

# Ørsted acquires Deepwater Wind



Investor presentation  
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# Ørsted acquires Deepwater Wind and creates leading US offshore wind platform

## Acquisition

- Two companies' offshore wind assets and organisations will be merged into the leading US offshore wind platform
- Merger will combine Deepwater Wind's expertise in originating, developing and permitting in the US with Ørsted's leading global engineering, construction and O&M capabilities
- Healthy value creation spread on top of our cost of capital. Significant additional strategic upside
- Acquiring 100% at a purchase price of 510mUSD
- Current portfolio of 30MW in operation, 810MW capacity with PPAs secured or under negotiation and approx. 2.5GW of attractive development capacity
- Transaction is subject to clearance by the US competition authorities and expected to close by end of 2018
- EBITDA guidance for 2018 unchanged
- CAPEX guidance increased to DKK 23-25 billion, including acquisition price of Deepwater Wind, early CAPEX commitments for US offshore and onshore wind portfolio in Q4 2018, as well as increased spending in the remaining portfolio due to timing

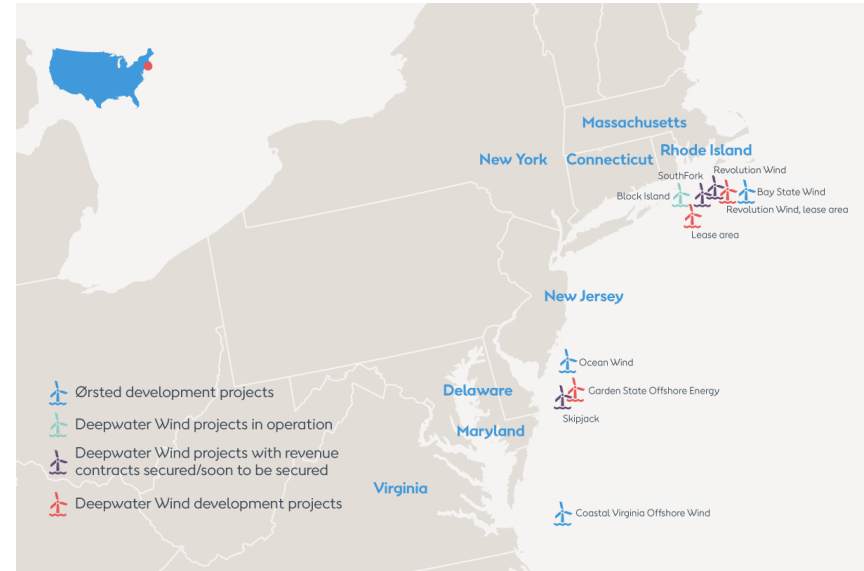


# Attractive portfolio with significant synergy potential

## Deepwater Wind

- Attractive and geographically diverse portfolio of offshore wind assets along US East Coast:
  - Block Island (30MW): Operational since December 2016. 20-year PPA, starting price USD 236/MWh and 3.5% price escalator
  - South Fork (90MW): COD expected in 2022. 20-year PPA with LIPA<sup>1</sup>
  - Skipjack (120MW): COD expected in 2022. 20-year OREC contract, starting price USD 171/MWh and 1% price escalator
  - Revolution Wind (600MW): COD expected in 2023. Long-term PPAs currently under negotiation in Rhode Island (400MW) and Connecticut (200MW)
  - Approx. 2.5GW of development capacity:
    - 1.3GW in Massachusetts adjacent to Revolution Wind and Bay State Wind
    - 1.2GW in Garden State Offshore Energy, a 50/50 joint venture with PSEG off the coast of Delaware and New Jersey
- Geographic and timing compatibility of portfolio offers significant synergy potential

## Portfolio compatibility - Ørsted and Deepwater Wind



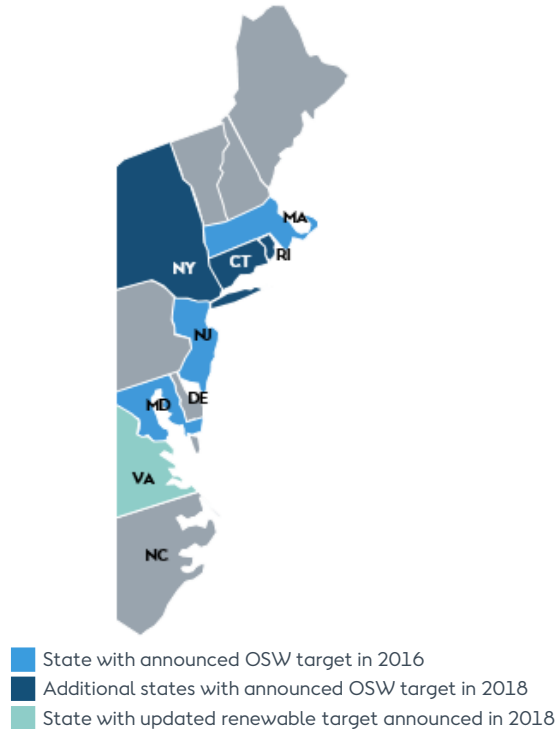
# Strong, market leading position . . .

## New Ørsted US Offshore Wind organisation

- Deepwater Wind's organisation brings significant experience in market development, offtake agreements, tax structuring, permitting and local stakeholder engagement
- Development stage of portfolio provides Ørsted with opportunity to impact engineering, procurement, construction and O&M
- Combining the two asset portfolios will create a strong, market leading platform:
  - Most comprehensive geographic coverage (8 states)
  - Largest pipeline of development capacity (gross ownership interest of approx. 8.0GW)
  - Unparalleled local offshore wind capability
- Organisation will be led by a local management team headed by CEO Thomas Brostrøm, Co-CEO Jeff Grybowski, CFO David Hang and COO Claus Bøjle Møller, with Thomas and Claus coming from the Ørsted team and Jeff and David coming from the Deepwater Wind team



# ... in an expanding US offshore wind market



|                 | Announced OSW Target 2016 (MW) | Announced OSW Target 2018 (MW) |                     |
|-----------------|--------------------------------|--------------------------------|---------------------|
| MA              | 1,600                          | 3,200                          | North East Region   |
| RI              | 30                             | 400-800                        |                     |
| CT              | -                              | 200-1,000                      |                     |
| NY              | -                              | 2,400                          |                     |
|                 | <b>1,630</b>                   | <b>6,200 - 7,400</b>           |                     |
| NJ              | 1,100                          | 3,500                          | Mid-Atlantic Region |
| DE              | -                              | -                              |                     |
| MD              | 200-350                        | 368                            |                     |
| VA <sup>1</sup> | -                              | Up to 2,000 <sup>1</sup>       |                     |
| NC              | -                              | -                              |                     |
|                 | <b>1,300 - 1,450</b>           | <b>5,868</b>                   |                     |
| <b>Total</b>    | <b>~3GW</b>                    | <b>12 - 13GW</b>               |                     |

1) Virginia's 2018 Energy Plan calls for 3 GW of solar and onshore wind to be deployed by 2022 and 2 GW of offshore wind to be deployed by 2028