



## Ørsted to discontinue the Hornsea 4 offshore wind project in its current form

7.5.2025 07:55:01 CEST | Ørsted A/S | Inside information

Ørsted has today decided to discontinue the Hornsea 4 project in the UK in its current form. Since the Contract for Difference (CfD) award in allocation round 6 (AR6) in September 2024, the 2,400 MW Hornsea 4 project has seen several adverse developments relating to continued increase of supply chain costs, higher interest rates, and an increase in the risk to construct and operate Hornsea 4 on the planned timeline for a project of this scale.

In combination, these developments have increased the execution risk and deteriorated the value creation of the project. Therefore, Ørsted has taken the decision to stop further spend on the project at this time and terminate the project's supply chain contracts, meaning that Ørsted will not deliver Hornsea 4 under the CfD awarded in AR6.

Ørsted will evaluate options for future development of the Hornsea 4 project given the continuing seabed rights, grid connection agreement and Development Consent Order.

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

"We remain fully committed to being an important partner to the UK government to help them achieve their ambitious target for offshore wind build-out and appreciate the work they've done to deliver a clear framework to support offshore wind. However, our capital allocation is based on a strict and value-focused approach, and after careful consideration, we've decided to discontinue the development of the Hornsea 4 project in its current form, well ahead of the planned Final Investment Decision later this year."

"We've been maturing the project over the past nine months and have been working relentlessly with stakeholders and suppliers to manage the different project risks for a project of this scale. Throughout the development phase we've been very diligent in our approach to capital commitment to our suppliers, and our committed capital is well below our threshold. The adverse macroeconomic developments, continued supply chain challenges, and increased execution, market and operational risks have eroded the value creation."

"I'd like to emphasise that Ørsted continues to firmly believe in the long-term fundamentals of and value perspectives for offshore wind in the UK. We'll keep the project rights for the Hornsea 4 project in our development portfolio, and we'll seek to develop the project later in a way that is more value-creating for us and our shareholders."

As a consequence of the decision, Ørsted expects to incur break-away costs of DKK 3.5 to 4.5 billion in 2025. The EBITDA impact is expected to be DKK 3.0 to 3.5 billion, this includes a write-down of the offshore transmission assets and a provision for contract cancellation fees (not part of guided EBITDA). In addition, capitalised construction costs of approx. DKK 0.5 to 1.0 billion will be written down (impact below EBITDA).

Ørsted's previously guided EBITDA for 2025, excluding new partnership agreements and cancellation fees, of DKK 25-28 billion remains unchanged. Similarly, Ørsted's gross investment guidance for 2025 is unchanged at DKK 50-54 billion.

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### **About Ørsted**

The Ørsted vision is a world that runs entirely on green energy. Ørsted develops, constructs, and operates offshore and

onshore wind farms, solar farms, energy storage facilities, and bioenergy plants. Ørsted is recognised on the CDP Climate Change A List as a global leader on climate action and was the first energy company in the world to have its science-based net-zero emissions target validated by the Science Based Targets initiative (SBTi). Headquartered in Denmark, Ørsted employs approx. 8,300 people. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2024, the group's revenue was DKK 71.0 billion (EUR 9.5 billion). Visit [orsted.com](https://orsted.com) or follow us.

## Attachments

- [Ørsted CA no. 09 2025.pdf](#)