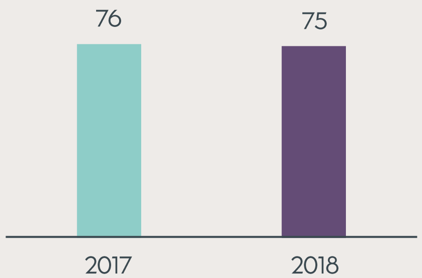
Distribution & Customer solutions

EBITDA

Key figures H1 2018

Revenue	DKK 24.6bn
Gross investments	DKK 0.4bn
Capital employed	DKK 9.8bn
ROCE[2]	9%
TRIR[2]	9.0
Number of employees	1,270

Customer satisfaction (B2C), scale (1-100)



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

Outlook 2018

Outlook for 2018, DKK bn.	Guidance 9 Aug. 2018	Guidance 20 Apr. 2018	Guidance 2 Feb. 2018	2017 realised
EBITDA (without new partnerships)*	12.5-13.5	12.5-13.5	12-13	12.7
Wind Power (without new partnerships)*	Higher	Higher	Higher	10.8
Bioenergy & Thermal Power	Higher	Higher	Higher	0.2
Distribution & Customer Solutions	Lower	Lower	Significantly lower	2.1
Gross investments	16-18	16-18	16-18	17.7

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 2017.

* EBITDA excluding new partnership agreements signed later than 1 January 2018 (2017)

EBITDA

We now see full-year EBITDA excluding new partnerships skewing towards the upper end of the guidance range of DKK 12.5-13.5 billion.

Furthermore, we now consider it likely that we will divest 50% of Hornsea 1 during the second half of 2018. Should the divestment materialise in H2 2018, EBITDA, including new partnerships, is expected to be significantly higher than the DKK 22.5 billion achieved in 2017.

The acquisition of Lincoln Clean Energy is expected to close towards the end of the year and as such the 2018 EBITDA contribution from LCE will be limited. Thus, no EBITDA impact from LCE has been included in our guidance.

Gross investments

The outlook for gross investments is unchanged relative to the annual report for 2017.

Gross investments related to construction of offshore wind farms are expected to be lower, than originally anticipated. This is mainly due to shifts in spending across years but it is also partly driven by the Race Bank and Walney Extension construction projects being finalised at a lower capex spend than expected. However, reduced 2018 spend on offshore wind construction projects is offset by the payment related to the acquisition of LCE.

Results Q2

EBITDA

Operating profit (EBITDA) totalled DKK 3.1 billion in Q2 2018, whereas it reached DKK 4.4 billion in Q2 2017. The decline was expected and was primarily due to Q2 2017 being positively affected by a deferred farm-down gain of DKK 1.4 billion regarding Race Bank as well as lower earnings in our Markets business.

Earnings from wind farms in operation increased by 8%, driven by the ramp-up of generation from Walney Extension and Race Bank, whereas the wind speed was significantly lower than in Q2 2017.

Profit for the period from continuing operations

Profit for the period from continuing operations totalled DKK 0.9 billion compared to DKK 2.5 billion in Q2 2017. The decrease was mainly due to the lower EBITDA, negative effect from exchange rate adjustments and higher interest expenses due to a lower level of capitalised interests following the completion of the Walney Extension and Race Bank projects.

Cash flows from operating activities

Cash flow from operating activities totalled DKK 3.3 billion in Q2 2018 compared to DKK -1.8 billion in Q2 2017. The increase of DKK 5.1 billion was due to settlement of intra-group hedges related to the now divested oil and gas business having a negative effect of DKK 2.0 billion in Q2 2017, lower receivables and higher cash inflow from ROC factoring in Q2 2018 due to the ramp-up of generation from Race Bank. In addition, less funds were tied up in work in progress mainly due to the divestment of the offshore transmission assets at Burbo Bank Extension in April and received milestone payments from partners at Walney Extension.

Gross investments

Gross investments amounted to DKK 3.1 billion in Q2 2018, 79% of which concerned investments in Wind Power. The main investments related to Hornsea 1 and Borkum Riffgrund 2.

Financial results, DKKm	Q2 2018	Q2 2017	%
Revenue	18,593	15,540	20%
EBITDA	3,079	4,442	(31%)
Depreciation	(1,462)	(1,541)	(5%)
EBIT	1,617	2,901	(44%)
Gain (loss) on divestment of enterprises	(16)	(6)	167%
Profit (loss) from associates and joint ventures	4	(2)	n.a.
Financial items, net	(504)	(81)	522%
Profit (loss) before tax	1,101	2,812	(61%)
Tax on profit (loss) for the period	(225)	(306)	(26%)
Tax rate	20%	11%	(9%p)
Profit (loss) for the period, continuing operations	876	2,506	(65%)
Profit (loss) for the period, discont. operations	(19)	2,484	n.a.
Profit (loss) for the period	857	4,990	(83%)

Cash flow and net debt, DKKm	Q2 2018	Q2 2017	%
Cash flows from operating activities	3,293	(1,848)	n.a.
EBITDA	3,079	4,442	(31%)
Derivatives	596	(1,181)	n.a.
Changes in provisions	(144)	(211)	(32%)
Reversal of gain (loss) on sale of assets	33	(1,381)	n.a.
Other items	28	22	27%
Interest expense, net	(499)	78	n.a.
Paid tax	(5)	(3)	67%
Change in work in progress	(2,282)	(2,816)	(19%)
Change in other working capital	2,486	(798)	n.a.
Gross investments	(3,109)	(4,287)	(27%)
Divestments	(14)	160	n.a.
Free cash flow	170	(5,975)	n.a.
Net debt, beginning of period	4,331	6,523	(34%)
Free cash flow from continuing operations	(170)	5,975	n.a.
Free cash flow from discontinued operations	2	(2,655)	n.a.
Dividends and hybrid coupon paid	397	367	8%
Cash flow from assets held for sale	27	53	(49%)
Interest bearing receivable re. O&G divestment	0	0	n.a.
Exchange rate adjustments, etc.	16	69	n.a.
Net debt, end of period	**4,603**	**10,332**	**(55%)**

Results H1

Financial results

Revenue

Power generation from offshore wind increased by 23% to 4.8TWh in H1 2018 due to the ramp-up of generation from Race Bank and Walney Extension and to some extent Burbo Bank Extension. This was partly offset by lower wind speeds in the UK and Denmark. Thermal power generation from our Danish CHP plants was at the same level as last year and amounted to 3.8TWh, while heat generation increased by 4% to 5.7TWh in H1 2018.

Offshore wind power accounted for 53% of our total power generation, while the renewable energy share of our total heat and power generation accounted for 71% in H1 2018 compared with 59% in the same period last year.

Revenue amounted to DKK 38.4 billion. The increase of 20% relative to H1 2017 was primarily due to higher revenue from construction agreements due to high activity on construction of offshore wind farms for partners, higher revenue from wind farms in operation and higher gas and power prices in H1 2018.

EBITDA

Operating profit (EBITDA) totalled DKK 8.6 billion compared to DKK 7.7 billion in H1 2017. The increase was driven by the higher generation from the offshore wind farms. Earnings from thermal heat and power generation also contributed positively compared to H1 2017.

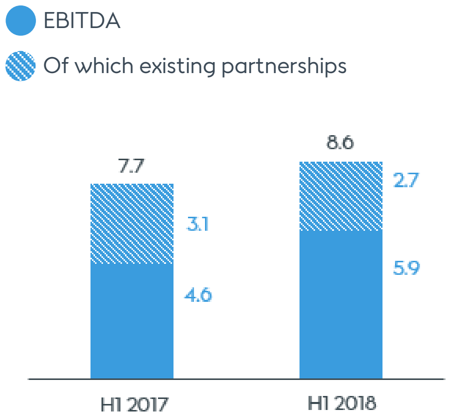
Partnership income was lower than in H1 2017, despite high activity on the Walney Extension and Borkum Riffgrund 2 construction projects. This was due to a deferred gain of DKK 1.4 billion in H1 2017 related to the farm-down of 50% of Race Bank late 2016.

In addition, earnings from Distribution & Customer Solutions decreased as expected. This was due to extraordinarily high earnings related to trading of our financial energy exposures in H1 2017 and lower margins in our gas business in H1 2018.

Financial results, DKKm	H1 2018	H1 2017	%
Revenue	38,401	32,037	20%
EBITDA	8,598	7,730	11%
Depreciation	(2,844)	(2,837)	0%
EBIT	5,754	4,893	18%
Gain (loss) on divestment of enterprises	(26)	(17)	53%
Profit (loss) from associates and joint ventures	2	(45)	n.a.
Financial items, net	(799)	(415)	93%
Profit before tax	4,931	4,416	12%
Tax on profit (loss) for the period	(1,023)	(696)	47%
Tax rate	21%	16%	5%p
Profit (loss) for the period, continuing operations	3,908	3,720	5%
Profit (loss) for the period, discont. operations*	(11)	3,910	n.a.
Profit (loss) for the period	3,897	7,630	(49%)

* Read more about discontinued operations in note 8.

EBITDA, DKK billion



EBIT

EBIT increased by DKK 0.9 billion to DKK 5.8 billion in H1 2018, primarily as a result of the higher EBITDA.

Financial income and expenses

Net financial income and expenses amounted to DKK -0.8 billion and were DKK 0.4 billion higher than the same period last year. The increase was due to a lower level of capitalised interests following the completion of the Walney Extension and Race Bank projects and negative effect from exchange rate adjustments in Q2 2018.

Tax and tax rate

Tax on profit for the period amounted to DKK 1.0 billion, which was DKK 0.4 billion higher than in H1 2017. The tax rate was 21% against

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 7.0 billion in H1 2018 against DKK 8.6 billion in the same period in 2017. In accordance with the business performance principle, EBITDA was DKK 8.6 billion and DKK 7.7 billion, respectively. The difference between the two principles was thus DKK -1.6 billion in H1 2018 against DKK 0.9 billion in H1 2017.

Business performance VS IFRS	H1 2018	H1 2017
EBITDA - BP	8,598	7,730
Adjustments	(1,588)	890
EBITDA - IFRS	7,010	8,620

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.

Results H1 continued

16% in the prior year period (23% adjusted for the tax-exempt part of the Race Bank farm-down gain).

Profit for the period from continuing operations

Profit for the period from continuing operations totalled DKK 3.9 billion, DKK 0.2 billion higher than H1 2017. The increase was primarily due to the higher EBIT partly offset by higher net finance costs and higher taxes.

Cash flows and net debt

Cash flow from operating activities

Cash flows from operating activities totalled DKK 2.9 billion in H1 2018 compared to DKK -1.0 billion in H1 2017. The increase of DKK 3.9 billion was due to the higher EBITDA, settlement of intra-group hedges related to the now divested upstream oil and gas business having a negative effect in Q2 2017, lower funds tied up in work in progress and other working capital. This was partly offset by higher paid tax in H1 2018.

In H1 2018, we decided to pay our taxes for 2018 on account in March instead of November. Paid taxes thus amounted to DKK 3.1 billion, including residual taxes of DKK 0.6 billion related to 2017.

Change in work in progress was DKK 1.6 billion lower than in H1 2017. In H1 2018, funds tied up in work in progress mainly related to the construction of Borkum Riffgrund 2 for partners and offshore transmission asset at Hornsea 1, whereas we received milestone payments from partners related to the completion of Walney Extension and Race Bank. In addition, we divested the transmission asset at Burbo Bank Extension. In H1 2017, we tied up funds related to the construction of Burbo Bank Extension and Race Bank and offshore transmission assets at Walney Extension and Hornsea 1, whereas the milestone payments from partners came later in the year.

Less funds were tied up in other working capital mainly due to an increase in clearing counterparties in connection with exchange trading in H1 2017. This was partly a result of the transfer of the ineffective hedges from the now divested upstream oil and gas business. Furthermore, there was a positive effect from gas at storages due to higher level at the beginning of 2018 than 2017. This was partly offset by repayment of a VAT loan to the Danish tax authorities in Q1 2018.

Investments and divestments

Gross investments amounted to DKK 5.2 billion against DKK 6.8 billion in H1 2017. The main investments in H1 2018 were:

- Offshore wind farms (DKK 4.2 billion), including Walney Extension and Hornsea 1 in the UK as well as Borkum Riffgrund 2 in Germany
- Power stations (DKK 0.6 billion), mainly biomass conversion of Asnæs Power Station.

Cash flow from divestments in H1 2018 related to the receipt of deferred proceeds from the farm-down of 50% of Walney Extension late 2017. There were no new significant divestments in H1 2018.

Cash flow and net debt, DKKm	H1 2018	H1 2017	%
Cash flows from operating activities	2,895	(960)	n.a.
EBITDA	8,598	7,730	11%
Derivatives	286	(1,302)	n.a.
Changes in provisions	81	(313)	n.a.
Reversal of gain (loss) on sale of assets	64	(1,419)	n.a.
Other items	(24)	122	n.a.
Interest expense, net	(640)	(172)	272%
Paid tax	(3,089)	9	n.a.
Change in work in progress	(2,170)	(3,783)	(43%)
Change in other working capital	(211)	(1,832)	(88%)
Gross investments	(5,180)	(6,789)	(24%)
Divestments	821	225	265%
Free cash flow	(1,464)	(7,524)	(81%)
Net debt, beginning of period	(1,517)	3,461	n.a.
Free cash flow from continuing operations	1,464	7,524	(81%)
Free cash flow from discontinued operations	127	(4,725)	n.a.
Dividends and hybrid coupon paid	4,324	3,023	43%
Cash flow from assets held for sale	37	119	(69%)
Interest bearing receivable re. O&G divestment	0	0	n.a.
Exchange rate adjustments, etc.	168	930	n.a.
Net debt, end of period	**4,603**	**10,332**	**(55%)**

Interest-bearing net debt

Interest-bearing net debt totalled DKK 4.6 billion at the end of June 2018 against net cash of DKK 1.5 billion at the end of 2017. The DKK 6.1 billion increase was mainly due to dividend payment and paid hybrid coupon of DKK 4.3 billion and a negative free cash flow of DKK 1.5 billion.

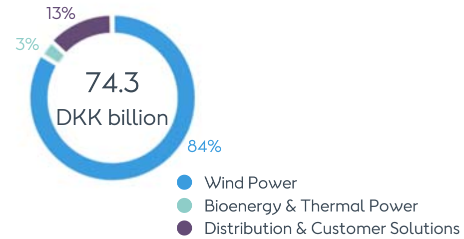
Equity

Equity was DKK 69.7 billion at the end of June 2018 against DKK 71.8 billion at the end of 2017. The decrease was due to the dividend payment, which was only partly offset by the profit for the period.

Capital employed

Capital employed was DKK 74.3 billion at 30 June 2018 against DKK 70.3 billion at the end of 2017 and DKK 72.5 billion at the end of June 2017. Wind Power's share of capital employed was 84% at the end of H1 2018.

Capital employed, %



Results H1 continued

Key ratios

Return on capital employed (ROCE)

Return on capital employed (ROCE, last 12 months) was 23% at the end of H1 2018, up 5%-points compared to the same period last year. The increase was mainly attributable to the higher EBIT over the 12-month period, which was significantly impacted by the farm-down of Walney Extension and Borkum Riffgrund 2 at the end of 2017.

Credit metric (FFO/adjusted net debt)

The funds from operations (FFO)/adjusted net debt credit metric was 44% at the end of June 2018 against 32% in the same period last year. The increase was due to a higher FFO over the 12-month period and lower adjusted net debt.

Non-financial results

Green share of heat and power generation

The green share of heat and power generation amounted to 71% in H1 2018, up 12%-points relative to the same period last year. The increase was due to a larger share of biomass-based generation as a result of the conversion of Skærbæk Power Station as well as increased generation from offshore wind farms.

Carbon emissions

Carbon emissions from our heat and power generation were 141g CO_2e/kWh in H1 2018 against 164g CO_2e/kWh in H1 2017. The carbon emissions per kWh decreased for the same reasons as mentioned above.

Safety

In H1 2018, we had 52 total recordable injuries (TRIs), divided between 30 contractor injuries and 22 own-employee injuries. This was a decrease of five injuries in total compared to the same period last year.

Over the last 12 months, the total recordable injury rate (TRIR) decreased from 6.5 in H1 2017 to 6.2 in H1 2018.

Key ratios, DKKm, %	H1 2018	H1 2017	%
ROCE[1]	23.5%	18.4%	5.1%p
Adjusted net debt	21,870	26,258	(17%)
FFO/adjusted net debt[1]	44%	32%	12%p

[1] See page 29 in the annual report for 2017 for definitions.

Wind Power

Operational highlights Q2 2018

- We were awarded 900MW in the Taiwanese grid allocation in April and a further 920MW in the Taiwanese auction in June.
- We were awarded the right to build Borkum Riffgrund West 1 and Gode Wind 4 with 420MW and 132MW capacity, respectively, in the second transitional German auction.
- We commissioned Walney Extension in May, well ahead of schedule.
- We installed the first turbines at German Borkum Riffgrund 2 in May and achieved first power in August.
- We installed all three offshore substations and the world's first offshore Reactive Compensation Station (RCS) at Hornsea 1.
- We took final investment decision on phase II of the Formosa 2 project in Taiwan.

Financial results Q2 2018

Power generation was in line with the same period last year. The positive effect from ramp-up of generation from Race Bank and Walney Extension was offset by lower wind speed throughout our portfolio in Q2 2018 compared to Q2 2017.

Revenue totalled DKK 7.5 billion, i.e. 21% higher than in Q2 2017. Revenue from wind farms in operation increased by 10% due to an increase in the UK power price compared to Q2 2017, partly offset by hedges. In addition, new subsidised wind farms in the UK contributed positively together with new O&M agreements. Revenue from construction agreements increased due to a high level of activity at both Walney Extension and Borkum Riffgrund 2 in Q2 2018.

EBITDA was DKK 1.1 billion lower than in Q2 2017 and amounted to DKK 3.1 billion. The decrease was expected and was mainly due to lower income from partnerships as we in Q2 2017 recognised a milestone-linked deferred gain of DKK 1.4 billion related to the farm-down of Race Bank late 2016.

EBITDA from wind farms in operation increased by DKK 0.1 billion to DKK 1.8 billion. This was mainly due to ramp-up of Walney Extension and Race Bank, partly offset by lower wind speeds compared to Q2 2017.

Cash flow from operating activities totalled DKK 1.0 billion in Q2 2018. The DKK 1.2 billion increase was due to less funds tied up in work in progress, higher EBITDA (when adjusting for divestment gains) and less receivables due to low generation in June 2018 caused by lower wind speeds.

Gross investments amounted to DKK 2.5 billion in Q2 2018. The largest investments related to the construction of Borkum Riffgrund 2 and Hornsea 1.

Financial results H1 2018

Power generation increased by 23% relative to H1 2017, primarily due to the ramp-up of generation from Race Bank, Walney Extension and to some extent Burbo Bank Extension. We commissioned Burbo Bank Extension in May 2017 and Race Bank in January 2018. Walney Extension started supplying power in October 2017 and was

Financial results		Q2 2018	Q2 2017	%	H1 2018	H1 2017	%
Business drivers							
Decided (FID'ed) capacity, offshore wind	GW	8.9	7.5	19%	8.9	7.5	19%
Installed capacity, offshore wind	GW	5.1	3.8	34%	5.1	3.8	34%
Generation capacity, offshore wind	GW	2.8	2.2	27%	2.8	2.2	27%
Wind speed	m/s	7.9	8.5	(7%)	9.1	9.2	(1%)
Load factor	%	31	38	(7%p)	42	44	(2%p)
Availability	%	93	93	0%p	94	93	1%p
Power generation	TWh	1.8	1.8	0%	4.8	3.9	23%
Denmark		0.5	0.5	0%	1.1	1.2	(8%)
United Kingdom		0.9	0.9	0%	2.9	1.9	53%
Germany		0.4	0.4	0%	0.8	0.8	0%
Power price, LEBA UK	GBP/MWh	60.4	40.6	49%	60.5	44.3	37%
British pound	DKK/GBP	8.5	8.7	(2%)	8.5	8.7	(3%)
Financial performance							
Revenue	DKKm	7,528	6,203	21%	14,546	10,881	34%
Sites, O&Ms and PPAs		2,632	2,390	10%	6,637	5,190	28%
Construction agreements*		4,960	3,718	33%	7,882	5,490	44%
Other incl. A2SEA		(64)	95	n.a.	27	201	(87%)
EBITDA	DKKm	3,090	4,191	(26%)	7,046	6,330	11%
Sites, O&Ms and PPAs		1,767	1,637	8%	5,000	3,782	32%
Construction agreements and divestment gains		1,619	2,819	(43%)	2,701	3,130	(14%)
Other incl. A2SEA and project development		(296)	(265)	12%	(655)	(582)	13%
Depreciation	DKKm	(1,098)	(1,154)	(5%)	(2,117)	(2,060)	3%
EBIT	DKKm	1,992	3,037	(34%)	4,929	4,270	15%
Cash flow from operating activities	DKKm	1,012	(138)	n.a.	1,687	312	441%
Gross investments	DKKm	(2,458)	(3,875)	(37%)	(4,162)	(5,868)	(29%)
Divestments	DKKm	(29)	127	n.a.	787	89	784%
Free cash flow	DKKm	(1,475)	(3,886)	(62%)	(1,688)	(5,467)	(69%)
Capital employed	DKKm	63,158	62,333	1%	63,158	62,333	1%
ROCE[1]	%	26.5	17.0	9.5%p	26.5	17.0	9.5%p

*) From 2018, the timing of recognition of revenue from construction of transmission assets has changed due to the implementation of IFRS 15, cf. note 1 to the consolidated financial statements. The implementation has no impact on EBITDA.

[1] EBIT (last 12 months)/average capital employed

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

Wind Power continued

fully commissioned in May 2018.

Wind speeds were 1% lower than last year and amounted to an average of 9.1m/s. This was slightly below a normal wind year. Availability was 94%, 1% point higher than the same period last year.

Revenue from offshore wind farms in operation increased by 28% due to the above-mentioned ramp-up from new offshore wind farms.

Revenue from construction agreements increased by DKK 2.4 billion due to high activity on construction of offshore wind farms for partners.

EBITDA from sites, O&Ms and PPAs amounted to DKK 5.0 billion, up DKK 1.2 billion on H1 2017. Ramp-up of Walney Extension, Race Bank and to some extent Burbo Bank Extension contributed positively to the higher earnings, whereas the marginally lower wind speeds contributed negatively.

EBITDA from partnership agreements was DKK 0.4 billion lower than the same period last year, amounting to DKK 2.7 billion in H1 2018. A high level of activity related to the construction of Walney Extension and Borkum Riffgrund 2 for partners contributed positively in H1 2018, whereas H1 2017 was positively affected by construction progress on Race Bank and completion of Burbo Bank Extension and Gode Wind 1 & 2, as well as the mentioned recognition of a deferred farm-down gain on Race Bank.

Depreciation increased by 3% due to the commissioning of new offshore wind farms in the UK.

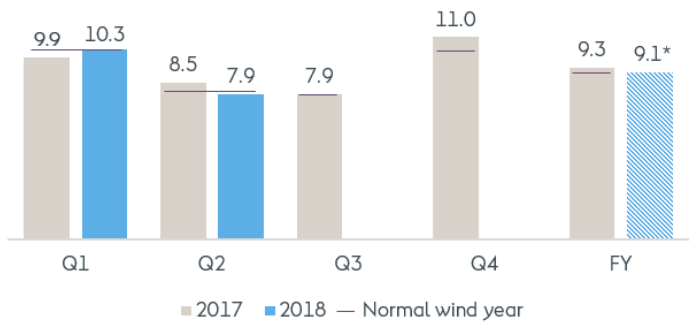
Cash flow from operating activities amounted to DKK 1.7 billion in H1 2018, up DKK 1.4 billion on H1 2017. The net increase was due to the higher EBITDA, lower funds tied up in work in progress due to higher milestone payments on ongoing projects and a VAT refund. This was partly offset by the previously mentioned early on-account tax payment for 2018 and payment of residual taxes regarding 2017.

Gross investments amounted to DKK 4.2 billion in H1 2018. The largest investments related to the construction of Walney Extension, Hornsea 1 and Borkum Riffgrund 2.

Cash flow from divestments in H1 2018 related to the receipt of deferred proceeds from the farm-down of 50% of Walney Extension in late 2017. There were no new divestments in H1 2018.

ROCE (last 12 months) increased by 10% points to 27% and was particularly impacted by gains from the farm-downs of 50% of Walney Extension and Borkum Riffgrund 2 in Q4 2017.

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



*Indicates m/s for full year 2018 (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 offshore wind farms. The weighting is based on our generation capacity.

Bioenergy & Thermal Power

Operational highlights Q2 2018

- Together with our partner, Bigadan, we commissioned a new biogas plant in Kalundborg. The plant will convert residues from Novo Nordisk and Novozymes into bio-natural gas and fertiliser.
- We entered into an agreement to divest our 50% ownership share in the Dutch gas-fired power plant Enecogen.
- Commissioning of our Renescience plant in the UK has been postponed to H1 2019 due to mechanical challenges.

Financial results Q2 2018

Revenue decreased by DKK 0.2 billion to DKK 0.9 billion in Q2 2018. Heat generation decreased by 31% because of the warm weather in Q2 2018, but heat revenue only decreased by 2% due to the new heat contracts for Skærbæk Power Station. Power revenue decreased by 27%, driven by a 40% decrease in generation, also mainly due to the warm weather, partly offset by higher power prices.

EBITDA was DKK 0.1 billion higher than the same period last year and amounted to DKK -0.1 billion. The increase was due to higher spreads in our power business. This led to an increase of DKK 0.1 billion despite revenue being well below Q2 2017.

Cash flow from operating activities increased by DKK 0.4 billion to DKK 0.1 billion. The increase was due to the higher EBITDA and a positive effect from receivables due to high generation in Q1 2018 leading to high receivables at the end of March, whereas the lower generation in Q2 2018 led to lower receivables at the end of June 2018.

Financial results H1 2018

Revenue increased by DKK 0.5 billion to DKK 3.8 billion in H1 2018.

Revenue from heat sales increased by 22% on a 4% increase in heat generation. This was due to colder weather in Q1 2018, only partly offset by the warm weather in Q2 2018. The new heat contracts for Skærbæk Power Station where heat is generated from biomass also contributed to the increase. Revenue from power and ancillary services increased by 7% to DKK 2.0 billion, driven by a 28% increase in power prices compared to last year.

EBITDA increased by DKK 0.3 billion and amounted to DKK 0.4 billion in H1 2018. The increase was due to higher spreads in H1 2018 as well as the bioconversion of Skærbæk Power Station, which was inaugurated in Q4 2017.

EBITDA from ancillary services was DKK 0.1 billion higher than in H1 2017.

Cash flow from operating activities amounted to DKK 0.7 billion and was DKK 0.4 billion higher than the same period last year. The increase was due to the higher EBITDA in H1 2018, settlement of early intra-group on-account taxes for 2018 and residual taxes regarding 2017 and VAT. This was partly offset by higher trade receivables and lower prepayments from heat customers in connection with biomass conversions.

Financial results		Q2 2018	Q2 2017	%	H1 2018	H1 2017	%
Business drivers							
Degree days	Number	149	451	(67%)	1,566	1,695	(8%)
Heat generation	TWh	0.9	1.3	(31%)	5.7	5.5	4%
Power generation	TWh	0.9	1.5	(40%)	4.2	4.7	(11%)
Power price, DK	EUR/MWh	39.8	28.7	39%	38.3	29.9	28%
Green dark spread, DK	EUR/MWh	0.4	(1.1)	n.a.	1.3	(1.4)	n.a.
Green spark spread, DK	EUR/MWh	(7.6)	(4.9)	55%	(7.7)	(6.9)	12%
Financial results							
Revenue	DKKm	882	1,053	(16%)	3,767	3,300	14%
Heat		438	445	(2%)	1,810	1,479	22%
Power, including ancillary services		444	608	(27%)	1,957	1,821	7%
EBITDA	DKKm	(71)	(153)	(54%)	368	54	581%
Heat		119	133	(11%)	449	376	19%
Ancillary services		90	56	61%	193	134	44%
Power		(280)	(342)	(18%)	(274)	(456)	(40%)
Depreciation	DKKm	(162)	(166)	(2%)	(324)	(327)	(1%)
EBIT	DKKm	(233)	(319)	(27%)	44	(273)	n.a.
Cash flow from operating activities	DKKm	71	(343)	n.a.	678	236	187%
Gross investments	DKKm	(354)	(247)	43%	(559)	(621)	(10%)
Divestments	DKKm	(21)	15	n.a.	(22)	40	n.a.
Free cash flow	DKKm	(304)	(575)	(47%)	97	(345)	n.a.
Capital employed	DKKm	2,482	2,425	2%	2,482	2,425	2%
ROCE[1]	%	(9.0)	(28.9)	19.9%p	(9.0)	(28.9)	19.9%p

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

Gross investments amounted to DKK 0.6 billion in H1 2018. The largest investments related to the bioconversion of Asnæs Power Station.

Distribution & Customer Solutions

Operational highlights Q2 2018

- We initiated a process to divest our Danish power distribution business, residential customer business and city light business.
- At the end of June, the customers in our power distribution company Radius had taken 428,000 smart meters in use.
- We signed three 'Energy as a Service' contracts, where we will help our customers get a cleaner and more efficient energy system.

Financial results Q2 2018

Revenue was up 22% and amounted to DKK 11.9 billion in Q2 2018. This increase was driven primarily by an average increase in gas and UK power prices of 35% and 28%, respectively, relative to Q2 2017. In addition, gas volumes sold were higher than in Q2 2017.

EBITDA totalled DKK 0.1 billion, which was DKK 0.4 billion lower than in Q2 2017. The lower EBITDA was mainly due to a number of settlement and trading gains in Q2 2017, including non-repeated earnings from trading of our financial energy exposures related to the now divested upstream oil and gas business. Also, we achieved lower margins in our gas businesses within Markets and LNG.

Cash flow from operating activities amounted to DKK 2.2 billion in Q2 2018, i.e. DKK 4.0 billion higher than in Q2 2017. The increase was due to a cash outflow from settlement of intra-group hedges related to the now divested upstream oil and gas business in Q2 2017 and higher cash inflow from ROC factoring in Q2 2018 due to ramp-up of generation from Race Bank. In addition, there was a positive effect from lower receivables in Q2 2018, whereas we increased our receivables in Q2 2017.

Financial results H1 2018

Revenue was up 15%, reaching DKK 24.6 billion in H1 2018, primarily driven by an average increase in gas and UK power prices of 24% and 17%, respectively, relative to H1 2017. Additionally, gas volumes sold were higher than in H1 2017.

EBITDA amounted to DKK 1.3 billion in H1 2018 and was thus DKK 0.4 billion lower than the year before. This was expected and due to extraordinarily high earnings in H1 2017.

EBITDA from Markets was down DKK 0.2 billion and amounted to DKK 0.8 billion. In addition to the negative year-on-year impacts in H1 2018, we had extraordinarily high earnings from trading our financial energy exposures in H1 2017. This was partly offset by a one-off compensation awarded following the completion of an arbitration relating to a gas purchase contract in H1 2018.

EBITDA from LNG decreased by DKK 0.2 billion to DKK -0.1 billion as a result of lower margins and a settlement gain in H1 2017.

Cash flows from operating activities amounted to DKK 2.1 billion in H1 2018. The increase of DKK 2.4 billion was primarily due to settlement of intra-group hedges related to the now divested upstream oil and gas business having a negative effect in Q2 2017, less funds tied up in clearing accounts toward trading partners, and lower gas inventory. This was

Financial results		Q2 2018	Q2 2017	%	H1 2018	H1 2017	%
Business drivers							
Regulatory asset base (power)	DKKm	10,957	10,623	3%	10,957	10,623	3%
Degree days	Number	149	451	(67%)	1,566	1,695	(8%)
Gas sales	TWh	34.1	28.3	21%	76.7	69.8	10%
Sales		8.4	8.3	1%	21.6	22.3	(3%)
Markets (excl. volumes to Sales)		25.7	20.0	29%	55.0	47.5	16%
Power sales	TWh	6.8	8.8	(23%)	18.3	19.0	(4%)
Sales		3.5	3.0	17%	7.5	5.7	32%
Markets (excl. volumes to Sales)		3.3	5.8	(43%)	10.7	13.3	(20%)
Power distribution	TWh	1.9	2.0	(5%)	4.3	4.3	0%
Gas price, TTF	EUR/MWh	21.0	15.6	35%	21.0	17.0	24%
Oil price, Brent	USD/boe	74.4	49.8	49%	70.6	51.8	36%
US dollar	DKK/USD	6.3	6.8	(8%)	6.2	6.9	(11%)
British pound	DKK/GBP	8.5	8.7	(2%)	8.5	8.7	(3%)
Financial results							
Revenue	DKKm	11,918	9,733	22%	24,577	21,358	15%
EBITDA	DKKm	122	516	(76%)	1,336	1,701	(21%)
Distribution		251	265	(5%)	683	733	(7%)
Sales		(14)	(26)	(46%)	(9)	(4)	125%
Markets		(8)	311	n.a.	786	942	(17%)
LNG		(107)	(34)	215%	(124)	30	n.a.
Depreciation	DKKm	(189)	(211)	(10%)	(380)	(432)	(12%)
EBIT	DKKm	(67)	305	n.a.	956	1,269	(25%)
Cash flow from operating activities	DKKm	2,217	(1,820)	n.a.	2,127	(244)	n.a.
Gross investments	DKKm	(286)	(159)	80%	(441)	(294)	50%
Divestments	DKKm	35	25	40%	48	73	(34%)
Free cash flow	DKKm	1,966	(1,954)	n.a.	1,734	(465)	n.a.
Capital employed	DKKm	9,755	9,190	6%	9,755	9,190	6%
ROCE[1]	%	8.8	41.0	(32.2%p)	8.8	41.0	(32.2%p)

[1]) EBIT (last 12 months)/average capital employed

Distribution & Customer Solutions continued

partly offset by the lower EBITDA and more funds tied up in ROC inventory due to higher power generation in Wind Power.

Gross investments totalled DKK 0.4 billion in H1 2018, relating mainly to maintenance of the power distribution grid and the installation of new smart meters.

ROCE (last 12 months) decreased by 32%-points to 9%. The period ending in H1 2017 was positively impacted by one-off compensations as a result of renegotiation of gas purchase contracts.

Performance highlights

Income statement (Business performance), DKKm	H1 2018	H1 2017	Q2 2018	Q2 2017	2017
Revenue	38,401	32,037	18,593	15,540	59,504
EBITDA	8,598	7,730	3,079	4,442	22,519
Wind Power	7,046	6,330	3,090	4,191	20,595
Bioenergy & Thermal Power	368	54	(71)	(153)	152
Distribution & Customer Solutions	1,336	1,701	122	516	2,082
Other activities	(152)	(355)	(62)	(112)	(310)
Depreciation and amortisation	(2,844)	(2,837)	(1,462)	(1,541)	(5,739)
Impairment losses	-	-	-	-	(545)
Operating profit (loss) (EBIT)	5,754	4,893	1,617	2,901	16,235
Gain (loss) on divestment of enterprises	(26)	(17)	(16)	(6)	(139)
Net financial income and expenses	(799)	(415)	(504)	(81)	(1,042)
Share of profit (loss) from associates and joint ventures	2	(45)	4	(2)	(10)
Profit (loss) before tax	4,931	4,416	1,101	2,812	15,044
Tax	(1,023)	(696)	(225)	(306)	(1,765)
Profit (loss) for the period from continuing operations	3,908	3,720	876	2,506	13,279
Profit (loss) for the period from discontinued operations	(11)	3,910	(19)	2,484	6,920
Profit (loss) for the period	3,897	7,630	857	4,990	20,199
Balance sheet					
Assets	149,149	133,550	149,149	133,550	146,521
Equity	69,744	62,160	69,744	62,160	71,837
Shareholders in Ørsted A/S	52,884	43,990	52,884	43,990	54,791
Non-controlling interests	3,621	4,922	3,621	4,922	3,807
Hybrid capital	13,239	13,248	13,239	13,248	13,239
Interest-bearing net debt	4,603	10,332	4,603	10,332	(1,517)
Capital employed	74,347	72,491	74,347	72,491	70,320
Additions to property, plant, and equipment	6,919	8,090	3,137	5,475	20,022
Cash flow					
Cash flow from operating activities	2,895	(960)	3,293	(1,848)	1,023
Gross investments	(5,180)	(6,789)	(3,109)	(4,287)	(17,744)
Divestments	821	225	(14)	160	16,982
Free cash flow	(1,464)	(7,524)	170	(5,975)	261
Financial ratios					
Return on capital employed (ROCE)[1,5], %	23.5	18.4	23.5	18.4	25.2
FFO/adjusted net debt[2,5], %	44.3	32.0	44.3	32.0	50.3
Number of outstanding shares, end of period, '000	420,155	420,155	420,155	420,155	420,155
Share price, end of period, DKK	386.0	293.9	386.0	293.9	338.7
Market capitalisation, end of period, DKK billion	162.3	123.5	162.3	123.5	142.3
Earnings per share (EPS) (BP), DKK	8.6	17.6	1.4	11.2	46.4
Income statement (IFRS)					
Revenue	36,557	33,351	16,859	15,925	59,709
EBITDA	7,010	8,620	1,725	4,777	22,574
Profit (loss) for the period from continuing operations	2,669	4,414	(180)	2,765	13,321

Business drivers	H1 2018	H1 2017	Q2 2018	Q2 2017	2017
Wind Power					
Decided (FID'ed) capacity[3], offshore wind, GW	8.9	7.5	8.9	7.5	8.9
Installed capacity, offshore wind, GW	5.1	3.8	5.1	3.8	3.9
Generation capacity, offshore wind, GW	2.8	2.2	2.8	2.2	2.5
Wind speed[3], m/s	9.1	9.2	7.9	8.5	9.3
Load factor[3], %	42	44	31	38	44
Availability[3], %	94	93	93	93	93
Power generation, TWh	4.8	3.9	1.8	1.8	8.5
Bioenergy & Thermal Power					
Degree days[3], number	1,566	1,695	149	451	2,705
Heat generation, TWh	5.7	5.5	0.9	1.3	9.0
Power generation, TWh	4.2	4.7	0.9	1.5	8.2
Distribution & Customer Solutions					
Regulatory value of power distribution assets[4]	10,957	10,623	10,957	10,623	10,623
Power distribution, TWh	4.3	4.3	1.9	2.0	8.4
Power sales, TWh	18.3	19.0	6.8	8.8	37.7
Gas sales, TWh	76.7	69.8	34.1	28.3	136.1
People and environment					
Employees (FTE), end of period number	5,741	5,802	5,741	5,802	5,638
Total recordable injury rate (TRIR)[5]	6.2	7.4	6.2	6.5	6.4
Fatalities, number	0	0	0	0	0
Green share of heat and power generation, %	71	59	80	64	64
Carbon emissions, g/kWh	141	164	123	150	151

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, and decommissioning obligations less deferred tax.
[3] See definition on page 172 and note 9 in the annual report for 2017.
[4] The figures indicate values from the latest regulatory financial statements (updated in June).
[5] Last 12 months.

Quarterly overview

Income statement (Business performance), DKKm	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016
Revenue	18,593	19,808	15,598	11,869	15,540	16,497	15,678	13,114
EBITDA	3,079	5,519	13,032	1,757	4,442	3,288	6,310	3,099
Wind Power	3,090	3,956	12,591	1,674	4,191	2,139	5,054	1,643
Bioenergy & Thermal Power	(71)	439	240	(142)	(153)	207	115	(128)
Distribution & Customer Solutions	122	1,214	179	202	516	1,185	1,243	1,507
Other activities	(62)	(90)	22	23	(112)	(243)	(102)	77
Depreciation and amortisation	(1,462)	(1,382)	(1,517)	(1,385)	(1,541)	(1,296)	(1,602)	(1,239)
Impairment losses	-	-	(545)	-	-	-	-	-
Operating profit (loss) (EBIT)	1,617	4,137	10,970	372	2,901	1,992	4,708	1,860
Gain (loss) on divestment of enterprises	(16)	(10)	(14)	(108)	(6)	(11)	(80)	1,314
Net financial income and expenses	(504)	(294)	(649)	22	(81)	(334)	(352)	(114)
Share of profit (loss) from associates and joint ventures	4	(2)	42	(7)	(2)	(43)	(3)	(4)
Profit (loss) before tax	1,101	3,830	10,349	279	2,812	1,604	4,273	3,056
Tax	(225)	(798)	(999)	(70)	(306)	(390)	(285)	(536)
Profit (loss) for the period from continuing operations	876	3,032	9,350	209	2,506	1,214	3,988	2,520
Profit (loss) for the period from discontinued operations	(19)	8	79	2,931	2,484	1,426	(473)	811
Profit (loss) for the period	857	3,040	9,429	3,140	4,990	2,640	3,515	3,331
Balance sheet								
Assets	149,149	147,739	146,521	126,190	133,550	132,030	136,489	141,197
Equity	69,744	70,823	71,837	64,203	62,160	58,112	57,500	57,517
Shareholders in Ørsted A/S	52,884	53,861	54,791	47,050	43,990	39,828	39,106	39,029
Non-controlling interests	3,621	3,723	3,807	3,905	4,922	5,036	5,146	5,240
Hybrid capital	13,239	13,239	13,239	13,248	13,248	13,248	13,248	13,248
Interest-bearing net debt	4,603	4,331	(1,517)	10,260	10,332	6,523	3,461	5,942
Capital employed	74,347	75,154	70,320	74,462	72,491	64,635	60,961	63,459
Additions to property, plant, equipment	3,137	3,782	7,137	4,795	5,475	2,615	4,378	5,168
Cash flow								
Cash flow from operating activities	3,293	(398)	3,078	(1,095)	(1,848)	888	1,752	(56)
Gross investments	(3,109)	(2,071)	(5,805)	(5,150)	(4,287)	(2,502)	(4,732)	(4,658)
Divestments	(14)	835	14,875	1,882	160	65	5,013	2,140
Free cash flow	170	(1,634)	12,148	(4,363)	(5,975)	(1,549)	2,033	(2,574)
Financial ratios								
Return on capital employed (ROCE)[1], %	23.5	26.7	25.2	15.0	18.4	17.4	24.4	14.6
FFO/adjusted net debt[2,5], %	44.3	45.6	50.3	26.5	32.0	34.2	64.2	53.6
Number of outstanding shares, end of period, '000	420,155	420,155	420,155	420,381	420,381	420,381	420,381	420,381
Share price, end of period, DKK	386.0	392.0	338.7	360.4	293.9	268.9	267.6	275.0
Market capitalisation, end of period, DKK billion	162.3	164.7	142.3	151.5	123.5	113.0	112.5	115.6
Earnings per share (EPS) (BP), DKK	1.4	7.2	21.7	7.1	11.2	6.4	8.2	7.7
Income statement (IFRS)								
Revenue	16,859	19,698	14,711	11,647	15,925	17,426	13,396	13,199
EBITDA	1,725	5,285	12,311	1,643	4,777	3,843	4,572	3,223
Profit (loss) for the period from continuing operations	(180)	2,849	8,787	120	2,765	1,649	2,632	2,615

Business drivers	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016
Wind Power								
Decided (FID'ed) capacity[3], offshore wind, GW	8.9	8.9	8.9	8.9	7.5	7.4	7.4	7.4
Installed capacity, offshore wind, GW	5.1	4.4	3.9	3.8	3.8	3.6	3.6	3.0
Generation capacity, offshore wind, GW	2.8	2.7	2.5	2.3	2.2	2.1	2.0	1.8
Wind speed, m/s	7.9	10.3	11.0	7.9	8.5	9.9	9.4	8.1
Load factor[3], %	31	55	54	34	38	50	49	35
Availability[3], %	93	94	92	92	93	93	94	92
Power generation, TWh	1.8	3.0	2.9	1.7	1.8	2.1	1.8	1.3
Bioenergy & Thermal Power								
Degree days[3], number	149	1,417	895	115	451	1,244	962	54
Heat generation, TWh	0.9	4.8	2.8	0.7	1.3	4.2	3.1	0.4
Power generation, TWh	0.9	3.3	2.3	1.2	1.5	3.2	3.0	1.3
Distribution & Customer Solutions								
Regulatory value of power distribution assets[4]	10,957	10,623	10,623	10,623	10,623	10,648	10,648	10,648
Power distribution, TWh	1.9	2.4	2.2	1.9	2.0	2.3	2.3	1.9
Power sales, TWh	6.8	11.5	10.6	8.2	8.8	10.1	9.2	8.3
Gas sales, TWh	34.1	42.5	36.9	29.4	28.3	41.5	36.1	37.1
People and environment								
Employees (FTE) end of period, number	5,741	5,662	5,638	5,641	5,802	5,787	5,775	5,890
Total recordable injury rate (TRIR)[5]	6.2	6.7	6.4	6.7	6.5	6.4	6.8	7.4
Fatalities, number	0	0	0	0	0	0	0	0
Green share of heat and power generation	80	68	76	60	64	56	56	47
Carbon emissions, g CO_2e/kWh	123	147	106	203	150	170	183	329

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, and decommissioning obligations less deferred tax.

3) See definition on page 172 and note 9 in the annual report for 2017.

4) The figures indicate values from the latest regulatory financial statements (updated in June)

5) Last 12 months.

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Income statement

1 January - 30 June

Note	Income statement, DKKm	H1 2018 Business performance	H1 2018 Adjustments	H1 2018 IFRS	H1 2017 Business performance	H1 2017 Adjustments	H1 2017 IFRS
4	Revenue	38,401	(1,844)	36,557	32,037	1,314	33,351
	Cost of sales	(26,232)	256	(25,976)	(22,166)	(424)	(22,590)
	Other external expenses	(2,362)	-	(2,362)	(2,074)	-	(2,074)
	Employee costs	(1,568)	-	(1,568)	(1,595)	-	(1,595)
	Share of profit (loss) in associates and joint ventures	3	-	3	1	-	1
5	Other operating income	503	-	503	1,585	-	1,585
5	Other operating expenses	(147)	-	(147)	(58)	-	(58)
	Operating profit (loss) before depreciation, amortisation and impairment losses (EBITDA)	**8,598**	**(1,588)**	**7,010**	**7,730**	**890**	**8,620**
	Amortisation, depreciation and impairment losses on intangible assets and property, plant and equipment	(2,844)	-	(2,844)	(2,837)	-	(2,837)
	Operating profit (loss) (EBIT)	**5,754**	**(1,588)**	**4,166**	**4,893**	**890**	**5,783**
	Gain on divestment of enterprises	(26)	-	(26)	(17)	-	(17)
	Share of profit (loss) in associates and joint ventures	2	-	2	(45)	-	(45)
9	Financial income	1,426	-	1,426	1,392	-	1,392
9	Financial expenses	(2,225)	-	(2,225)	(1,807)	-	(1,807)
	Profit (loss) before tax	**4,931**	**(1,588)**	**3,343**	**4,416**	**890**	**5,306**
	Tax on profit (loss) for the period	(1,023)	349	(674)	(696)	(196)	(892)
	Profit (loss) for the period from continuing operations	**3,908**	**(1,239)**	**2,669**	**3,720**	**694**	**4,414**
8	**Profit (loss) for the period from discontinued operations**	**(11)**	**-**	**(11)**	**3,910**	**(594)**	**3,316**
	Profit (loss) for the period	**3,897**	**(1,239)**	**2,658**	**7,630**	**100**	**7,730**
	Profit (loss) for the period is attributable to:						
	Shareholders of Ørsted A/S	3,613	(1,239)	2,374	7,387	100	7,487
	Interests and costs after tax, hybrid capital owners of Ørsted A/S	255		255	255		255
	Non-controlling interests	29		29	(12)		(12)
	Profit (loss) per share, DKK:						
	From continuing operations	8.6		5.7	8.3		9.9
	From discontinued operations	-		-	9.3		7.9
	Total profit (loss) per share	**8.6**		**5.7**	**17.6**		**17.8**

Profit (loss) per share
The dilutive effect is less than 0.1%, and consequently ordinary and diluted profit (loss) per share are identical.

Profit (loss) for the period for our continuing operations
Our former Oil & Gas business is presented as discontinued operations.

Effective tax rate
The estimated average annual tax rate for operating activities is 21% compared to 26% for the full year 2017.

Accounting policies

Business performance
The business performance principle is our alternative performance measure. According to IFRS, market value adjustments of energy contracts and related currency risk (including hedging) are recognised on an ongoing basis in the profit (loss) for the period, whereas under the business performance principle, they are deferred and recognised in the period in which the hedged exposure materialises. The difference between IFRS and business performance is specified in the 'Adjustments' column. Read more about the business performance principle in note 2 as well as note 1.1 in the annual report 2017.

Effective tax rate
The estimated average annual tax rate is separated based on regions and into two different categories: a) ordinary business income and b) gain (loss) on divestments.

Statement of comprehensive income

1 January - 30 June

Statement of comprehensive income, DKKm	H1 2018 Business performance	H1 2018 Adjustments	H1 2018 IFRS	H1 2017 Business performance	H1 2017 Adjustments	H1 2017 IFRS
Profit (loss) for the period	**3,897**	**(1,239)**	**2,658**	**7,630**	**100**	**7,730**
Other comprehensive income:						
Cash-flow hedging:						
Value adjustments for the period	(2,303)	1,689	(614)	1,303	(761)	542
Value adjustments transferred to income statement	(131)	(101)	(232)	(610)	633	23
Exchange rate adjustments:						
Exchange rate adjustments relating to net investment in foreign enterprises	126	-	126	(1,021)	-	(1,021)
Value adjustment of net investment hedges	78	-	78	416	-	416
Tax:						
Tax on hedging instruments	505	(349)	156	(143)	28	(115)
Tax on exchange rate adjustments	(17)	-	(17)	39	-	39
Other comprehensive income	**(1,742)**	**1,239**	**(503)**	**(16)**	**(100)**	**(116)**
Total comprehensive income	**2,155**	**-**	**2,155**	**7,614**	**-**	**7,614**
Comprehensive income for the period is attributable to:						
Shareholders in Ørsted A/S			1,854			7,399
Interest payments and costs after tax, hybrid capital owners of Ørsted A/S			255			255
Non-controlling interests			46			(40)
Total comprehensive income			**2,155**			**7,614**

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 2018 Business performance	Q2 2018 Adjustments	Q2 2018 IFRS	Q2 2017 Business performance	Q2 2017 Adjustments	Q2 2017 IFRS
4	Revenue	18,593	(1,734)	16,859	15,540	385	15,925
	Cost of sales	(13,642)	380	(13,262)	(10,579)	(50)	(10,629)
	Other external expenses	(1,267)	-	(1,267)	(1,081)	-	(1,081)
	Employee costs	(806)	-	(806)	(828)	-	(828)
	Share of profit (loss) in associates and joint ventures	2	-	2	(9)	-	(9)
5	Other operating income	303	-	303	1,431	-	1,431
5	Other operating expenses	(104)	-	(104)	(32)	-	(32)
	Operating profit (loss) before depreciation, amortisation and impairment losses (EBITDA)	**3,079**	**(1,354)**	**1,725**	**4,442**	**335**	**4,777**
	Amortisation, depreciation and impairment losses on intangible assets and property, plant and equipment	(1,462)	-	(1,462)	(1,541)	-	(1,541)
	Operating profit (loss) (EBIT)	**1,617**	**(1,354)**	**263**	**2,901**	**335**	**3,236**
	Gain on divestment of enterprises	(16)	-	(16)	(6)	-	(6)
	Share of profit (loss) in associates and joint ventures	4	-	4	(2)	-	(2)
9	Financial income	73	-	73	663	-	663
9	Financial expenses	(577)	-	(577)	(744)	-	(744)
	Profit (loss) before tax	**1,101**	**(1,354)**	**(253)**	**2,812**	**335**	**3,147**
	Tax on profit (loss) for the period	(225)	298	73	(306)	(76)	(382)
	Profit (loss) for the period from continuing operations	**876**	**(1,056)**	**(180)**	**2,506**	**259**	**2,765**
9	**Profit (loss) for the period from discontinued operations**	**(19)**	**-**	**(19)**	**2,484**	**(673)**	**1,811**
	Profit (loss) for the period	**857**	**(1,056)**	**(199)**	**4,990**	**(414)**	**4,576**
	Profit (loss) for the period is attributable to:						
	Shareholders in Ørsted A/S	564	(1,056)	(492)	4,711	(414)	4,297
	Interests and costs after tax, hybrid capital owners of Ørsted A/S	290	-	290	290	-	290
	Non-controlling interests	3	-	3	(11)	-	(11)
	Profit (loss) per share, DKK:						
	From continuing operations	1.4		(1.1)	5.3		5.9
	From discontinued operations	-		-	5.9		4.3
	Total profit (loss) per share	**1.4**		**(1.1)**	**11.2**		**10.2**

Profit (loss) per share
The dilutive effect is less than 0.1%, and consequently ordinary and diluted profit (loss) per share are identical.

Profit (loss) for the period for our continuing operations
Our former Oil & Gas business is presented as discontinued operations.

Effective tax rate
The estimated average annual tax rate for operating activities is 21% compared to 26% for the full year 2017.

Accounting policies

Business performance
The business performance principle is our alternative performance measure. According to IFRS, market value adjustments of energy contracts and related currency risk (including hedging) are recognised on an ongoing basis in the profit (loss) for the period, whereas under the business performance principle, they are deferred and recognised in the period in which the hedged exposure materialises. The difference between IFRS and business performance is specified in the 'Adjustments' column. Read more about the business performance principle in note 2 as well as note 1.1 in the annual report 2017.

Effective tax rate
The estimated average annual tax rate is separated based on regions and into two different categories: a) ordinary business income and b) gain (loss) on divestments.

Statement of comprehensive income

1 April - 30 June

Statement of comprehensive income, DKKm	Q2 2018 Business performance	Q2 2018 Adjustments	Q2 2018 IFRS	Q2 2017 Business performance	Q2 2017 Adjustments	Q2 2017 IFRS
Profit (loss) for the period	**857**	**(1,056)**	**(199)**	**4,990**	**(414)**	**4,576**
Other comprehensive income:						
Cash-flow hedging:						
Value adjustments for the period	(1,516)	1,411	(105)	635	73	708
Value adjustments transferred to income statement	(250)	(57)	(307)	(482)	456	(26)
Exchange rate adjustments:						
Exchange rate adjustments relating to net investment in foreign enterprises	(392)	-	(392)	(1,324)	-	(1,324)
Value adjustment of net investment hedges	161	-	161	538	-	538
Tax:						
Tax on hedging instruments	348	(298)	50	(25)	(115)	(140)
Tax on exchange rate adjustments	69	-	69	56	-	56
Other comprehensive income	**(1,580)**	**1,056**	**(524)**	**(602)**	**414**	**(188)**
Total comprehensive income	**(723)**	**-**	**(723)**	**4,388**	**-**	**4,388**
Comprehensive income for the period is attributable to:						
Shareholders in Ørsted A/S			(1,016)			4,158
Interest payments and costs after tax, hybrid capital owners of Ørsted A/S			290			290
Non-controlling interests			3			(60)
Total comprehensive income			**(723)**			**4,388**

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

Balance sheet

Note	Assets, DKKm	30 June 2018	31 December 2017	30 June 2017
	Intangible assets	**603**	**689**	**710**
	Land and buildings	1,540	1,501	1,516
	Production assets	62,537	60,603	56,615
	Fixtures and fittings, tools and equipment	379	413	425
	Property, plant and equipment under construction	16,012	13,328	17,800
	Property, plant and equipment	**80,468**	**75,845**	**76,356**
	Investments in associates and joint ventures	345	339	333
	Receivables from associates and joint ventures	64	48	36
	Other securities and equity investments	146	130	141
	Deferred tax	3,015	2,865	793
	Other receivables	2,024	1,955	529
	Other non-current assets	**5,594**	**5,337**	**1,832**
	Non-current assets	**86,665**	**81,871**	**78,898**
1	Inventories	14,364	3,853	2,393
12	Derivatives	5,451	4,870	5,651
	Contract assets	1,623	10,817	9,838
	Trade receivables	7,013	9,170	6,269
	Other receivables	2,347	3,519	3,454
	Income tax	1,330	296	244
12	Securities	24,854	25,280	10,627
	Cash	2,832	4,203	1,257
	Current assets	**59,814**	**62,008**	**39,733**
7	**Assets classified as held for sale**	**2,670**	**2,642**	**14,919**
	Assets	**149,149**	**146,521**	**133,550**

Note	Equity and liabilities, DKKm	30 June 2018	31 December 2017	30 June 2017
	Share capital	4,204	4,204	4,204
	Reserves	(2,044)	(1,524)	20,130
	Retained earnings	50,724	52,111	19,656
	Equity attributable to shareholders in Ørsted A/S	**52,884**	**54,791**	**43,990**
	Hybrid capital	13,239	13,239	13,248
	Non-controlling interests	3,621	3,807	4,922
	Equity	**69,744**	**71,837**	**62,160**
	Deferred tax	1,880	2,128	3,324
	Provisions	11,306	10,840	8,247
	Bond and bank debt	23,558	25,715	21,782
	Contract liabilities	5,482	-	-
	Other payables	316	5,714	6,824
	Non-current liabilities	**42,542**	**44,397**	**40,177**
	Provisions	561	680	621
	Bond and bank debt	9,839	3,921	1,894
12	Derivatives	7,160	4,374	2,347
	Contract liabilities	1,138	1,317	-
	Trade payables	13,208	11,499	10,543
	Other payables	4,023	6,368	4,165
	Income tax	304	1,498	370
	Current liabilities	**36,233**	**29,657**	**19,940**
	Liabilities	**78,775**	**74,054**	**60,117**
7	**Liabilities relating to assets classified as held for sale**	**630**	**630**	**11,273**
	Equity and liabilities	**149,149**	**146,521**	**133,550**

Contract assets and contract liabilities
The adoption of IFRS 15 has changed our presentation as we have introduced contract assets and contract liabilities. As we have implemented IFRS 15 after the modified retrospective method, we have not restated comparative figures. Our former 'Construction contracts' assets and liabilities are now classified as 'Contract assets' and 'Contract liabilities', respectively. Read more about the impact in note 1 'Basis of reporting'.

Assets classified as held for sale
Until the divestment on 29 September 2017, the Oil & Gas business was presented as 'assets classified as held for sale'. Remaining 'assets classified as held for sale' relate to our oil pipe system.

Statement of changes in equity

1 January - 30 June

	2018								2017							
DKKm	Share capital	Reserves*	Retained earnings	Proposed dividends	Share-holders in Ørsted A/S	Hybrid capital	Non-con-trolling interests	Total Group	Share capital	Reserves*	Retained earnings	Proposed dividends	Share-holders in Ørsted A/S	Hybrid capital	Non-con-trolling interests	Total Group
Equity at 1 January	4,204	(1,524)	48,328	3,783	54,791	13,239	3,807	71,837	4,204	20,218	12,162	2,522	39,106	13,248	5,146	57,500
Comprehensive income for the period:																
Profit (loss) for the period	-	-	2,374	-	2,374	255	29	2,658	-	-	7,487	-	7,487	255	(12)	7,730
Other comprehensive income:																
Cash flow hedging	-	(846)	-	-	(846)	-	-	(846)	-	565	-	-	565	-	-	565
Exchange rate adjustments	-	187	-	-	187	-	17	204	-	(577)	-	-	(577)	-	(28)	(605)
Tax on other comprehensive income	-	139	-	-	139	-	-	139	-	(76)	-	-	(76)	-	-	(76)
Total comprehensive income	**-**	**(520)**	**2,374**	**-**	**1,854**	**255**	**46**	**2,155**	**-**	**(88)**	**7,487**	**-**	**7,399**	**255**	**(40)**	**7,614**
Transactions with owners:																
Coupon payments, hybrid capital	-	-	-	-	-	(326)	-	(326)	-	-	-	-	-	(325)	-	(325)
Tax on coupon payments, hybrid capital	-	-	-	-	-	71	-	71	-	-	-	-	-	70	-	70
Dividends paid	-	-	2	(3,783)	(3,781)	-	(216)	(3,997)	-	-	-	(2,522)	(2,522)	-	(184)	(2,706)
Share-based payment	-	-	10	-	10	-	-	10	-	-	7	-	7	-	-	7
Other changes	-	-	10	-	10	-	(16)	(6)	-	-	-	-	-	-	-	-
Total transactions with owners	**-**	**-**	**22**	**(3,783)**	**(3,761)**	**(255)**	**(232)**	**(4,248)**	**-**	**-**	**7**	**(2,522)**	**(2,515)**	**(255)**	**(184)**	**(2,954)**
Equity at 30 June	**4,204**	**(2,044)**	**50,724**	**-**	**52,884**	**13,239**	**3,621**	**69,744**	**4,204**	**20,130**	**19,656**	**-**	**43,990**	**13,248**	**4,922**	**62,160**

* See note 10 'Reserves' for more information about reserves.

Statement of cash flows

Note	Statement of cash flows DKK million	H1 2018	H1 2017	Q2 2018	Q2 2017
	Operating profit (loss) before depreciation, amortisation and impairment losses (EBITDA), IFRS	7,010	8,620	1,725	4,777
2	Change in derivatives, business performance adjustments	1,588	(890)	1,354	(335)
	Change in derivatives, other adjustments	286	(1,302)	596	(1,181)
	Change in provisions	81	(313)	(144)	(211)
	Reversal of gain (loss) on divestment of assets	64	(1,419)	33	(1,381)
	Other items	(24)	122	29	22
	Changes in work in progress	(2,170)	(3,783)	(2,282)	(2,816)
	Changes in other working capital	(211)	(1,832)	2,486	(798)
	Interest received and similar items	1,713	1,910	510	1,097
	Interest paid and similar items	(2,353)	(2,082)	(1,009)	(1,019)
	Income tax paid	(3,089)	9	(5)	(3)
	Cash flows from operating activities	**2,895**	**(960)**	**3,293**	**(1,848)**

Changes in work in progress
'Changes in work in progress' consist 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.

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'.

Note	Statement of cash flows DKK million	H1 2018	H1 2017	Q2 2018	Q2 2017
	Purchase of intangible assets and property, plant and equipment	(5,164)	(6,732)	(3,089)	(4,228)
	Sale of intangible assets and property, plant and equipment	866	117	16	108
	Divestment of enterprises	(27)	60	(18)	(7)
	Purchase of other equity investments	(16)	-	(16)	-
	Divestment of other equity investments	-	17	(5)	12
	Purchase of securities	(12,034)	(512)	(6,435)	-
	Sale/maturation of securities	12,226	6,132	5,058	4,219
	Change in other non-current assets	-	(7)	-	(4)
	Transactions with associates and joint ventures	(18)	(104)	(10)	(103)
	Dividends received and capital reduction	1	13	-	13
	Cash flows from investing activities	**(4,166)**	**(1,016)**	**(4,499)**	**10**
	Proceeds from raising of loans	3,999	-	677	-
	Instalments on loans	(106)	(213)	(106)	(129)
	Coupon payments on hybrid capital	(326)	(325)	(326)	(325)
	Dividends paid to shareholders in Ørsted A/S	(3,783)	(2,522)	-	-
	Transactions with non-controlling interests	(206)	(153)	(46)	7
	Change in other liabilities	579	(16)	150	(16)
	Cash flows from financing activities	**157**	**(3,229)**	**349**	**(463)**
	Cash flows from continuing operations	(1,114)	(5,205)	(857)	(2,301)
	Cash flows from discontinued operations	(127)	3,542	(2)	1,732
	Total net change in cash and cash equivalents for the period	**(1,241)**	**(1,663)**	**(859)**	**(569)**
	Cash and cash equivalents at the beginning of the period	3,891	2,628	3,524	1,582
	Total net change in cash and cash equivalents for the period	(1,241)	(1,663)	(859)	(569)
	Cash flows for the period from assets classified as held for sale	(37)	(122)	(27)	(58)
	Other change in cash and cash equivalents	-	109	(3)	(4)
	Exchange rate adjustments of cash and cash equivalents	15	(52)	(7)	(51)
	Cash and cash equivalents at 30 June	**2,628**	**900**	**2,628**	**900**

1. Basis of reporting

This section provides an overview of our principal accounting policies and new and amended IFRS standards and interpretations.

Accounting policies

Ørsted is a listed public company domiciled in Denmark.

This interim financial report includes Ørsted and its subsidiaries (the Group).

The interim financial report has been presented in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and further requirements in the Danish Financial Statements Act (*Årsregnskabsloven*).

The interim financial report does not contain all the information required in the annual report and should therefore be read together with the annual report for 2017.

No interim report has been prepared for the parent company.

Except for the sections below regarding implementation of new accounting standard and changed accounting policy, the accounting policies remain unchanged from the annual report for 2017 to which reference is made.

Definitions of performance highlights can be found on page 78 of the annual report for 2017.

Implementation of new or changed accounting standards and interpretations

Effective from 1 January 2018, we have implemented the following new or changed accounting standards (IAS and IFRS) and interpretations:

- IFRS 15 'Revenue from Contracts with Customers' including amendments and clarifications. See separate section below.
- Amendment to IFRS 2 'Share-based Payments': the amendment addresses the accounting for cash-settled awards that include a 'net settlement' feature in respect of withholding tax.
- IFRIC 22 on foreign currency transactions and advance consideration.
- Annual improvements to IFRSs 2014-2016: improvements to IFRS 1 'First-time Adoption of IFRS' and IAS 28 'Investments in Associates and Joint Ventures' which entered into force on 1 January 2018.

Besides the impact from IFRS 15, the adoption of the new and changed standards has not affected our interim financial report and is not expected to impact the consolidated financial statements for 2018.

In the following section, you can read more about the impact on recognition and measurement from IFRS 15 'Revenue from Contracts with Customers'. The new reporting standard has an insignificant impact on profit (loss) and diluted profit (loss) per share. The equity and the consolidated statement of cash flows are not affected.

Implementation of IFRS 15

On 1 January 2018, we implemented IFRS 15, 'Revenue from Contracts with Customers', which replaces IAS 11, IAS 18 and associated interpretations.

We have implemented IFRS 15 with retrospective effect. However, we use the relief from restating comparative figures (modified retrospective method).

The most important changes resulting from IFRS 15 compared to IAS 11 and IAS 18 can be summarised as follows:

- the model for recognition of revenue is changed from having been based on the transfer of the risks and rewards of owner-

1. Basis of reporting

ship of a product or service to being based on the transfer of control of the goods or services transferred to the customer

- more detailed guidelines for how elements in a contract of sale are identified, and how the individual components will be recognised and measured
- more detailed guidance for recognition of revenue over time.

The impact of IFRS 15 on Ørsted

In the UK, we offer construction agreements for transmission assets. When construction of the transmission assets is completed, they are sold to an offshore transmission owner (OFTO) through a regulated sales process. The UK energy regulator 'Office of Gas and Electricity Markets' (Ofgem) manages the sales process, determines the final transfer value and appoints the buyer.

Under the new standard, a customer relationship does not exist between Ørsted and a final buyer when the construction of the transmission assets commences. Therefore, we have deferred revenue recognition on transmission assets from commencement of construction to the date of entering into a contract with a customer.

In other words, the recognition of revenue begins when we sell a share of the transmission asset under construction to a partner and takes place upon such partner joining the project. We recognise the remaining part of the transmission asset when we find that control has passed to the OFTO.

Impact on accounting

In previous reporting periods, transmission assets were recognised in step with the construction based on the completion degree of the asset (over time). Under IFRS 15, revenue from transmission assets are recognised at a later point in time.

The change in policy does not affect the Group's cash flows or results, but only the timing of when income and costs are recognised in the consolidated financial statements.

Historically, we have not had, and we do not expect, a significant contribution margin relating to the sale of transmission assets to partners and OFTOs. The Group's EBITDA, balance sheet total and equity will therefore remain unchanged in all material respects as a consequence of the changed accounting policies.

The implementation of the terminology in IFRS 15 had the following effects on the presentation of the construction contracts, receivables and other payables in the balance sheet:

- construction contracts related to transmission assets now being recognised as inventory
- construction contracts other than transmission assets now being presented as contract assets and liabilities
- receivables related to ongoing services or in other ways where the receivable is not unconditional now being presented as contract assets
- other payables related to prepayments and deferred revenue as such now being presented as contract liabilities.

In summary, the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 January 2018). See table to the right.

Extract Impact of adoption, DKKm	1 January 2018 Previous accounting policy	Effect of change in accounting policy	New accounting policy	30 June 2018 Previous accounting policy	Effect of change in accounting policy	New accounting policy
Assets						
Current assets						
Inventories	3,853	10,468 [1]	14,321	2,337	12,027	14,364
Construction contracts	10,817	(10,817) [1,2]	-	13,650	(13,650)	-
Contract assets	-	1,693 [2]	1,693	-	1,623	1,623
Trade receivables	9,170	(1,344) [2]	7,826	7,013	-	7,013
Assets	**146,521**	**-**	**146,521**	**149,149**	**-**	**149,149**
Equity and liabilities						
Share capital	4,204	-	4,204	4,204	-	4,204
Reserves	(1,524)	-	(1,524)	(2,044)	-	(2,044)
Retained earnings	52,111	-	52,111	50,724	-	50,724
Equity attributable to shareholders in Ørsted A/S	**54,791**	**-**	**54,791**	**52,884**	**-**	**52,884**
Liabilities						
Non-current liabilities						
Contract liabilities	-	5,327 [2]	5,327	-	5,482	5,482
Other payables	5,714	(5,327) [2]	387	5,798	(5,482)	316
Current liabilities						
Construction contracts	1,317	(1,317) [2]	-	512	(512)	-
Contract liabilities	-	1,455 [2]	1,455	-	1,138	1,138
Other payables	6,368	(138) [2]	6,230	4,649	(626)	4,023
Equity and liabilities	**146,521**	**-**	**146,521**	**149,149**	**-**	**149,149**
Income statement H1, IFRS						
Revenue				38,503	(1,946)	36,557
Cost of sales				(27,922)	1,946	(25,976)
Operating profit (loss) before depreciation, amortisation and impairment losses (EBITDA)				**7,010**	**-**	**7,010**
Profit (loss) for the period				**2,658**	**-**	**2,658**

1) Effect of change to timing of revenue recognition from transmission assets in profit (loss)
2) Effect of changed presentation of certain amounts in the balance sheet to reflect the terminology of IFRS 15

Comparatives for the 2017 financial year are not restated as we have applied the modified retrospective method. The effects of change in accounting policy are identical for business performance profit (loss).

1. Basis of reporting

Change in accounting policy

On 1 January 2018, we changed our accounting policy with respect to subsidies received under the Renewable Obligation schemes in the UK, known as green certificates or Renewable Obligation Certificates (ROCs), and feed-in tariffs in Germany under the EEG2014 (the German Renewable Energy Sources Act).

We now apply IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance', under which subsidies are recognised when there is a reasonable assurance that the grant will be received.

Prior to this change in policy, we applied IAS 18 'Revenue' to ROCs and feed-in tariffs in Germany, while we applied IAS 20 to feed-in tariffs in Denmark and Contracts for Difference (CfDs) in the UK.

We believe the new policy is preferable as it aligns our accounting of all subsidies received for our renewable power generation and allows comparability between years.

This voluntary change in accounting policy did not result in any impact on the current year or any years included within these consolidated financial statements. The recognition, measurement, timing and presentation of ROCs and feed-in tariffs are unchanged.

Profit (loss), the equity and the consolidated statement of cash flows are therefore not affected by the change in accounting policy.

2. Business performance

Specification of the difference between EBITDA according to business performance and according to IFRS, DKKm	H1 2018	H1 2017	Q2 2018	Q2 2017
EBITDA - business performance	8,598	7,730	3,079	4,442
Business performance adjustments in respect of revenue for the period	(1,844)	1,314	(1,734)	385
Business performance adjustments in respect of cost of sales for the period	256	(424)	380	(50)
EBITDA - IFRS	**7,010**	**8,620**	**1,725**	**4,777**
Total business performance adjustments for the period comprise:				
Value adjustments for the period of hedging contracts that relate to future periods	(1,689)	761	(1,411)	283
Reversal of gains (losses) relating to hedges deferred from prior periods where the hedged production or trading is recognised in business performance EBITDA for this period	101	129	57	52
Total adjustments	**(1,588)**	**890**	**(1,354)**	**335**

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.

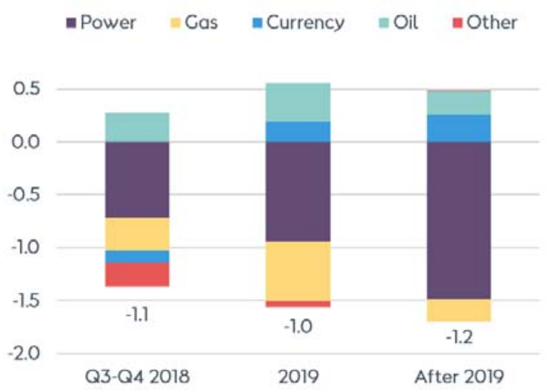
Financial impact of hedging

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.

Exposure from the proceeds from partial sales of new offshore wind farms, among other things, is hedged as cash-flow hedging in accordance with the IFRS principles and is transferred to both IFRS and business performance EBITDA in the period in which the hedged exposure materialises.

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.

3. Segment information

H1 2018 **Income statement,** DKKm	Wind Power	Bioenergy & Thermal Power	Distribution & Customer Solutions	Reportable segments	Other activities/ eliminations	Business performance	Adjustments	IFRS
External revenue	10,764	3,958	23,818	38,540	(139)	38,401	(1,844)	36,557
Intra-group revenue	3,782	(191)	759	4,350	(4,350)[1]	-	-	-
Revenue	**14,546**	**3,767**	**24,577**	**42,890**	**(4,489)**	**38,401**	**(1,844)**	**36,557**
Cost of sales	(5,545)	(2,752)	(22,288)	(30,585)	4,353	(26,232)	256	(25,976)
Employee costs and other external expenses	(2,282)	(664)	(970)	(3,916)	(14)	(3,930)	-	(3,930)
Additional other operating income and expenses	375	16	30	421	(2)	419	-	419
Gain (loss) on disposal of non-current assets	(50)	-	(13)	(63)	-	(63)	-	(63)
Share of profit (loss) in associates and joint ventures	2	1	-	3	-	3	-	3
EBITDA	**7,046**	**368**	**1,336**	**8,750**	**(152)**	**8,598**	**(1,588)**	**7,010**
Depreciation and amortisation	(2,117)	(324)	(380)	(2,821)	(23)	(2,844)	-	(2,844)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT)	**4,929**	**44**	**956**	**5,929**	**(175)**	**5,754**	**(1,588)**	**4,166**
Key ratios								
Property, plant and equipment and intangible assets	61,159	7,813	11,780	80,752	319	81,071	-	81,071
Equity investments and non-current receivables	130	42	336	508	735	1,243	-	1,243
Net working capital, work in progress	9,284	-	-	9,284	-	9,284	-	9,284
Net working capital, capital expenditures	(4,565)	(275)	-	(4,840)	-	(4,840)	-	(4,840)
Net working capital, other items	1,174	(3,313)	(642)	(2,781)	306	(2,475)	-	(2,475)
Derivatives, net	(967)	(230)	(294)	(1,491)	(218)	(1,709)	-	(1,709)
Assets classified as held for sale, net	-	-	2,040	2,040	-	2,040	-	2,040
Decommissioning obligations	(3,953)	(729)	(475)	(5,157)	-	(5,157)	-	(5,157)
Other provisions	(1,871)	(755)	(3,229)	(5,855)	(855)	(6,710)	-	(6,710)
Tax, net	2,741	(71)	239	2,909	(747)	2,162	-	2,162
Other receivables and other payables, net	26	-	-	26	(588)	(562)	-	(562)
Capital employed at 30 June	**63,158**	**2,482**	**9,755**	**75,395**	**(1,048)**	**74,347**	**-**	**74,347**
Of which capital employed for discontinued operations						(147)	-	(147)
Of which capital employed for continuing operations						74,494	-	74,494
Return on capital employed (ROCE) %	**26.5**	**(9.0)**	**8.8**	**-**	**-**	**23.5**	**-**	**-**
Cash flow from operating activities	1,687	678	2,127	4,492	(1,597)	2,895	-	2,895
Gross investments	(4,162)	(559)	(441)	(5,162)	(18)	(5,180)	-	(5,180)
Divestments	787	(22)	48	813	8	821	-	821
Free cash flow (FCF)	**(1,688)**	**97**	**1,734**	**143**	**(1,607)**	**(1,464)**	**-**	**(1,464)**

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

The column 'Other activities/eliminations' covers primarily the elimination of inter-segment transactions. Also included are 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 5,421 million.

3. Segment information

H1 2017 **Income statement,** DKKm	Wind Power	Bioenergy & Thermal Power	Distribution & Customer Solutions	Reportable segments	Other activities/ eliminations	Business performance	Adjustments	IFRS
External revenue	8,396	3,194	20,724	32,314	(277)	32,037	1,314	33,351
Intra-group revenue	2,485	106	634	3,225	(3,225)[1]	-	-	-
Revenue	**10,881**	**3,300**	**21,358**	**35,539**	**(3,502)**	**32,037**	**1,314**	**33,351**
Cost of sales	(3,961)	(2,597)	(18,777)	(25,335)	3,169	(22,166)	(424)	(22,590)
Employee costs and other external expenses	(2,088)	(659)	(899)	(3,646)	(23)	(3,669)	-	(3,669)
Additional other operating income and expenses	79	9	19	107	1	108	-	108
Gain (loss) on disposal of non-current assets	1,418	1	-	1,419	-	1,419	-	1,419
Share of profit (loss) in associates and joint ventures	1	-	-	1	-	1	-	1
EBITDA	**6,330**	**54**	**1,701**	**8,085**	**(355)**	**7,730**	**890**	**8,620**
Depreciation and amortisation	(2,060)	(327)	(432)	(2,819)	(18)	(2,837)	-	(2,837)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT)	**4,270**	**(273)**	**1,269**	**5,266**	**(373)**	**4,893**	**890**	**5,783**
Key ratios								
Property, plant and equipment and intangible assets	58,257	7,005	11,492	76,754	312	77,066	-	77,066
Equity investments and non-current receivables	169	20	313	502	-	502	-	502
Net working capital, work in progress	7,658	-	-	7,658	-	7,658	-	7,658
Net working capital, capital expenditures	(3,859)	(171)	-	(4,030)	-	(4,030)	-	(4,030)
Net working capital, other items	543	(3,293)	(2,230)	(4,980)	736	(4,244)	-	(4,244)
Derivatives, net	2,743	(126)	654	3,271	34	3,305	-	3,305
Assets classified as held for sale, net	-	-	2,043	2,043	728	2,771	-	2,771
Decommissioning obligations	(2,969)	(691)	(198)	(3,858)	-	(3,858)	-	(3,858)
Other provisions	(1,818)	(722)	(2,429)	(4,969)	(41)	(5,010)	-	(5,010)
Tax, net	220	403	(536)	87	(2,744)	(2,657)	-	(2,657)
Other receivables and other payables, net	1,389	-	81	1,470	(482)	988	-	988
Capital employed at 30 June	**62,333**	**2,425**	**9,190**	**73,948**	**(1,457)**	**72,491**	**-**	**72,491**
Of which capital employed for discontinued operations						1,301	-	1,301
Of which capital employed for continuing operations						71,190	-	71,190
Return on capital employed (ROCE) %	**17.0**	**(28.9)**	**41.0**	**-**	**-**	**18.4**	**-**	**-**
Cash flow from operating activities	312	236	(244)	304	(1,264)	(960)	-	(960)
Gross investments	(5,868)	(621)	(294)	(6,783)	(6)	(6,789)	-	(6,789)
Divestments	89	40	73	202	23	225	-	225
Free cash flow (FCF)	**(5,467)**	**(345)**	**(465)**	**(6,277)**	**(1,247)**	**(7,524)**	**-**	**(7,524)**

Up until the divestment, the discontinued operations in the divested Oil & Gas business were included in assets classified as held for sale and in discontinued operations.

[1] Including the elimination of other activities, the total elimination of intra-group revenue amounts to DKK 4,244 million.

We have implemented IFRS 15 after the modified retrospective method. See note 1 'Basis of reporting' and note 4 'Revenue'.

3. Segment information

Q2 2018 **Income statement** (DKK million)	Wind Power	Bioenergy & Thermal Power	Distribution & Customer Solutions	Reporting segments	Other activities/ eliminations	Business performance	Adjustments	IFRS
External revenue	5,903	1,010	11,678	18,591	2	18,593	(1,734)	16,859
Intra-group revenue	1,625	(128)	240	1,737	(1,737)[1]	-	-	-
Revenue	**7,528**	**882**	**11,918**	**20,328**	**(1,735)**	**18,593**	**(1,734)**	**16,859**
Cost of sales	(3,429)	(644)	(11,302)	(15,375)	1,733	(13,642)	380	(13,262)
Employee costs and other external expenses	(1,205)	(310)	(503)	(2,018)	(55)	(2,073)	-	(2,073)
Additional other operating income and expenses	214	-	22	236	(5)	231	-	231
Gain (loss) on disposal of non-current assets	(19)	-	(13)	(32)	-	(32)	-	(32)
Share of profit (loss) in associates and joint ventures	1	1	-	2	-	2	-	2
EBITDA	**3,090**	**(71)**	**122**	**3,141**	**(62)**	**3,079**	**(1,354)**	**1,725**
Depreciation and amortisation	(1,098)	(162)	(189)	(1,449)	(13)	(1,462)	-	(1,462)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT), continuing operations	**1,992**	**(233)**	**(67)**	**1,692**	**(75)**	**1,617**	**(1,354)**	**263**

Up until the divestment, the discontinued operations in the divested Oil & Gas business were included in 'assets classified as held for sale' and in discontinued operations.

[1] Including the elimination of other activities, the total elimination of intra-group revenue amounts to DKK 2,267 million.

We have implemented IFRS 15 after the modified retrospective method. See note 1 'Basis of reporting' and note 4 'Revenue'.

Q2 2017 **Income statement** (DKK million)	Wind Power	Bioenergy & Thermal Power	Distribution & Customer Solutions	Reporting segments	Other activities/ eliminations	Business performance	Adjustments	IFRS
External revenue	5,038	1,016	9,528	15,582	(42)	15,540	385	15,925
Intra-group revenue	1,165	37	205	1,407	(1,407)[1]	-	-	-
Revenue	**6,203**	**1,053**	**9,733**	**16,989**	**(1,449)**	**15,540**	**385**	**15,925**
Cost of sales	(2,310)	(896)	(8,746)	(11,952)	1,373	(10,579)	(50)	(10,629)
Employee costs and other external expenses	(1,078)	(319)	(475)	(1,872)	(37)	(1,909)	-	(1,909)
Additional other operating income and expenses	5	9	3	17	1	18	-	18
Gain (loss) on disposal of non-current assets	1,380	-	1	1,381	-	1,381	-	1,381
Share of profit (loss) in associates and joint ventures	(9)	-	-	(9)	-	(9)	-	(9)
EBITDA	**4,191**	**(153)**	**516**	**4,554**	**(112)**	**4,442**	**335**	**4,777**
Depreciation and amortisation	(1,154)	(166)	(211)	(1,531)	(10)	(1,541)	-	(1,541)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT), continuing operations	**3,037**	**(319)**	**305**	**3,023**	**(122)**	**2,901**	**335**	**3,236**

[1] Including the elimination of other activities, the total elimination of intra-group revenue amounts to DKK 1,926 million.

4. Revenue

Revenue H1 2018, DKKm	Wind Power	Bioenergy & Thermal Power	Distribution & Customer Solutions	Other activities/ eliminations	H1 total
Sale of gas	-	22	12,251	(524)	11,749
Generation and sale of power	2,363	1,637	10,533	(3,850)[1]	10,683
Revenue from construction of offshore wind farms	7,882	-	-	-	7,882
Generation and sale of heat and steam	-	1,810	-	-	1,810
Distribution and transmission	-	-	1,338	(3)	1,335
Other revenue	708	141	231	48	1,128
Total revenue from customers, IFRS	**10,953**	**3,610**	**24,353**	**(4,329)**	**34,587**
Government grants	3,693	345	-		4,038
Economic hedging	(1,643)	(348)	613	166	(1,212)
Other revenue	-	211	(1,124)	57	(856)
Total revenue, IFRS	**13,003**	**3,818**	**23,842**	**(4,106)**	**36,557**
Adjustments	1,543	(51)	735	(383)	1,844
Total revenue, business performance	**14,546**	**3,767**	**24,577**	**(4,489)**	**38,401**

Timing of revenue recognition from customers, IFRS	Wind Power	Bioenergy & Thermal Power	Distribution & Customer Solutions	Other activities/ eliminations	H1 total
At a point in time	1,024	1,720	15,068	(262)	17,550
Over time	9,929	1,890	9,285	(4,067)	17,037
Total revenue from customers, IFRS	**10,953**	**3,610**	**24,353**	**(4,329)**	**34,587**

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

Revenue

Revenue increased by 20% in H1 2018 compared to H1 2017. The increase was mainly due to higher revenue from construction agreements due to high activity on construction of offshore wind farms for partners, higher revenue from wind farms in operation and higher gas and power prices in H1 2018.

In H1 2018, revenue according to IFRS increased by 10% relative to the same period in 2017.

Revenue H1 2017, DKKm	Wind Power	Bioenergy & Thermal Power	Distribution & Customer Solutions	Other activities/ eliminations	H1 total
Sale of gas	-	-	10,563	(912)	9,651
Generation and sale of power	4,470	1,703	10,186	(2,685)	13,674
Revenue from construction of offshore wind farms	5,490	-	-	-	5,490
Generation and sale of heat and steam	-	1,479	-	-	1,479
Distribution and transmission	-	-	1,295	(15)	1,280
Other revenue	1,598	261	(345)	263	1,777
Total revenue, IFRS	**11,558**	**3,443**	**21,699**	**(3,349)**	**33,351**
Adjustments	(677)	(143)	(341)	(153)	(1,314)
Total revenue, business performance	**10,881**	**3,300**	**21,358**	**(3,502)**	**32,037**

[1] The elimination includes elimination of the internal sale of ROCs between Wind Power (included as government grants) and Distribution & Customer Solutions. Due to the difference in timing of the internal purchase and the external sale of the ROCs in Distribution & Customer Solutions the amount to be eliminated can exceed the amount of ROCs recognised in Wind Power for the period.

We have implemented IFRS 15 after the modified retrospective method. Therefore, we have not restated comparative figures. The adoption of IFRS 15 has not had any significant impact on recognition and measurement of revenue in our interim financial report.

In 2017, we presented revenue from green certificates, mainly ROCs, as generation and sale of power. From 1 January 2018, this revenue is now being presented as government grants.

4. Revenue

Revenue Q2 2018, DKKm	Wind Power	Bioenergy & Thermal Power	Distribution & Customer Solutions	Other activities/ eliminations	Q2 total
Sale of gas	-	11	5,387	(131)	5,267
Generation and sale of power	829	417	5,896	(1,639)[1]	5,503
Revenue from construction of offshore wind farms	4,960	-	-	-	4,960
Generation and sale of heat and steam	-	438	-	-	438
Distribution and transmission	-	-	582	-	582
Other revenue	322	4	123	40	489
Total revenue from customers, IFRS	**6,111**	**870**	**11,988**	**(1,730)**	**17,239**
Government grants	1,485	90	-	-	1,575
Economic hedging	(1,161)	(302)	662	146	(655)
Other revenue	-	108	(1,485)	77	(1,300)
Total revenue, IFRS	**6,435**	**766**	**11,165**	**(1,507)**	**16,859**
Adjustments	1,093	116	753	(228)	1,734
Total revenue, business performance	**7,528**	**882**	**11,918**	**(1,735)**	**18,593**
Timing of revenue recognition from customers, IFRS					
At a point in time	1,024	393	8,547	(66)	9,898
Over time	5,087	477	3,441	(1,664)	7,341
Total revenue from customers, IFRS	**6,111**	**870**	**11,988**	**(1,730)**	**17,239**

Revenue Q2 2017, DKKm	Wind Power	Bioenergy & Thermal Power	Distribution & Customer Solutions	Other activities/ eliminations	Q2 total
Sale of gas	-	-	3,873	(298)	3,575
Generation and sale of power	2,058	630	5,227	(1,260)	6,655
Revenue from construction of offshore wind farms	3,718	-	-	-	3,718
Generation and sale of heat and steam	-	445	-	-	445
Distribution and transmission	-	-	633	(7)	626
Other revenue	896	25	(168)	153	906
Total revenue, IFRS	**6,672**	**1,100**	**9,565**	**(1,412)**	**15,925**
Adjustments	(469)	(47)	168	(37)	(385)
Total revenue, business performance	**6,203**	**1,053**	**9,733**	**(1,449)**	**15,540**

[1] The elimination includes elimination of the internal sale of ROCs between Wind Power (included as government grants) and Distribution & Customer Solutions. Due to the difference in timing of the internal purchase and the external sale of the ROCs in Distribution & Customer Solutions the amount to be eliminated can exceed the amount of ROCs recognised in Wind Power for the period.

5. Other operating income and expenses

Other operating income, DKKm	H1 2018	H1 2017	Q2 2018	Q2 2017
Gain on divestment of assets	2	1,442	2	1,391
Compensations	199	101	22	30
Miscellaneous operating income	302	42	279	10
Total other operating income	**503**	**1,585**	**303**	**1,431**

Other operating expenses, DKKm	H1 2018	H1 2017	Q2 2018	Q2 2017
Loss on divestment of assets	65	23	34	10
Miscellaneous operating expenses	82	35	70	22
Total other operating expenses	**147**	**58**	**104**	**32**

Other operating income

Compensations were mainly received from transmission system operators (TSOs).

The gain on divestment of assets in H1 2017 primarily consisted of contingent consideration relating to the farm-down of Race Bank (UK) in 2016.

6. Gross and net investments

Gross and net investments, DKK million	H1 2018	H1 2017	Q2 2018	Q2 2017
Cash flow from investing activities	(4,166)	(1,016)	(4,499)	10
Dividends received and capital reduction, reversed	(1)	(13)	-	(13)
Purchase and sale of securities, reversed	(192)	(5,620)	1,377	(4,219)
Loans to associates and joint ventures, reversed	18	37	10	36
Sale of non-current assets, reversed	(839)	(177)	3	(101)
Total gross investments	**(5,180)**	**(6,789)**	**(3,109)**	**(4,287)**
Transactions with non-controlling interests in connection with divestments	(18)	48	(11)	59
Sale of non-current assets	839	177	(3)	101
Total cash flows from divestments	**821**	**225**	**(14)**	**160**
Total net investments	**(4,359)**	**(6,564)**	**(3,123)**	**(4,127)**

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 2018	31 December 2017	30 June 2017
Intangible assets	18	20	5
Property, plant and equipment	2,120	2,119	12,658
Inventories	16	16	16
Trade receivables	100	73	244
Other receivables	368	368	892
Income tax	48	46	415
Cash	-	-	689
Total assets classified as held for sale	**2,670**	**2,642**	**14,919**
Deferred tax	99	99	1,103
Provisions	364	359	7,499
Trade payables	97	80	623
Other payables	66	92	340
Income tax	4	-	1,708
Total liabilities relating to assets classified as held for sale	**630**	**630**	**11,273**
Net assets classified as held for sale	**2,040**	**2,012**	**3,646**

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

Assets classified as held for sale

At 30 June 2018, assets classified as held for sale comprised our oil pipe system in Denmark, which is to be sold to the Danish transmission system operator, Energinet. At 30 June 2017, assets classified as held for sale comprised our Oil & Gas business and oil pipe system.

On 29 September 2017, we divested our Oil & Gas business to INEOS. Until the divestment, we presented our Oil & Gas business as assets classified as held for sale and as discontinued operations.

8. Discontinued operations

Discontinued operations

Discontinued operations comprise our Oil & Gas business, which we sold to INEOS on 29 September 2017.

Financial results

Profit (loss) for the period amounted to DKK -11 million.

Cash flows amounted to DKK -127 million and mainly concerned the payment of fees for exiting Oil & Gas insurance activities. This fee was provided for at the time of the divestment in Q3 2017.

Capital employed

Our capital employed in discontinued operations mainly consisted of provisions relating to the sale (tax indemnifications and payments related to the Fredericia stabilisation plant) as well as a conditional payment (receivable selling price) which does not carry interest.

In addition, we have interest-bearing receivables of USD 150 million (not part of capital employed), which will be received in the 2018-2020 period. The first payment is expected in the second half of 2018.

Performance highlights, DKKm	H1 2018	H1 2017	Q2 2018	Q2 2017
EBIT	-	5,760	-	3,311
Profit (loss) from discontinued operations	(11)	3,910	(19)	2,484
Cash flows from discontinued operations	(127)	3,542	(2)	1,732

Capital employed, discontinued operations DKKm	30 June 2018	31 December 2017
Equity investments and non-current receivables	725	691
Net working capital, other items	(69)	-
Derivatives, net	(31)	-
Other provisions	(808)	(935)
Tax, net	-	(3)
Other receivables and other payables, net	36	11
Total	**(147)**	**(236)**

9. Financial income and expenses

Net financial income and expenses, DKKm	H1 2018	H1 2017	Q2 2018	Q2 2017
Interest expenses, net	(518)	(201)	(277)	(91)
Interest element of provisions, etc.	(191)	(213)	(95)	(109)
Value adjustments of derivatives, net	(65)	(60)	(37)	(12)
Exchange rate adjutments, net	51	136	(100)	155
Value adjustments of securities, net	(76)	(66)	2	(37)
Other financial income and expenses, net	-	(11)	3	13
Net financial income and expenses	**(799)**	**(415)**	**(504)**	**(81)**

The table shows net financial income and expenses, corresponding to our internal reporting. Exchange rate adjustments and hedging contracts entered into to hedge currency risks are presented net under the item 'Exchange rate adjutments, net'.

Financial income and expenses

Financial income and expenses, net amounted to DKK -799 million in H1 2018 against DKK -415 million in H1 2017.

10. Reserves

Reserves 2018, DKKm	Foreign currency translation reserve	Hedging reserve	Share premium reserve	Total reserves
Reserves at 1 January 2018	(1,825)	301	-	(1,524)
Exchange rate adjustments	109	-	-	109
Value adjustments of hedging	-	(536)	-	(536)
Value adjustments transferred to:				
Revenue	-	(319)	-	(319)
Financial income and expenses	-	87	-	87
Tax:				
Tax on hedging and currency adjustments	(17)	156	-	139
Comprehensive income for the period	**92**	**(612)**	**-**	**(520)**
Total reserves at 30 June	**(1,733)**	**(311)**	**-**	**(2,044)**

Reserves 2017, DKKm	Foreign currency translation reserve	Hedging reserve	Share premium reserve	Total reserves
Reserves at 1 January 2017	(1,558)	497	21,279	20,218
Exchange rate adjustments	(993)	-	-	(993)
Value adjustments of hedging	-	958	-	958
Value adjustments transferred to:				
Revenue	-	(125)	-	(125)
Financial income and expenses	-	148	-	148
Tax:				
Tax on hedging and currency adjustments	39	(115)	-	(76)
Comprehensive income for the period	**(954)**	**866**	**-**	**(88)**
Total reserves at 30 June	**(2,512)**	**1,363**	**21,279**	**20,130**

11. Market risks

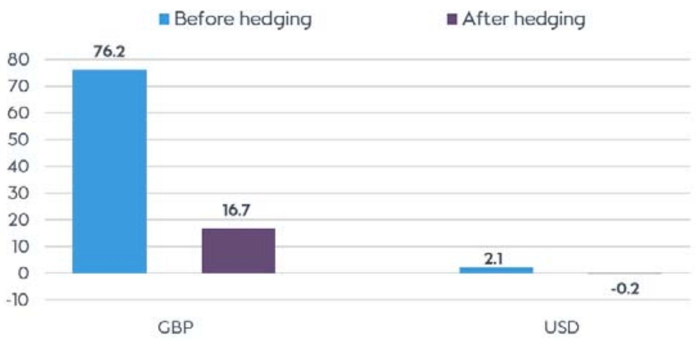
Market risks

The management of market risks is to ensure stable and robust financial ratios that support our growth strategy.

We hedge prices for up to five years to reduce cash flow fluctuations. Prices are not hedged in the medium to long term, and our long-term market risks are therefore determined by our strategic decisions on investments in new assets, the conclusion of long-term contracts as well as any divestment of assets.

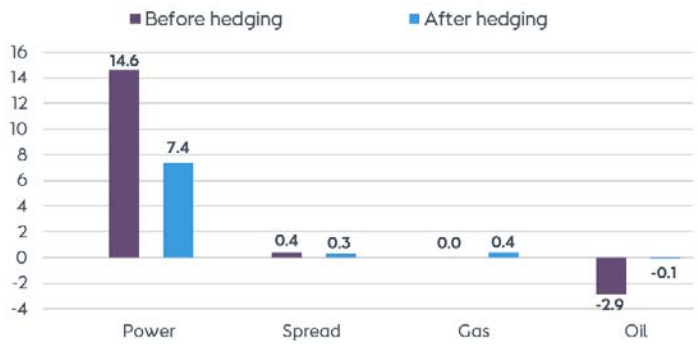
Our energy and currency exposures for the next five years are shown below.

Currency exposure 1 July 2018 - 30 June 2023, DKKbn



Our currency exposure totalled DKK 78.3 billion before hedging and DKK 16.9 billion after hedging at the end of June 2018.

Energy exposure 1 July 2018 - 30 June 2023, DKKbn



Our energy exposures totalled DKK 17.9 billion before hedging and DKK 8.2 billion after hedging at the end of June 2018.

12. Fair value measurement

Fair value hierarchy, DKKm	Assets			Equity and liabilities
	Securities	Derivatives	Other receivables	Derivatives
H1 2018				
Level 1	-	-	-	-
Level 2	24,854	4,341	-	6,633
Level 3	-	1,110	106	527
Total 2018	**24,854**	**5,451**	**106**	**7,160**
H1 2017				
Level 1	8,269	683	-	428
Level 2	2,358	4,672	-	1,604
Level 3	-	296	-	315
Total 2017	**10,627**	**5,651**	**-**	**2,347**

Securities are now considered as level 2 due to a change in valuation input provider.

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 external information that most accurately reflects the fair values.

Accounting policies

Level 1 comprises quoted securities and derivatives that are traded in active markets.

Level 2 comprises derivatives, for which valuation models with observable inputs are used to measure fair value.

Level 3 comprises primarily long-term contract on the purchase/sale of, in particular, power and gas.

The fair values are based on assumptions concerning the long-term prices of, in particular, power, gas, coal, USD, EUR, volatilities as well as risk premiums in respect of liquidity and market risks. Since there are no active markets for the long-term prices of power, oil and gas, the fair value has been determined through an estimate of the future prices. The most important parameter resulting in commodity contracts being classified as level 3 is the power price. Normally, the 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. As the forward price of power develops stably during the five-year period, the projection over a small number of years is not deemed to be associated with any material risk.

In connection with the divestment of our Oil & Gas business, we will receive USD 100 million if the Rosebank field is developed. This payment is recognised at fair value under other receivables.

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

13. Interest-bearing debt and FFO

Interest-bearing debt and interest-bearing assets, DKKm	30 June 2018	31 December 2017	30 June 2017
Interest-bearing debt comprises:			
Bank debt	5,850	2,069	3,838
Bond debt	27,548	27,567	19,838
Total bond and bank debt	**33,398**	**29,636**	**23,676**
Liabilities classified as held for sale	-	-	-
Other interest-bearing debt	577	-	1
Total interest-bearing debt	**33,975**	**29,636**	**23,677**
Interest-bearing assets comprises:			
Securities	24,854	25,280	10,627
Cash	2,832	4,203	1,256
Receivables from associates and joint ventures	64	48	36
Other receivables	621	647	550
Receivables in connection with divestments	1,001	975	-
Assets classified as held for sale	-	-	876
Total interest-bearing assets	**29,372**	**31,153**	**13,345**
Total interest-bearing net debt	**4,603**	**(1,517)**	**10,332**

Interest-bearing net debt totalled DKK 4,603 million as of 30 June 2018, which is an increase of DKK 6,120 million relative to 31 December 2017. The increase was driven by a decrease in interest-bearing assets totalling DKK 1,421 million, of which DKK 1,797 million were related to securities and cash. In addition, interest-bearing debt increased by DKK 3,762 million, which relates to short-term repo loans. Other interest-bearing debt relates to cash collateral received for derivatives with a positive fair value.

Market value of bond and bank debt

The market value of bond and bank debt amounted to DKK 32,234 million and DKK 5,906 million, respectively, at 30 June 2018.

Funds from operations (FFO) LTM[1] DKKm	30 June 2018	31 December 2017	30 June 2017
EBITDA - business performance	**23,387**	**22,519**	**17,138**
Interest expenses, net	(946)	(629)	(443)
Reversal of interest expenses transferred to assets	(595)	(754)	(667)
Interest element of decommissioning obligations	(189)	(194)	(174)
50% of coupon payments on hybrid capital	(320)	(320)	(320)
Calculated interest paid on operating lease obligations	(216)	(234)	(268)
Adjusted interest expenses, net	**(2,266)**	**(2,131)**	**(1,872)**
Reversal of gain (loss) on divestment of assets	(9,353)	(10,835)	(3,998)
Reversal of recognised operating lease payment in profit (loss) for the year	845	885	865
Total current tax	(2,915)	(2,447)	(3,721)
Funds from operations (FFO)	**9,698**	**7,991**	**8,412**

[1] Last 12 months

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

Adjusted interest-bearing net debt DKKm	30 June 2018	31 December 2017	30 June 2017
Total interest-bearing net debt	**4,603**	**(1,517)**	**10,332**
50% of hybrid capital	6,619	6,619	6,624
Cash and securities not available for distribution, excluding repo loans	690	749	846
Present value of operating lease payments	5,667	6,095	5,248
Decommissioning obligations	5,157	4,751	3,858
Deferred tax on decommissioning obligations	(866)	(797)	(650)
Total adjusted interest-bearing net debt	**21,870**	**15,900**	**26,258**

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

Funds from operations (FFO)/ adjusted interest-bearing net debt	30 June 2018	31 December 2017	30 June 2017
Funds from operations (FFO)/ adjusted interest-bearing net debt	**44.3%**	**50.3%**	**32.0%**

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 report of Ørsted A/S for the period 1 January - 30 June 2018.

The interim 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 (*Årsregnskabsloven*). Apart from the implementation of IFRS 15 and the changed accounting policy for subsidies, the accounting policies remain unchanged from the annual report for 2017.

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 2018 and of the results of the Group's operations and cash flows for the period 1 January - 30 June 2018. 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 2017.

Skærbæk, 9 August 2018

Executive Board

Henrik Poulsen
President and CEO

Marianne Wiinholt
CFO

Board of Directors

Thomas Thune Andersen
Chairman

Lene Skole
Deputy Chairman

Lynda Armstrong

Pia Gjellerup

Jørgen Kildahl

Peter Korsholm

Benny D. Loft

Dieter Wemmer

Hanne Sten Andersen*

Poul Dreyer*

Benny Gøbel*

*Employee representative

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. 6). Statements herein, other than statements of historical fact, regarding our future results of 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 fact 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 and precipitation, regulatory risks, operation of offshore wind farms, cost of electricity for offshore wind power, changes in the competitive environment in our markets, security of supply and cable break-downs or other disruptions. As a result, you should not rely on these forward-looking statements. Please also refer to the overview of risk factors in 'Risk and risk management' on pp 47-50 of the Annual Report 2017 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.