CONSOLIDATED FINANCIAL STATEMENTS

Statement of comprehensive income

DKK million	Note	2012 Business performance	2012 Adjustments	2012 IFRS	2011 Business performance	2011 Adjustments	2011 IFRS
Revenue	2, 3	67,243	(1,319)	65,924	56,842	1,595	58,437
Cost of sales	5	(47,403)	(154)	(47,557)	(31,605)	230	(31,375)
Other external expenses	33	(8,177)	-	(8,177)	(7,884)	-	(7,884)
Staff costs	6	(3,639)	-	(3,639)	(3,593)	-	(3,593)
Other operating income	4	852	-	852	280	-	280
Other operating expenses		(244)	-	(244)	(270)	-	(270)
Operating profit (loss) before depreciation, amortisation and impairment losses (EBITDA)		**8,632**	**(1,473)**	**7,159**	**13,770**	**1,825**	**15,595**
Depreciation, amortisation and impairment losses on intangible assets and property, plant and equipment	2, 10, 11	(12,113)	-	(12,113)	(7,670)	-	(7,670)
Operating profit (loss) (EBIT)		**(3,481)**	**(1,473)**	**(4,954)**	**6,100**	**1,825**	**7,925**
Gain on disposal of enterprises	29	2,675	-	2,675	225	-	225
Share of profit (loss) of associates	16	(553)	-	(553)	36	-	36
Finance income	23	3,692	-	3,692	5,811	-	5,811
Finance costs	23	(5,045)	-	(5,045)	(6,093)	-	(6,093)
Profit (loss) before tax		**(2,712)**	**(1,473)**	**(4,185)**	**6,079**	**1,825**	**7,904**
Income tax expense	7	(1,309)	368	(941)	(3,197)	(457)	(3,654)
Profit (loss) for the year		**(4,021)**	**(1,105)**	**(5,126)**	**2,882**	**1,368**	**4,250**
Other comprehensive income:							
Value adjustments for the year				(590)			(912)
Value adjustments transferred to revenue				14			300
Value adjustments transferred to cost of sales				(62)			(88)
Value adjustments transferred to net finance costs				413			147
Tax on value adjustments of hedging instruments				46			127
Foreign exchange adjustments, foreign enterprises				707			463
Foreign exchange adjustments, equity-like loans, etc.				(492)			(216)
Tax on foreign exchange adjustments, equity-like loans, etc.				134			42
Other comprehensive income				**170**			**(137)**
Total comprehensive income				**(4,956)**			**4,113**
Profit (loss) for the year is attributable to:							
Equity holders of DONG Energy A/S		(4,130)	(1,105)	(5,235)	2,428	1,368	3,796
Coupon payments after tax, hybrid capital holders of DONG Energy A/S		549	-	549	269	-	269
Non-controlling interests		(440)	-	(440)	185	-	185
Profit (loss) for the year		**(4,021)**	**(1,105)**	**(5,126)**	**2,882**	**1,368**	**4,250**
Total comprehensive income for the year is attributable to:							
Equity holders of DONG Energy A/S				(5,256)			3,422
Coupon payments after tax, hybrid capital holders of DONG Energy A/S				549			269
Non-controlling interests				(249)			422
Total comprehensive income				**(4,956)**			**4,113**
Earnings per share (EPS) and diluted earnings per share (DEPS) of DKK 10, in DKK	9			(17.82)			12.92

Balance sheet

Assets

DKK million	Note	2012	2011
Intangible assets	**2, 11**	**2,425**	**2,729**
Land and buildings		3,806	4,142
Production assets		70,671	65,438
Exploration assets		1,401	1,611
Fixtures and fittings, tools and equipment		266	282
Property, plant and equipment under construction		20,163	23,037
Property, plant and equipment	**2, 10**	**96,307**	**94,510**
Investments in associates	16	3,055	3,226
Other equity investments		382	418
Deferred tax	8	294	181
Receivables	13	3,777	3,314
Other non-current assets		**7,508**	**7,139**
Non-current assets		**106,240**	**104,378**
Inventories	12	3,794	4,244
Derivative financial instruments	13, 21	12,622	16,060
Receivables	13	13,906	16,432
Income tax		189	19
Securities	18	14,914	9,914
Cash	18	3,586	2,342
Current assets		**49,011**	**49,011**
Assets classified as held for sale	**28**	**4,343**	**684**
Assets		**159,594**	**154,073**

Equity and liabilities

DKK million	Note	2012	2011
Share capital		2,937	2,937
Reserves		7,892	7,913
Retained earnings		22,592	29,400
Equity attributable to equity holders of DONG Energy A/S		**33,421**	**40,250**
Hybrid capital		9,538	9,538
Non-controlling interests		7,057	7,952
Equity	**26**	**50,016**	**57,740**
Deferred tax	8	6,975	9,336
Pension obligations	6	13	15
Provisions	20	12,496	11,936
Bank loans and issued bonds	17, 19	48,563	34,715
Other payables	19	3,337	2,329
Non-current liabilities		**71,384**	**58,331**
Provisions	20	597	517
Bank loans and issued bonds	17, 19	5,632	5,512
Derivative financial instruments	19	12,523	13,095
Trade payables	19	9,581	9,377
Other payables	19	7,821	8,353
Income tax		1,859	763
Current liabilities		**38,013**	**37,617**
Liabilities		**109,397**	**95,948**
Liabilities associated with assets classified as held for sale	**19, 28**	**181**	**385**
Equity and liabilities		**159,594**	**154,073**

Statement of changes in equity

DKK million	Share capital	Hedging reserve	Translation reserve	Share premium	Retained earnings	Equity attributable to equity holders of DONG Energy A/S	Hybrid capital	Non-controlling interests	Total
Equity at 1 January 2012	2,937	(1,523)	188	9,248	29,400	40,250	9,538	7,952	57,740
Comprehensive income for the year									
Profit (loss) for the year	-	-	-	-	(5,235)	(5,235)	549	(440)	(5,126)
Other comprehensive income:									
Value adjustments of hedging instruments	-	(591)	-	-	-	(591)	-	1	(590)
Value adjustments transferred to revenue	-	14	-	-	-	14	-	-	14
Value adjustments transferred to cost of sales	-	(62)	-	-	-	(62)	-	-	(62)
Value adjustments transferred to net finance costs	-	413	-	-	-	413	-	-	413
Foreign exchange adjustments, foreign enterprises	-	-	517	-	-	517	-	190	707
Foreign exchange adjustments, equity-like loans, etc.	-	-	(492)	-	-	(492)	-	-	(492)
Tax on other comprehensive income	-	46	134	-	-	180	-	-	180
Total comprehensive income	**-**	**(180)**	**159**	**-**	**(5,235)**	**(5,256)**	**549**	**(249)**	**(4,956)**
Transactions with owners:									
Coupon payments, hybrid capital	-	-	-	-	-	-	(648)	-	(648)
Tax on coupon and costs, hybrid capital	-	-	-	-	-	-	99	-	99
Dividends paid	-	-	-	-	(1,457)	(1,457)	-	(1,061)	(2,518)
Addition, non-controlling interests	-	-	-	-	(83)	(83)	-	415	332
Disposal, non-controlling interests	-	-	-	-	(33)	(33)	-	-	(33)
Changes in equity in 2012	**-**	**(180)**	**159**	**-**	**(6,808)**	**(6,829)**	**-**	**(895)**	**(7,724)**
Equity at 31 December 2012	**2,937**	**(1,703)**	**347**	**9,248**	**22,592**	**33,421**	**9,538**	**7,057**	**50,016**
Equity at 1 January 2011	2,937	(1,108)	147	9,248	28,481	39,705	8,088	3,515	51,308
Comprehensive income for the year									
Profit for the year	-	-	-	-	3,796	3,796	269	185	4,250
Other comprehensive income:									
Value adjustments of hedging instruments	-	(917)	-	-	-	(917)	-	5	(912)
Value adjustments transferred to revenue	-	300	-	-	-	300	-	-	300
Value adjustments transferred to cost of sales	-	(88)	-	-	-	(88)	-	-	(88)
Value adjustments transferred to net finance costs	-	147	-	-	-	147	-	-	147
Foreign exchange adjustments, foreign enterprises	-	15	215	-	-	230	-	233	463
Foreign exchange adjustments, equity-like loans, etc.	-	-	(216)	-	-	(216)	-	-	(216)
Tax on other comprehensive income	-	128	42	-	-	170	-	(1)	169
Total comprehensive income	**-**	**(415)**	**41**	**-**	**3,796**	**3,422**	**269**	**422**	**4,113**
Transactions with owners:									
Coupon payments, hybrid capital	-	-	-	-	-	-	(515)	-	(515)
Tax on coupon and costs, hybrid capital	-	-	-	-	-	-	246	-	246
Addition, hybrid capital	-	-	-	-	-	-	5,127	-	5,127
Disposal, hybrid capital	-	-	-	-	-	-	(3,802)	-	(3,802)
Adjustments amortisation original hybrid capital	-	-	-	-	(125)	(125)	125	-	-
Dividends paid	-	-	-	-	(2,203)	(2,203)	-	(16)	(2,219)
Addition, non-controlling interests	-	-	-	-	96	96	-	4,080	4,176
Disposal, non-controlling interests	-	-	-	-	(41)	(41)	-	(35)	(76)
Adjustments disposals	-	-	-	-	(604)	(604)	-	(14)	(618)
Changes in equity in 2011	**-**	**(415)**	**41**	**-**	**919**	**545**	**1,450**	**4,437**	**6,432**
Equity at 31 December 2011	**2,937**	**(1,523)**	**188**	**9,248**	**29,400**	**40,250**	**9,538**	**7,952**	**57,740**

The hedging reserve comprises the accumulated net change in the fair value of hedging transactions that qualify for designation as hedges of future cash flows, and where the hedged transaction has yet to be realised, less the related tax.

The translation reserve comprises exchange differences arising on translation of the financial statements of foreign entities with a functional currency that is different from the Group's presentation currency, foreign exchange adjustments relating to assets and liabilities that form a part of the Group's net investment in such entities, and foreign exchange adjustments relating to hedging transactions that hedge the Group's net investment in such entities, less the related tax. The foreign exchange adjustments are recognised in profit for the year on realisation or partial realisation of the net investment.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of these shares in connection with capital increases. The reserve is part of DONG Energy's distributable reserves.

Statement of cash flows

DKK million	Note	2012	2011
Operating profit before depreciation, amortisation and impairment losses (EBITDA)		7,159	15,595
Other items[1]		3,695	(1,413)
Interest income and similar items		3,347	5,979
Interest expense and similar items		(4,192)	(6,808)
Income tax paid	7	(2,643)	(1,647)
Cash flows from operating activities before change in net working capital (FFO)		**7,366**	**11,706**
Change in inventories		478	(1,144)
Change in trade receivables		397	1,976
Change in other receivables		(424)	(949)
Change in trade payables		(442)	749
Change in other payables		326	286
Change in net working capital		**335**	**918**
Cash flows from operating activities		**7,701**	**12,624**
Purchase of intangible assets and property, plant and equipment		(17,813)	(17,851)
Sale of intangible assets and property, plant and equipment		1,389	1,936
Acquisition of enterprises		(422)	(22)
Disposal of enterprises	29	2,922	45
Acquisition of associates		-	(133)
Acquisition of other equity investments		(11)	(63)
Disposal of other equity investments		49	-
Purchase of securities		(10,184)	(8,124)
Sale of securities		5,184	6,061
Change in other non-current assets		(102)	(166)
Financial transactions with associates		(1,046)	(1,081)
Dividends received and capital reduction		30	60
Cash flows from investing activities		**(20,004)**	**(19,338)**
Proceeds from raising of loans		21,042	9,371
Instalments on loans		(8,334)	(7,121)
Coupon payments on hybrid capital		(648)	(515)
Repurchase of hybrid capital		-	(3,802)
Proceeds from issuing of hybrid capital		-	5,127
Dividends paid to equity holders of DONG Energy A/S		(1,457)	(2,203)
Transactions with non-controlling interests	30	2,503	3,945
Change in other non-current liabilities		(80)	116
Cash flows from financing activities		**13,026**	**4,918**
Net increase (decrease) in cash and cash equivalents		**723**	**(1,796)**
Cash and cash equivalents at 1 January		1,440	3,625
Net increase (decrease) in cash and cash equivalents		723	(1,796)
Cash classified as held for sale		23	(352)
Foreign exchange adjustments of cash and cash equivalents		26	(37)
Cash and cash equivalents at 31 December	**18**	**2,212**	**1,440**

[1] Other items primarily comprise changes in other provisions, changes in prepayments and deferred income, changes in value adjustments of derivative financial instruments and loans and reversal of drilling expenses charged to the income statement.

Statement of cash flows – continued

DKK million	2012	2011
Supplementary information		
Cash flows from investing activities	(20,004)	(19,338)
Dividends received and capital reduction, reversal	(30)	(60)
Purchase and sale of securities, reversal	5,000	2,063
Loans to jointly controlled entities, reversal	262	865
Sale of property, plant and equipment and intangible assets as well as enterprises, reversal	(4,311)	(1,981)
Gross investments	**(19,083)**	**(18,451)**
Transactions with non-controlling interests	231	3,410
Interest-bearing balances on acquisition of enterprises	(101)	-
Sale of property, plant and equipment and intangible assets as well as enterprises	4,311	1,981
Net investments	**(14,642)**	**(13,060)**
Dividends, net	(2,488)	(2,160)
Coupon payments on hybrid capital	(648)	(515)
Dividends and hybrid capital coupon	**(3,136)**	**(2,675)**
Analysis of change in interest-bearing net debt		
Interest-bearing net debt at 1 January	23,615	22,139
Cash flows from operating activities	(7,701)	(12,624)
Net investments	14,642	13,060
Dividends and hybrid capital coupon	3,136	2,675
Repurchase and issuing of hybrid capital	-	(1,325)
Foreign exchange adjustments of interest-bearing net debt	(198)	(310)
Interest-bearing net debt at 31 December	**33,494**	**23,615**
50% of hybrid capital due in 3005	2,206	2,206
Adjusted interest-bearing net debt at 31 December	**35,700**	**25,821**

Statement of cash flows | Accounting policies

Cash flows from operating activities are determined using the indirect method as operating profit before depreciation, amortisation and impairment losses adjusted for other items, change in net working capital, interest received and interest paid, and income tax paid. Trade payables relating to purchases of intangible assets and property, plant and equipment are not recognised in change in net working capital.

Cash flows from investing activities comprise payments in connection with acquisition and disposal of enterprises and activities; purchase and sale of intangible assets, property, plant and equipment and other non-current assets; and purchase and sale of securities that are not recognised as cash and cash equivalents.

Cash flows from financing activities comprise changes in the size or composition of the share capital and costs associated with such changes as well as the raising of loans, repayment of interest-bearing debt, and dividend payments to owners and coupon payments on hybrid capital.

Finance leases are accounted for as non-cash transactions. Cash flows relating to assets held under finance leases are recognised as payment of interest and repayment of debt.

Cash flows in currencies other than the functional currency are translated at the average exchange rates for the month in question, unless these differ significantly from the rates at the transaction date.

01 Basis of reporting

DONG Energy A/S is a public limited company with its registered office in Denmark.

The annual report for the period 1 January - 31 December 2012 comprises the consolidated financial statements of DONG Energy A/S and its subsidiaries (the Group) as well as separate financial statements for the parent company, DONG Energy A/S.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and also comply with IFRSs issued by the IASB.

The consolidated financial statements have been prepared in accordance with Danish disclosure requirements for annual reports of listed and state-owned public limited companies, see the statutory order on adoption of IFRS issued pursuant to the Danish Financial Statements Act.

The annual report is presented in million Danish kroner (DKK), unless otherwise stated.

The consolidated financial statements have been prepared on the historical cost basis except that derivative financial instruments, financial instruments in trading portfolio, financial instruments classified as available for sale and CO_2 emissions allowances in trading portfolio are measured at fair value.

The accounting policies have been applied consistently to the financial year and the comparative figures.

01| Accounting policies

The accounting policies applied to the consolidated financial statements as a whole are described below, while the remaining accounting policies are described in connection with the notes to which they relate.

The aim is to assist with a better understanding of individual items. The Group has elected not to include a reproduction of standards except in the case of descriptions of accounting policies within the framework of IFRS or where deemed particularly important to the understanding of the note in question. The descriptions of accounting policies in the notes form part of the overall description of accounting policies:

- Revenue note 3
- Income tax expense note 7
- Deferred tax note 8
- Property, plant and equipment note 10
- Intangible assets note 11
- Inventories note 12
- Receivables note 13
- Construction contracts note 14
- Jointly controlled assets and entities note 15
- Associates note 16
- Cash and cash equivalents and securities note 18
- Loans and borrowings note 19
- Provisions note 20
- Derivative financial instruments note 21
- Operating lease obligations note 22
- Finance income and costs note 23
- Equity note 26
- Acquisition of enterprises note 27
- Assets classified as held for sale note 28
- Transactions with non-controlling interests note 30

Business performance

To provide readers of the consolidated financial statements with relevant and reliable information on how the business is performing, the Group presents an alternative performance measure, business performance, in connection with the statement of profit for the year. Business performance has been determined in accordance with the internal management reporting. In determining business performance results, fair value adjustments on hedging transactions relating to commodity risks and related currency exposures are recognised in the period in which the hedged transaction affects profit, regardless of whether the hedging meets all criteria prescribed by IFRS. This means that transactions are recognised at the hedged value. No adjustments are made in respect of gains and losses on other financial instruments.

The adjustments column consists of fair value adjustments of commodity hedge transactions and realised gains and losses on these transactions and therefore solely reflects timing differences. The additional information is presented in accordance with IAS 1.

Consolidated financial statements

Consolidated financial statements include the parent company DONG Energy A/S and subsidiaries controlled by DONG Energy A/S.

Enterprises in which the Group holds or has the ability to exercise, directly or indirectly, between 20% and 50% of the voting rights, but does not exercise control, are accounted for as associates. However, this is based on a specific assessment of the possibility of exercising influence. Any such enterprises that satisfy the criteria for joint control are instead accounted for as investments in jointly controlled entities.

The consolidated financial statements have been prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements prepared in accordance with the Group's accounting policies. Intragroup income and expenses, shareholdings, balances and dividends as well as realised and unrealised gains and losses arising from intragroup transactions are eliminated on consolidation. Unrealised gains resulting from transactions with associates and entities under joint control are eliminated to the extent of the Group's interest in the enterprise. Unrealised losses are eliminated in the same way as unrealised gains to the extent that there has been no impairment.

Investments in jointly controlled assets and entities are recognised in the consolidated balance sheet using proportionate consolidation. Accordingly, shares of income and expenses from jointly controlled assets and entities are recognised on a proportionate basis in profit for the year. Own liabilities and expenses incurred in respect of jointly controlled assets and entities are also recognised. In connection with proportionate consolidation, intragroup income and expenses, balances and realised and unrealised gains and losses arising from intragroup transactions between fully consolidated enterprises and proportionately consolidated assets and entities are eliminated to the extent of the Group's investment.

Foreign currency translation

For each reporting enterprise in the Group, items are determined in the currency of the primary economic environment in which the individual reporting enterprise operates (functional currency). Transactions in currencies other than the functional currency of each enterprise are accounted for as transactions in foreign currencies and translated on initial recognition at the exchange rate at the transaction date. Exchange differences arising between the exchange rate at the transaction date and at the date of payment are recognised in profit for the year as finance income or costs.

Receivables, payables and other monetary items in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rate at the balance sheet date and at the date at which the receivable or payable arose is recognised in profit for the year as finance income or costs.

For foreign subsidiaries, proportionately consolidated enterprises and associates, the statements of comprehensive income are translated at monthly average exchange rates in so far as these do not deviate materially from the actual exchange rates at the transaction dates. Balance sheet items are translated at the exchange rates at the balance sheet date. All exchange differences are recognised in profit for the year, except for exchange differences arising on:

- translation of the opening equity of these enterprises at the exchange rates at the balance sheet date
- translation of the statements of comprehensive income of these enterprises from the rates at the transaction date to the exchange rates at the balance sheet date
- translation of balances accounted for as part of the total net investment
- translation of the portion of loans and derivative financial instruments that has been entered into to hedge the net investment in these enterprises and that provides an effective hedge against corresponding foreign exchange gains/losses on the net investment in the enterprise

The above types of exchange differences are recognised in other comprehensive income. Such foreign exchange adjustments are allocated between the parent company's and the non-controlling interests' equity.

When a foreign entity is disposed of, in full or in part, and control is lost, or when balances that are considered part of the net investment are repaid, the share of the cumulative exchange adjustments that is recognised directly in equity relating to that foreign entity is reclassified to profit for the year together with any gain or loss on disposal. The part of the translation

01 Basis of reporting – continued

reserve that relates to non-controlling interests is not transferred to profit for the year.

On partial disposal of foreign subsidiaries that does not result in a loss of control, a proportionate share of the translation reserve is transferred from the parent company shareholders' share of equity to the non-controlling interests' share of equity.

Repayment of balances that are considered part of the net investment does not constitute a partial disposal of the subsidiary.

Implementation of new standards and interpretations
In 2012, DONG Energy implemented the following standards (IASs and IFRSs) and interpretations (IFRICs), effective for reporting periods beginning on or after 1 January 2012:

- Amendments to IFRS 7 Financial Instruments: Disclosures – Enhancing Disclosures about Transfers of Financial Assets
- Amendments to IAS 12 Deferred Tax: Recovery of Underlying Assets

The implementation of the amended standards in the consolidated financial statements for 2012 has not had any impact on DONG Energy's consolidated financial statements for 2012.

New standards and interpretations
The IASB has issued a number of new or amended standards and interpretations that have not yet become effective and are consequently not mandatory in connection with the preparation of DONG Energy's consolidated financial statements for 2012.

DONG Energy will early adopt IFRS 10, IFRS 11 and IFRS 12 and amendments to IAS 27 and IAS 28 on 1 January 2013. IFRS 11 will mean that the option to apply proportionate consolidation to jointly controlled entities will cease in some cases. In such cases, profit must instead be presented in profit for the year as one aggregate amount, in the same way as the share of profit (loss) of associates, but through EBITDA. In the balance sheet, assets and liabilities relating to jointly controlled entities must also be presented as a net amount in future, like investments in associates. This will mainly affect property, plant and equipment. The early adoption will have limited impact on the financial reporting.

DONG Energy will adopt IFRS 13 on 1 January 2013. IFRS 13 introduces a new definition of fair value and guidance on how it should be determined, and the standard includes disclosure requirements on the value determined. It is assessed that the adoption will have limited impact on the financial reporting.

DONG Energy has initiated assessments of the impact of other new or amended standards and interpretations and expects that these will not have any material impact on the financial reporting. DONG Energy expects to adopt other new or amended standards and interpretations as they become mandatory.

01 | Critical accounting estimates
In the process of preparing the consolidated financial statements, a number of accounting estimates have been made that affect assets and liabilities at the balance sheet date, income and expenses in the reporting period and disclosures on contingent assets and contingent liabilities at the balance sheet date. Management regularly reassesses these estimates, partly on the basis of historical experience and a number of other factors in the given circumstances.

Management is of the opinion that no accounting estimates are made in connection with the presentation of the consolidated financial statements applying the Group's accounting policies that are material to the financial reporting, other than those disclosed in the notes:

- Deferred tax — note 8
- Impairment testing of property, plant and equipment — note 10
- Useful lives for production assets — note 10
- Impairment testing of intangible assets — note 11
- Valuation of receivables — note 13
- Construction contracts — note 14
- Investments in associates — note 16
- Decommissioning obligations — note 20
- Onerous contracts — note 20
- Litigation — note 20
- Receivables from the disposal of equity investments to non-controlling interests — note 30

01 Basis of reporting – continued

Definitions of performance highlights

EBITDA adjusted for hydrocarbon tax	EBITDA adjusted for hydrocarbon tax. Hydrocarbon tax is a result of the Group's oil and gas extraction.
Funds From Operation (FFO)	Cash flows from operating activities before change in net working capital.
Gross investments	Cash flows from investing activities, excluding dividends received from associates and equity investments, purchases and sales of securities, loans to jointly controlled entities, and disposals of assets and enterprises.
Net investments	Gross investments less disposals of assets and enterprises. To/from this is added/deducted acquired/transferred debt in connection with acquisitions and disposals of enterprises, and deducted non-controlling interests' share of investments in fully consolidated investment projects, and deducted the selling price of non-controlling interests.
Financial gearing [1]	$\frac{\text{Interest-bearing net debt}}{\text{Total equity}}$
Adjusted net debt	Interest-bearing net debt plus 50% of the hybrid capital due in 3005.
Adjusted net debt to EBITDA	$\frac{\text{Adjusted net debt}}{\text{EBITDA}}$
Return on capital employed (ROCE)	$\frac{\text{Adjusted operating profit}}{\text{Average capital employed}}$
Adjusted operating profit	EBIT adjusted for hydrocarbon tax plus profit from associates less interest element of provisions.
Capital employed	Non-interest-bearing net assets corresponding to non-interest-bearing assets less non-interest-bearing liabilities.
Average capital employed	$\frac{\text{(Capital employed beg. of year + capital employed year end)}}{2}$
Earnings per share (EPS) of DKK 10 [2]	$\frac{\text{Profit for the year}}{\text{Average number of shares}}$
Proposed dividends per share (DPS) of DKK 10 [1]	$\frac{\text{Total proposed dividend}}{\text{Number of shares year end}}$
Payout ratio	$\frac{\text{Total proposed dividend}}{\text{Profit for the year attributable to equity holders}}$
Average number of shares [3]	$\frac{\text{(Shares beg of year x D) + (Shares year end x (365-D))}}{365}$
Net working capital, external transactions	Inventories, trade receivables, associates and jointly controlled entities and other operating current assets less trade payables and liabilities to associates and jointly controlled entities and other operating current liabilities. Prepayments and deferred income are not recognised in the determination of net working capital.
Net working capital, intragroup transactions	Intragroup trade receivables less intragroup trade payables.
Net working capital excl. trade payables	Net working capital excl. trade payables relating to purchases of intangible assets and property, plant and equipment.

[1] The calculation is in accordance with 'Recommendations & Financial Ratios 2010' published by the Danish Society of Financial Analysts.
[2] Earnings per share (EPS) is determined in accordance with IAS 33.
[3] D = number of days prior to a capital increase, including the day on which the proceeds are received.

02 Segment information

Management has defined the Group's business segments based on the reporting regularly presented to the Group Executive Management, and which forms the basis for management's strategic decisions.

Reportable segments comprise the following products and services:

- **Exploration & Production:** Oil and gas exploration and production in Denmark, Norway, the UK, the Faroe Islands and Greenland as well as an ownership interest in the Gassled natural gas pipeline network connecting the Norwegian fields with the European continent and the UK.
- **Wind Power:** Development, construction and operation of wind farms in Denmark, the UK, Poland, Norway, Sweden and Germany as well as an ownership interest in a hydro electric station in Sweden.
- **Thermal Power:** Generation and sale of electricity and heat from thermal power stations in Denmark and ownership of gas-fired power stations in the Netherlands and the UK, leasing of a gas-fired power station in Norway to Statoil under a finance lease, and a demonstration plant for production of second-generation bioethanol in Denmark.
- **Energy Markets:** Optimisation and hedging of DONG Energy's energy portfolio, including trading in natural gas and electricity with energy producers and wholesale customers and on European energy hubs and exchanges.
- **Sales & Distribution:** Sales and distribution of electricity and gas to wholesale and end customers in Denmark, the Netherlands, Sweden and the UK.

02| Accounting policies

The Group operates with two performance measures, both measured on business performance. EBITDA is the primary performance measure and EBIT the secondary performance measure. Segment assets and segment liabilitities are measured in accordance with the accounting policies applied in the consolidated financial statements.

Segment income, segment expense, segment assets and segment liabilities are those items that, in the internal management reporting, are directly attributable to the individual segment or can be indirectly allocated to the individual segment on a reliable basis. Other activities primarily comprise income and expenses, assets and liabilities, investing activities, taxes, etc., that are not directly employed by the individual segment in its operating activities. Intersegment transactions are priced on arm's length terms.

Activities

2012 DKK million	Exploration & Production	Wind Power	Thermal Power	Energy Markets	Sales & Distribution	**Reportable segments**	Other activities/ eliminations	**Business performance**	Adjustments	**IFRS**
External revenue	6,175	6,820	7,773	29,752	16,762	67,282	(39)	67,243	(1,319)	65,924
Intragroup revenue	5,696	954	1,207	11,664	299	19,820	(19,820)[1]	-	-	-
Revenue	**11,871**	**7,774**	**8,980**	**41,416**	**17,061**	**87,102**	**(19,859)**	**67,243**	**(1,319)**	**65,924**
EBITDA	**6,552**	**2,502**	**2,058**	**(4,601)**	**2,124**	**8,635**	**(3)**	**8,632**	**(1,473)**	**7,159**
Depreciation and amortisation	(3,461)	(1,472)	(2,448)	(540)	(1,173)	(9,094)	(107)	(9,201)	-	(9,201)
Impairment losses, net	-	(330)	(2,424)	(157)	(1)	(2,912)	-	(2,912)	-	(2,912)
Operating profit (loss) (EBIT)	**3,091**	**700**	**(2,814)**	**(5,298)**	**950**	**(3,371)**	**(110)**	**(3,481)**	**(1,473)**	**(4,954)**
Gain on disposal of enterprises										**2,675**
Share of profit (loss) of associates										**(553)**
Net finance costs										**(1,353)**
Profit (loss) before tax, see consolidated statement of comprehensive income, page 44										**(4,185)**
Adjusted operating profit (loss)	**1,211**	**159**	**(2,862)**	**(5,437)**	**961**	**(5,968)**	**(127)**	**(6,095)**	**(1,473)**	**(7,568)**

[1] Of which elimination of intragroup revenue accounts for an outflow of DKK 22,004 million.

DKK million	Exploration & Production	Wind Power	Thermal Power	Energy Markets	Sales & Distribution	**Reportable segments**	Other activities	Eliminations	**IFRS**
Net working capital, external transactions	(2,337)	(1,580)	529	3,986	582	1,180	(1,837)	45	(612)
Net working capital, intragroup transactions	1,032	469	(655)	837	(2,082)	(399)	444	(45)	-
Net working capital	**(1,305)**	**(1,111)**	**(126)**	**4,823**	**(1,500)**	**781**	(1,393)	**-**	**(612)**
Net working capital excl. trade payables relating to capital expenditure	56	696	(106)	4,823	(1,500)	3,969	(1,393)	-	2,576
Capital employed	17,507	39,703	13,712	7,308	9,759	87,989	(4,513)	34	83,510
Gross investments	(5,064)	(12,674)	(309)	(273)	(1,169)	(19,489)	406	-	(19,083)
Segment assets	36,955	56,366	21,111	30,499	24,651	169,582	87,364	(97,835)	159,111
Deferred tax	482	472	1,082	286	357	2,679	(2,385)	-	294
Income tax receivable	-	762	185	268	79	1,294	(1,105)	-	189
Total assets, see consolidated balance sheet, page 45	**37,437**	**57,600**	**22,378**	**31,053**	**25,087**	**173,555**	**83,874**	**(97,835)**	**159,594**

Oil and gas exploration expenditure of DKK 1,230 million has been recognised in Exploration & Production. Oil and gas exploration assets and liabilities amounted to DKK 3,801 million and DKK 886 million respectively on 31 December 2012. Operating and investing cash flows arising from oil and gas exploration absorbed DKK 2,504 million and DKK 917 million respectively.

02 Segment information – continued

2011 DKK million	Exploration & Production	Wind Power	Thermal Power	Energy Markets	Sales & Distribution	**Reportable segments**	Other activities/ eliminations	**Business performance**	Adjustments	**IFRS**
External revenue	5,784	3,589	9,711	25,320	12,504	56,908	(66)	56,842	1,595	58,437
Intragroup revenue	4,685	723	954	8,369	505	15,236	(15,236)[1]	-	-	-
Revenue	**10,469**	**4,312**	**10,665**	**33,689**	**13,009**	**72,144**	**(15,302)**	**56,842**	**1,595**	**58,437**
EBITDA	**5,684**	**1,799**	**2,255**	**1,963**	**2,027**	**13,728**	**42**	**13,770**	**1,825**	**15,595**
Depreciation and amortisation	(2,480)	(943)	(1,562)	(585)	(1,184)	(6,754)	(98)	(6,852)	-	(6,852)
Impairment losses, net	-	-	59	(600)	(277)	(818)	-	(818)	-	(818)
Operating profit (EBIT)	**3,204**	**856**	**752**	**778**	**566**	**6,156**	**(56)**	**6,100**	**1,825**	**7,925**
Gain on disposal of enterprises										**225**
Share of profit of associates										**36**
Net finance costs										**(282)**
Profit before tax, see consolidated statement of comprehensive income, page 44										**7,904**
Adjusted operating profit	**1,628**	**861**	**720**	**751**	**584**	**4,544**	**(100)**	**4,444**	**1,825**	**6,269**

[1] Of which elimination of intragroup revenue accounts for an outflow of DKK 17,497 million.

DKK million	Exploration & Production	Wind Power	Thermal Power	Energy Markets	Sales & Distribution	**Reportable segments**	Other activities	Eliminations	**IFRS**
Net working capital, external transactions	(951)	(2,767)	299	2,717	965	263	(463)	19	(181)
Net working capital, intragroup transactions	808	(53)	(199)	(175)	(698)	(317)	336	(19)	-
Net working capital	**(143)**	**(2,820)**	**100**	**2,542**	**267**	**(54)**	**(127)**	**-**	**(181)**
Net working capital excl. trade payables relating to capital expenditure	532	(465)	119	2,542	267	2,995	(127)	-	2,868
Capital employed	18.186	29,443	17,882	6,553	10,944	83,008	(1,653)	-	81,355
Gross investments	(5,626)	(10,872)	(714)	(333)	(810)	(18,355)	(96)	-	(18,451)
Segment assets	33.087	48,027	33,155	32,625	22,197	169,091	78,275	(93,493)	153,873
Deferred tax	354	538	272	15	392	1,571	(1,390)	-	181
Income tax receivable	-	108	69	0	62	239	(220)	-	19
Total assets, see consolidated balance sheet, page 45	**33,441**	**48,673**	**33,496**	**32,640**	**22,651**	**170,901**	**76,665**	**(93,493)**	**154,073**

Oil and gas exploration expenditure of DKK 997 million has been recognised in Exploration & Production. Oil and gas exploration assets and liabilities amounted to DKK 2,758 million and DKK 395 million respectively at 31 December 2011. Operating and investing cash flows arising from oil and gas exploration absorbed DKK 2,108 million and DKK 984 million respectively.

Geographical information

DKK million	Revenue 2012	Revenue 2011	Intangible assets and property, plant and equipment 2012	Intangible assets and property, plant and equipment 2011
Denmark	27,219	27,101	41,785	42,428
UK	18,916	13,467	35,382	31,860
Germany	11,442	8,222	1,396	843
Norway	843	1,993	17,851	17,930
Netherlands	6,598	3,747	20	14
Other	2,225	2,312	2,298	4,164
Consolidated total	**67,243**	**56,842**	**98,732**	**97,239**

A significant part of the Group's sales takes place via power exchanges and gas hubs in Europe, the physical location of which does not reflect the Group's market risks. Segment revenue is broken down, as far as possible, by the customer's geographical location based on supply point. However, when delivery is made directly from production platforms in the North Sea, the final supply point is not known to DONG Energy. In such cases, the customer's geographical location is defined on the basis of invoicing address.

Non-current assets are broken down geographically based on the physical location of the assets and comprise intangible assets and property, plant and equipment.

No single customer accounts for more than 10% of consolidated revenue.

03 Revenue

	Business performance		IFRS	
DKK million	**2012**	2011	**2012**	2011
Sales and transportation of natural gas	28,953	23,308	28,117	24,993
Sales and transportation of oil	6,368	5,769	6,368	5,769
Sales of electricity	17,610	16,376	17,372	15,757
Sales of district heat	2,857	2,532	2,857	2,532
Distribution and storage of natural gas	1,187	1,387	1,187	1,387
Distribution of electricity	3,964	3,281	3,964	3,281
Construction contracts	3,237	335	3,237	335
Trading activities, net	415	633	415	633
Economic hedging, net	(12)	38	(285)	897
Hedge accounting, net	-	-	28	(330)
Other revenue	2,664	3,183	2,664	3,183
Revenue	**67,243**	**56,842**	**65,924**	**58,437**

03 | Accounting policies

Revenue from sales and transportation of oil and gas, distribution and storage of natural gas, and sales and distribution of electricity and heat is recognised in profit for the year when delivery and transfer of risk to buyer have taken place and to the extent that the income can be measured reliably and is expected to be received. Revenue is measured at the fair value of the agreed consideration excluding VAT and other indirect taxes collected on behalf of third parties. All forms of discounts granted are recognised as revenue.

Construction contracts are recognised as revenue as the work is performed to the effect that revenue corresponds to the selling price of the work performed during the year (percentage of completion method). When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of costs incurred that it is probable will be recoverable.

Fair value adjustments of physical and financial contracts relating to commodities that are concluded in the course of the Group's trading activities with a view to generating gains from short-term price fluctuations are recognised as revenue. Likewise, fair value adjustments of financial contracts offered to customers with a view to price hedging and financial instruments that have been entered into to hedge the Group's primary operating activities are recognised as revenue.

04 Other operating income

DKK million	**2012**	2011
Gain on sale of property, plant and equipment and intangible assets	217	165
Adjustment of decommissioning obligations	465	-
Miscellaneous operating income	170	115
Other operating income	**852**	**280**

Adjustment of decommissioning obligations relates to production assets with a carrying amount of nil.

05 Cost of sales

	Business performance		IFRS	
DKK million	**2012**	2011	**2012**	2011
Natural gas	23,951	17,540	23,951	17,540
Electricity	9,063	5,466	9,063	5,466
Coal	1,568	2,000	1,568	2,000
Biomass	1,266	1,256	1,266	1,256
Oil	288	220	288	220
Transportation costs, etc.	7,813	3,320	7,813	3,320
Economic hedging	(353)	32	(141)	(157)
Hedge accounting	-	-	(58)	(41)
Costs associated with construction contracts	2,354	223	2,354	223
Other cost of sales	1,453	1,548	1,453	1,548
Cost of sales	**47,403**	**31,605**	**47,557**	**31,375**

Transportation costs, etc., are affected by a DKK 2,347 million provision for three long-term contracts for leasing of gas storage capacity in Germany and a DKK 564 million provision for an onerous contract for capacity in the LNG terminal in the Netherlands. These contracts have become onerous due to market developments, the value of gas storage capacity having deteriorated significantly since the contracts were concluded.

06 Staff costs

DKK million	2012	2011
Wages, salaries and remuneration	3,962	3,669
Pensions	338	312
Other social security costs	123	83
Other staff costs	74	39
Staff costs before transfer to assets	**4,497**	**4,103**
Transfer to assets	(858)	(510)
Staff costs	**3,639**	**3,593**

The Group's pension plans are primarily defined contribution plans that do not commit DONG Energy beyond the amounts contributed. The defined benefit plans relate to obligations to pay a defined benefit to a few power station employees that are no longer with the company and to public servants taken over from municipally owned regional companies. In 2012, these obligations amounted to DKK 13 million (2011: DKK 15 million). The average number of employees in DONG Energy in 2012 was 6,735 (2011: 5,966 employees).

In connection with the efficiency plan that has been initiated with a view to cutting costs, 324 employees were made redundant. A DKK 94 million provision has been made to cover wages, salaries, etc., in accordance with contracts of employment.

Remuneration of Board of Directors, Executive Board and other senior executives

	2012					2011				
DKK '000	Salaries	Bonus	Pension	Termination benefit	Total	Salaries	Bonus	Pension	Termination benefit	Total
Parent company Board of Directors:[1]										
Chairman	550	-	-	-	550	550	-	-	-	550
Deputy Chairman	425	-	-	-	425	425	-	-	-	425
Other members	2,031	-	-	-	2,031	1,995	-	-	-	1,995
Executive Board and other senior executives in the Group:										
CEO (from 27 August 2012)	2,863	600	1	-	3,464	-	-	-	-	-
CEO (until 12 March 2012)[2]	6,218	1,401	2	-	7,621	5,006	1,084	2	-	6,092
CFO[3]	5,113	1,202	2	-	6,317	4,565	1,141	2	-	5,708
Other senior executives in the Group[4]	15,186	3,341	2,473	3,467[5]	24,467	12,956	3,014	1,931	-	17,901
Remuneration	**32,386**	**6,544**	**2,478**	**3,467**	**44,875**	**25,497**	**5,239**	**1,935**	**-**	**32,671**

[1] Annual remuneration was DKK 175 thousand (2011: DKK 175 thousand) per member in 2012, while the Chairman and the Deputy Chairman received DKK 500 thousand (2011: DKK 500 thousand) and DKK 300 thousand (2011: DKK 300 thousand) respectively. The annual remuneration for the Audit and Risk Committee was DKK 50 thousand (2011: DKK 50 thousand) and the Remuneration Committee DKK 25 thousand (2011: DKK 25 thousand) per member in 2012, while the Committee Chairmen received twice that amount.

[2] Comprises salaries, bonus and pension during notice period.

[3] Comprises compensation of DKK 500 thousand for temporarily also assuming the role of CEO.

[4] Comprises salaries, bonus and pension during notice period for Executive Vice President who stepped down on 30 November 2012.

[5] Termination benefit for Executive Vice President who stepped down on 30 November 2012.

At 31 December 2012, the Executive Board and other senior executives consisted of five persons in total (2011: six persons).

The CEO, the CFO and the Group's other senior executives will be entitled to 24 months' salary, including pension, if their contracts of service are terminated by the company (2011: 24 months), consisting of salary during the notice period (12 months) and termination benefit (12 months).

On 12 March 2012, CEO Anders Eldrup was dismissed by DONG Energy's Board of Directors. In accordance with the termination terms in his service contract, Anders Eldrup will receive salary during the notice period (12 months), less any other earnings. Under his service contract Anders Eldrup is entitled to termination benefit of up to 21.5 months' salary subject to certain conditions. Both the legal inquiry that was conducted and the Legal Adviser to the Danish Government have concluded that Anders Eldrup's termination will not trigger any payment of termination benefit. No provision for termination benefit has therefore been made. Anders Eldrup has commenced arbitration proceedings against DONG Energy, claiming payment of termination benefit. The arbitration case is expected to be concluded in summer 2013.

07 Income tax expense

DKK million	2012	2011
Income tax expense	(941)	(3,654)
Tax on other comprehensive income	(180)	169
Tax for the year	**(1,121)**	**(3,485)**
Tax for the year can be broken down as follows:		
Current tax (income tax and hydrocarbon tax) calculated applying normal tax rates	(1,815)	(1,218)
Current tax, hydrocarbon tax calculated applying higher tax rate	(2,150)	(1,076)
Deferred tax, calculated applying normal tax rates	2,106	(1,021)
Deferred tax, hydrocarbon tax calculated applying higher tax rate	376	(439)
Adjustments in respect of prior years, etc.	542	100
Income tax expense	**(941)**	**(3,654)**

	2012		2011	
	DKK million	%	DKK million	%
Income tax expense can be explained as follows:				
Calculated 25% tax on profit before tax	1,046	25	(1,976)	25
Adjustments of calculated income tax in foreign subsidiaries in relation to 25%	(73)	(2)	(92)	1
Hydrocarbon tax	(1,774)	(42)	(1,515)	19
Tax effect of:				
Non-taxable income and non-deductible costs, net	(98)	(2)	(54)	0
Unrecognised tax assets and capitalisation of tax assets not previously capitalised	(428)	(10)	(49)	1
Share of profit (loss) of associates	(138)	(3)	9	0
Adjustments to tax in respect of prior years	78	1	23	0
Adjustments to tax relating to associates	446	11	-	-
Effective tax for the year	**(941)**	**(22)**	**(3,654)**	**46**

Income tax expense was DKK 941 million despite a loss before tax of DKK 4,185 million.

The tax rate primarily reflected positive earnings from oil and gas production in Norway, where hydrocarbon income is taxed at 78%, and non-deductible amortisation of licence rights in Norway.

Income tax expense was also affected by unrecognised tax assets relating to losses in companies in which utilisation of tax loss carryforwards in the foreseeable future is uncertain, including losses from oil and gas exploration and other development costs, where a final investment decision has not yet been made.

Lastly, income tax expense was affected by adjustment of tax relating to associates due to an expected refund of overpayment of tax in previous tax years, which is to be paid by the associate Kraftgården AB.

DKK million	2012	2011
Total income tax paid	2,643	1,647

07 | Accounting policies

The Group is taxed jointly with its Danish and foreign subsidiaries (international joint taxation). The Group's subsidiaries are included in the joint taxation from the date they are included in the consolidation in the consolidated financial statements and up to the date on which they are no longer included in the consolidation.

The current Danish income tax is allocated in full among the jointly taxed Danish subsidiaries in proportion to their taxable income (full allocation).

Income tax expense, which consists of current tax and changes in deferred tax, is recognised in profit for the year except for the portion that relates to entries directly to other comprehensive income.

Subsidiaries that are engaged in oil and gas recovery (hydrocarbons) are subject to the hydrocarbon tax legislation in the countries in which they operate. Hydrocarbon taxes are calculated on the basis of taxable hydrocarbon income and comprise taxes calculated applying the respective country's ordinary income tax rate as well as taxes calculated applying increased tax rates. Hydrocarbon taxes are recognised within income tax expense.

08 Deferred tax

2012

DKK million	Balance sheet at 1 January	Foreign exchange adjustments	Additions, indi-vidual assets and activities, net	Recognised in profit for the year	Recognised in other comprehensive income	Adjustments in respect of prior years, etc.	Transfers to assets classified as held for sale	Balance sheet at 31 December
Intangible assets	(10)	-	-	361	-	(126)	-	225
Property, plant and equipment	11,597	287	(2)	(933)	(66)	(44)	66	10,905
Other non-current assets	27	(1)	15	49	-	28	-	118
Current assets	158	17	(8)	(321)	48	(48)	-	(154)
Non-current liabilities	(3,311)	(104)	-	(736)	26	(118)	-	(4,243)
Current liabilities	(125)	33	12	184	-	(392)	3	(285)
Retaxation	2,548	-	-	208	-	155	-	2,911
Tax loss carryforwards	(1,729)	1	(5)	(1,294)	-	227	4	(2,796)
Deferred tax	**9,155**	**233**	**12**	**(2,482)**	**8**	**(318)**	**73**	**6,681**
2011								
Intangible assets	479	-	-	(444)	-	-	(45)	(10)
Property, plant and equipment	9,785	61	-	1,187	2	562	-	11,597
Other non-current assets	89	(1)	-	(12)	-	(49)	-	27
Current assets	(154)	-	-	209	65	38	-	158
Non-current liabilities	(3,063)	(8)	-	(242)	63	(61)	-	(3,311)
Current liabilities	(6)	(2)	-	(162)	(95)	140	-	(125)
Retaxation	1,701	-	-	839	-	8	-	2,548
Tax loss carryforwards	(1,047)	(21)	(59)	85	(34)	(653)	-	(1,729)
Deferred tax	**7,784**	**29**	**(59)**	**1,460**	**1**	**(15)**	**(45)**	**9,155**

DKK million	2012	2011
Deferred tax is recognised in the balance sheet as follows:		
Deferred tax (assets)	(294)	(181)
Deferred tax (liabilities)	6,975	9,336
Deferred tax at 31 December, net	**6,681**	**9,155**
Deferred tax assets not recognised in the balance sheet relate to:		
Temporary differences	(3,654)	(2,626)
Tax loss carryforwards	19,139	15,973
Unrecognised deferred tax assets at 31 December	**15,485**	**13,347**

The deferred tax is due after twelve months.

The tax base of taxable losses includes DKK 577 million (2011: DKK 0 million) relating to unutilised deductible net finance costs.

Unrecognised deferred tax assets relate primarily to unutilised losses in hydrocarbon income. It is considered unlikely that these losses will be utilised in the foreseeable future.

08 | Accounting policies

Deferred tax is measured using the balance sheet liability method, providing for all temporary differences between the carrying amounts and the tax base of assets and liabilities, with the exception of deferred tax on temporary differences in respect of goodwill not deductible for tax purposes, office properties and other items – apart from business combinations – where temporary differences have arisen at the acquisition date without having any effect on either profit/loss or taxable income.

Deferred tax is measured on the basis of management's planned use of the asset or settlement of the liability respectively.

Deferred tax assets are recognised at the value at which they are expected to be utilised either by elimination against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

Adjustment of deferred tax is made relating to eliminations of unrealised intragroup profits and losses.

Deferred tax is measured in accordance with the tax rules and tax rates in the respective countries that will apply under the legislation enacted at the balance sheet date when the deferred tax is expected to crystallise in the form of current tax. Changes in deferred tax as a result of changes in tax rates are recognised in profit for the year.

Deferred tax on temporary differences between the carrying amounts and the tax base of acquisitions of jointly controlled assets, including licence interests, is not provided for.

08 | Critical accounting estimates

Deferred tax assets, including the tax base of tax loss carryforwards, are reassessed annually and recognised to the extent that it is probable that they will be utilised in the foreseeable future. Management's reassessment is based on whether a final investment decision has been made in companies involved in oil and gas exploration and companies with other development costs, and on the long-term outlook for the Group.

09 Earnings per share

DKK million	2012	2011
Attributable to DONG Energy Group	(5,235)	3,796
Average number of shares of DKK 10	293,709,900	293,709,900
Earnings per share (EPS) and diluted earnings per share (DEPS) of DKK 10, in DKK	(17.82)	12.92

10 Property, plant and equipment

DKK million	Land and buildings	Production assets	Exploration assets	Fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
Cost at 1 January 2012	5,076	100,169	1,611	698	23,054	130,608
Foreign exchange adjustments	4	2,088	41	6	412	2,551
Addition on acquisition of enterprises	-	406	-	-	-	406
Additions	41	1,138	917	57	15,609	17,762
Disposal on sale of enterprises	-	-	-	-	(20)	(20)
Disposals	(131)	(206)	(688)	(18)	(187)	(1,230)
Adjustment of decommissioning obligations	-	(1,122)	74	-	377	(671)
Transfers to assets classified as held for sale	-	(2,511)	-	(59)	(2,786)	(5,356)
Transfers	24	16,470	(554)	61	(16,001)	-
Reclassifications	6	141	-	14	-	161
Cost at 31 December 2012	**5,020**	**116,573**	**1,401**	**759**	**20,458**	**144,211**
Depreciation and impairment losses at 1 January 2012	(934)	(34,731)	-	(416)	(17)	(36,098)
Foreign exchange adjustments	(2)	(543)	-	1	-	(544)
Depreciation and impairment losses, disposals	22	200	-	21	17	260
Depreciation	(250)	(8,475)	-	(85)	-	(8,810)
Impairment losses	(44)	(2,565)	-	(1)	(295)	(2,905)
Impairment losses reversed	-	114	-	-	-	114
Transfers to assets classified as held for sale	-	240	-	1	-	241
Reclassifications	(6)	(142)	-	(14)	-	(162)
Depreciation and impairment losses at 31 December 2012	**(1,214)**	**(45,902)**	**-**	**(493)**	**(295)**	**(47,904)**
Carrying amount at 31 December 2012	**3,806**	**70,671**	**1,401**	**266**	**20,163**	**96,307**
Cost at 1 January 2011	3,507	86,249	975	482	19,161	110,374
Foreign exchange adjustments	1	472	39	-	466	978
Additions	126	1,344	984	79	17,107	19,640
Disposals	(54)	(322)	(476)	(16)	(188)	(1,056)
Adjustment of decommissioning obligations	0	1,995	89	0	383	2,467
Transfers to assets classified as held for sale	(25)	(1,642)	-	(5)	(120)	(1,792)
Transfers	1,521	12,073	-	158	(13,755)	(3)
Cost at 31 December 2011	**5,076**	**100,169**	**1,611**	**698**	**23,054**	**130,608**
Depreciation and impairment losses at 1 January 2011	(648)	(28,747)	-	(277)	(17)	(29,689)
Foreign exchange adjustments	-	(64)	-	-	-	(64)
Depreciation and impairment losses, disposals	1	34	-	10	-	45
Depreciation	(199)	(6,115)	-	(81)	-	(6,395)
Impairment losses	-	(527)	-	-	-	(527)
Impairment losses reversed	-	59	-	-	-	59
Transfers to assets classified as held for sale	2	466	-	3	-	471
Transfers	(90)	163	-	(71)	-	2
Depreciation and impairment losses at 31 December 2011	**(934)**	**(34,731)**	**-**	**(416)**	**(17)**	**(36,098)**
Carrying amount at 31 December 2011	**4,142**	**65,438**	**1,611**	**282**	**23,037**	**94,510**

At 31 December 2012, DONG Energy had entered into agreements on investments in property, plant and equipment (primarily wind farms) totalling DKK 36,775 million (2011: DKK 19,746 million).

Mortgage loans totalling DKK 1,760 million (2011: DKK 1,502 million) are secured on power stations and vessels with a carrying amount of DKK 2,506 million (2011: DKK 2,812 million).

10 Property, plant and equipment – continued

Impairment of production assets

Gas-fired power stations

An impairment loss totalling DKK 2,017 million was recognised on gas-fired power stations in 2012. Of this, DKK 1,393 million related to Severn in the UK and DKK 624 million to Enecogen in the Netherlands, which is 50%-owned by DONG Energy. The reason for the impairment losses was that green spark spreads have deteriorated significantly. The Group expects that green spark spreads will remain at a low level in the coming years but will improve in the years after 2016. The value in use of the power stations is based on the overall level of activity in Thermal Power and Energy Markets relating to the power stations. The impairment loss on property, plant and equipment was made in the Thermal Power segment.

Other impairment losses

In addition, a DKK 888 million impairment loss was recognised on property, plant and equipment, of which DKK 254 million related to Wind Power, DKK 521 million to Thermal Power and DKK 113 million to Energy Markets.

Offshore gas pipelines

In 2011, a DKK 527 million impairment loss was recognised in the Energy Markets segment on the offshore gas pipelines from the North Sea to Denmark.

10 | Accounting policies

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. In the case of property, plant and equipment, cost is, as a rule, depreciated on a straight-line basis over the estimated future useful lives, which are:

Buildings	20 - 50 years
Production assets, oil and gas[1]	20 - 40 years
Wind turbines	20 - 24 years
Production assets, electricity (thermal) and district heat	20 - 35 years
Gas transportation system (marine pipelines) and gas storage facilities	20 - 40 years
Oil transportation system (marine pipeline)	15 years
Distribution networks, natural gas	20 - 40 years
Distribution networks, electricity	20 - 40 years
Fixtures and fittings, tools and equipment	3 - 10 years

[1] Depreciation is charged using the unit-of-production method based on the ratio of current production to estimated reserves by individual field

Cost comprises purchase price and any costs directly attributable to the acquisition until the date the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, subsuppliers and labour. Borrowing costs relating to both specific and general borrowing directly attributable to assets under construction with a lengthy construction period are recognised in cost during the construction period. Cost is increased by the present value of the estimated obligations for decommissioning and restoration to the extent that they are recognised as a provision.

Subsequent costs, for example in connection with replacement of parts of an item of property, plant and equipment, are recognised in the carrying amount of the asset in question when it is probable that future economic benefits will flow to the Group from the expenses incurred. Replaced parts are derecognised from the balance sheet, and their carrying amount is recognised in profit for the year. All other repair and maintenance expenses are recognised in profit for the year as incurred.

Exploration assets comprise acquired licences and reserves as well as exploration expenses that relate to successful wells. Costs are recognised using the successful efforts method. Under the successful efforts method, exploration expenses for drilling specific exploration wells are recognised in the balance sheet if the well is successful. Recognition in the balance sheet is maintained pending determination of commercial viability. Recognised exploration expenses for commercial discoveries are transferred to property, plant and equipment under construction on commencement of the construction of a field. All exploration expenses determined as unsuccessful are recognised in profit for the year as other external expenses. Application of the successful efforts method means that the value of the Group's exploration assets is lower than if the full cost method had been applied. Exploration assets are not depreciated, as depreciation of such assets does not commence until the assets are available for use, on which date they are transferred to production assets.

10 | Critical accounting estimates

Impairment testing

Property, plant and equipment are tested for impairment if there is any indication of impairment. In an impairment test, the recoverable amount of the tested asset or cash-generating unit (CGU) is compared with its carrying amount. An impairment loss is recognised whenever the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less expected disposal costs and the present value of the expected future net cash flows (value in use). The assumptions and criteria used to determine the assets' recoverable amounts constitute management's best estimates.

The determination of the recoverable amount for production assets is based on a number of assumptions where estimates are made that are material to the determination. Such assumptions include future market conditions, market prices of oil, gas, electricity, biofuel, coal, CO_2, estimated oil and gas reserves, weighted average cost of capital, and exchange rates, etc. The assessment of oil and gas reserves is based on estimates of both proved and probable reserves (Proved plus Probable/2P). Proved reserves are the estimated volumes of oil and gas that, under existing economic conditions, are recoverable using known technology from reservoirs in which oil or gas has been proved. Probable reserves are those additional reserves that are less likely to be recovered than proved reserves. DONG Energy conducts an annual internal evaluation and review of the Group's reserves. An independent valuer has reviewed DONG Energy's reserves classification system and guidelines and has verified that the internal guidelines are in agreement with the SPE-PRMS guidelines.

Exploration assets are tested for impairment when sufficient data have been obtained to assess each asset's technical and commercial potential and if there is any indication of impairment. Impairment testing is also carried out at the time commercial finds of oil or gas have been identified, and when exploration assets are reclassified to assets under construction. Significant estimates made in determining the recoverable amount of exploration assets include the timing and the timing of costs in connection with the exploration wells, the results of existing exploration wells and the expectations concerning future exploration wells in the individual fields, including the probability that the exploration wells will result in commercial finds.

Useful lives for production assets

The expected useful lives of production assets are determined based on historical experience and expectations concerning the future use of these assets. The expected future applications may subsequently prove not to be realisable, which may require useful lives to be reassessed. Oil and gas production assets are depreciated using the unit-of-production method, which means that the useful lives of these production assets are determined based on expectations concerning annual production and estimated reserves for each field. Changed expectations concerning future annual production and/or estimated reserves for each field may therefore result in a need to reassess the useful lives of the production assets of the individual fields.

The Group has reassessed estimates of the useful lives of CHP plants. The useful lives of the plants were changed in 2012 so that these assets will have been written off in full by the date on which it has been decided they should be operated as stand-by plants. Stand-by CHP plants are no longer part of day-to-day production, but are kept on stand-by in case they are needed to meet DONG Energy's supply obligations. The accounting effect of the reassessed estimate was DKK 802 million in 2012.

11 Intangible assets

DKK million	Goodwill	Rights	CO_2 allowances	Completed development projects	In-process development projects	Total
Cost at 1 January 2012	650	3,279	927	1,023	22	5,901
Foreign exchange adjustments	5	-	1	-	1	7
Addition on acquisition of enterprises	188	14	-	-	-	202
Additions	-	33	208	1	65	307
Disposals	-	(41)	(398)	-	-	(439)
Transfers	-	1	-	3	(4)	-
Cost at 31 December 2012	**843**	**3,286**	**738**	**1,027**	**84**	**5,978**
Amortisation and impairment losses at 1 January 2012	(277)	(2,058)	(93)	(744)	-	(3,172)
Foreign exchange adjustments	-	-	-	(1)	-	(1)
Amortisation, disposals	-	39	93	-	-	132
Amortisation	-	(284)	-	(107)	-	(391)
Impairment losses	(76)	(45)	-	-	-	(121)
Transfers	-	-	-	-	-	-
Amortisation and impairment losses at 31 December 2012	**(353)**	**(2,348)**	**-**	**(852)**	**-**	**(3,553)**
Carrying amount at 31 December 2012	**490**	**938**	**738**	**175**	**84**	**2,425**

DKK million	Goodwill	Rights	CO_2 allowances	Completed development projects	In-process development projects	Total
Cost at 1 January 2011	651	3,198	476	995	21	5,341
Foreign exchange adjustments	(1)	(1)	-	-	2	0
Additions	-	86	652	15	34	787
Disposals	-	(26)	(201)	-	(3)	(230)
Transfers	-	22	-	13	(32)	3
Cost at 31 December 2011	**650**	**3,279**	**927**	**1,023**	**22**	**5,901**
Amortisation and impairment losses at 1 January 2011	-	(1,658)	(294)	(638)	-	(2,590)
Amortisation, disposals	-	26	201	-	-	227
Amortisation	-	(351)	-	(106)	-	(457)
Impairment losses	(277)	(73)	-	-	-	(350)
Transfers	-	(2)	-	-	-	(2)
Amortisation and impairment losses at 31 December 2011	**(277)**	**(2,058)**	**(93)**	**(744)**	**-**	**(3,172)**
Carrying amount at 31 December 2011	**373**	**1,221**	**834**	**279**	**22**	**2,729**

Rights consist primarily of gas purchase rights and a connection right relating to gas transportation. At 31 December 2012, the carrying amount of gas purchase rights was DKK 653 million (2011: DKK 768 million) and the carrying amount of the connection right DKK 122 million (2011: DKK 170 million).

Impairment of intangible assets

Impairment of goodwill

An impairment loss totalling DKK 76 million was recognised on goodwill in Wind Power in 2012.

The goodwill allocation for each CGU and the key assumptions applied in the impairment testing are set out below:

	2012	2011	**2012**	2011	**2012**	2011	**2012**	2011
	Central power stations	Central power stations	**A2SEA**	A2SEA	**Energy Markets**	Energy Markets	**DONG Energy S&D UK Limited**	DONG Energy S&D UK Limited
Segment	Thermal Power	Thermal Power	Wind Power	Wind Power	Energy Markets	Energy Markets	Sales & Distribution	Sales & Distribution
Share of consolidated goodwill, in DKK million	125	125	157	157	93	91	115	-
Share of consolidated goodwill (%)	26	34	32	42	19	24	23	-
Discount rate before tax (%)	8	8	11	12	10	10	9	-
Expected growth in net cash flows in terminal period (%)	-	-	-	-	2	2	2	-

The recoverable amount of CGUs is determined as a value in use, where net cash flows are determined on the basis of business plans and budgets that have been approved by management.

The main assumptions used to determine the recoverable amount for central power stations are the green dark spread and the discount rate. The calculation of expected net cash flows is based on the Group's own forecasting model, which forecasts net cash flows for the period 2012-2030. The

11 Intangible assets – continued

model does not operate with terminal values, as it comprises the assets' expected remaining useful lives. The model is designed so as to take into account the history of each power station and the Group's experience in power station operation, including useful lives, maintenance, etc.

The main assumptions used to determine the recoverable amount for A2SEA, which owns and operates vessels that have been optimised for the installation of offshore wind turbines, are the utilisation rate used, daily rates for A2SEA's vessels, synergies in the installation process for offshore wind turbines and the discount rate. The assumptions on which budgeted utilisation rates are based include the existence of contracts for part of revenue and expectations concerning new projects in the immediate future. Budgeted daily rates are based on evaluation of the current level of daily rates and the prices of vessel newbuilds. The determination of net cash flows is based on the company's business plan and expected net cash flows for the period 2012-2032. The model does not operate with terminal values, as it comprises the assets' expected remaining useful lives.

The main assumptions used to determine the recoverable amount for the Energy Markets CGU, which is responsible for optimising DONG Energy's energy portfolio, are oil and gas prices, gross margins, portfolio composition and the discount rate used. The determination of expected net cash flows is based on budgets and forecasts for the period 2012-2020 and a terminal value. The model has been designed so as to take into account the contract composition during the period and the Group's portfolio management experience.

The CGU DONG Energy S&D UK Limited sells electricity and gas in the UK market. The main assumptions used to determine the recoverable amount for this CGU are gross margins and the discount rate applied. The determination of expected net cash flows is based on the company's business plan and forecasts for the period 2013-2048 and a terminal value.

11 | Accounting policies

Goodwill is measured at cost on recognition. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised, and impairment losses charged in previous years are not reversed. The carrying amount of goodwill is allocated to the Group's cash-generating units on recognition. The determination of cash-generating units follows the Group's organisational and internal reporting structure.

Rights are measured at cost less accumulated amortisation and impairment losses. Gas purchase rights are amortised using the unit-of-production method. Other rights are amortised on a straight-line basis over their estimated future useful lives, which are 5-20 years.

Allocated and purchased CO_2 emissions allowances, including CO_2 credits, that are accounted for as rights are measured on recognition at cost. If a grant is received in connection with an allocation, the cost constitutes the actual consideration paid for the allowances, i.e. nil if the allowances are allocated free of charge. CO_2 emissions allowances are not amortised, as their residual value equals their cost.

Development projects that are clearly defined and identifiable, and for which technical feasibility, adequate resources and a future application in the enterprise can be demonstrated, and which the enterprise intends to manufacture or use, are recognised within intangible assets if the cost can be determined reliably and if there is reasonable certainty that the future earnings will cover all costs. Other development costs are recognised in profit for the year as incurred. Cost comprises wages and salaries and other costs attributable to the Group's development activities. Borrowing costs relating to specific and general borrowing directly attributable to the development of development projects are recognised in cost. On completion of the development work, development projects are amortised on a straight-line basis over their estimated future useful lives from the date the asset is available for use. The amortisation period is usually five years.

11 | Critical accounting estimates

Impairment testing

Goodwill and in-process development projects are tested for impairment annually. Other intangible assets are tested for impairment if there is any indication of impairment. In an impairment test, the recoverable amount of the tested asset or cash-generating unit (CGU) is compared with its carrying amount. An impairment loss is recognised whenever the carrying amount of an asset or a CGU exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less expected disposal costs and the present value of the expected future net cash flows (value in use). The assumptions and criteria used to determine the assets' recoverable amounts constitute management's best estimates.

Impairment testing related to goodwill is carried out for the business units or activities that represent the lowest level of CGUs to which the carrying amount of goodwill can be allocated on a reasonable and consistent basis. Acquired enterprises are established either as new activities or are integrated as quickly as possible with existing activities to utilise potential synergies. For acquisitions that are not established as separate activities the implication of this is that, after a short time, it will no longer be possible to allocate the carrying amount of goodwill to the acquirees on a reasonable and consistent basis, and it will therefore no longer be possible to test goodwill from each acquisition for impairment.

The determination of the recoverable amount for CGUs to which goodwill has been allocated is based on a number of assumptions. Such assumptions include future market conditions, market prices of oil, gas, electricity, biofuel, CO_2, estimated gas reserves, green dark spread, weighted average cost of capital (discount rate) and exchange rates, etc.

12 Inventories

DKK million	2012	2011
Raw materials and consumables	96	96
Fuel	939	1,158
Natural gas	2,252	2,179
CO_2 allowances	2	79
Green certificates	505	726
Other inventories	0	6
Inventories at 31 December	**3,794**	**4,244**

12 | Accounting policies

In the case of natural gas, cost is determined as a weighted average of the previous month's buying prices, including transportation costs.

Allocated and purchased CO_2 emissions allowances that form part of the Group's trading activities with a view to generating gains from short-term price fluctuations are measured at fair value.

Other inventories are measured at cost using the first-in, first-out (FIFO) principle or net realisable value. Inventories are written down to net realisable value whenever the cost exceeds the net realisable value.

13 Receivables

DKK million	2012 Current receivables	2012 Non-current receivables	2012 Total	2011 Current receivables	2011 Non-current receivables	2011 Total
Trade receivables	7,888	-	7,888	7,634	-	7,634
Receivables from associates and jointly controlled entities	667	1,471	2,138	553	874	1,427
Receivables from the disposal of activities and equity investments	267	179	446	1,261	293	1,554
Capital contributions receivable from non-controlling interests	-	-	-	2,103	-	2,103
Assets held under finance leases	42	2,022	2,064	38	2,056	2,094
Fair value of derivative financial instruments	12,622	-	12,622	16,060	-	16,060
Construction contracts	853	-	853	41	-	41
Other receivables	4,189	105	4,294	4,802	91	4,893
Receivables at 31 December	**26,528**	**3,777**	**30,305**	**32,492**	**3,314**	**35,806**

Apart from the fair value of derivative financial instruments, current receivables fall due within one year of the close of the financial year. The remaining maturity of derivative financial instruments appears from note 21. Other receivables include VAT, other indirect taxes, prepayments, etc.

13 |Critical accounting estimates

Contracts relating to the disposal of activities and equity investments may contain provisions that are contingent on future conditions. The recognition of receivables is therefore subject to uncertainty. The determination is based on management's estimates of the most likely outcomes of future events.

Assets held under finance leases with DONG Energy as lessor

DKK million	2012 Present value	2012 Interest	2012 Minimum lease income	2011 Present value	2011 Interest	2011 Minimum lease income
0 – 1 year	42	(118)	160	38	(120)	158
1 – 5 years	230	(443)	673	207	(454)	661
Over 5 years	1,792	(801)	2,593	1,849	(902)	2,751
Assets held under finance leases	**2,064**	**(1,362)**	**3,426**	**2,094**	**(1,476)**	**3,570**

Assets held under finance leases with DONG Energy as the lessor comprise a gas-fired power station constructed for Statoil in Mongstad in Norway. The lease has a 20-year term, but includes an option for two five-year extensions.

The present value of the lease has been calculated applying the interest rate implicit in the lease. There is no contingent rent under the lease.

Trade receivables that are past due but not individually impaired

DKK million	2012	2011
Up to 30 days	282	442
30 – 90 days	59	108
More than 90 days	280	373
Impairment losses	(165)	(152)
Trade receivables that are past due but not individually impaired	**456**	**771**

Write-downs for the year totalled DKK 93 million (2011: DKK 60 million). The loss for the year totalled DKK 75 million (2011: DKK 76 million).

13 | Accounting policies

A write-down for bad or doubtful debts is made if there is any indication of impairment of a receivable or a portfolio of receivables. The write-down is calculated as the difference between the carrying amount and the present value of estimated future cash flows associated with the receivable. The discount rate used is the effective interest rate for the individual receivable or portfolio.

13 | Critical accounting estimates

Assessment for impairment is carried out on the basis of due date, a credit rating in conformity with the Group's credit risk management policy, and historical experience. As a result of the international financial crisis the risk of bad debts is still heightened, and this has been taken into account in the assessment of the Group's receivables.

14 Construction contracts

DKK million	2012	2011
Selling price of construction contracts	3,462	481
Progress billings	(3,048)	(901)
Payments on account to suppliers	371	-
Construction contracts at 31 December	**785**	**(420)**
Construction contracts (assets)	853	41
Construction contracts (liabilities)	(68)	(461)
Construction contracts at 31 December	**785**	**(420)**

Selling price and progress billings at 31 December 2012 relate primarily to the construction of 50% of the offshore wind farms Anholt and Borkum Riffgrund 1, which are owned by co-investors. The offshore wind farms are scheduled for completion and start-up in 2013 and 2015 respectively.

14 | Accounting policies

Construction contracts are recognised in revenue and primarily comprise the construction of assets for third parties involving a high degree of customisation in terms of design.

When the outcome of a construction contract can be estimated reliably, the contract is measured at the selling price of the work performed less progress billings, based on the stage of completion of the contract at the balance sheet date and total expected income on each contract.

When it is probable that total contract costs on a construction contract will exceed total contract revenue, the expected loss on the construction contract is recognised as an expense and a provision.

Where the selling price of work performed on construction contracts exceeds progress billings and expected losses, the contracts are recognised as receivables. Where progress billings and expected losses exceed the selling price of construction contracts, the contracts are recognised as liabilities. Prepayments from customers are recognised as liabilities.

14 | Critical accounting estimates

The determination of the expected selling price of construction contracts includes estimates of the value of incentive agreements, liabilities assumed, etc., based on the individual contract. The determination of profit on payments received on account and the recognition of receivables are therefore subject to uncertainty. The determination is based on management's estimates of the most likely outcomes of future events.

15 Jointly controlled assets and entities

The Group's recognised share of the income, expenses, assets and liabilities of jointly controlled entities is as follows:

DKK million	2012	2011
Income	1,553	854
Expenses	(1,595)	(589)
Non-current assets	19,591	13,641
Current assets	5,255	2,213
Assets at 31 December	**24,846**	**15,854**
Non-current liabilities	9,636	3,853
Current liabilities	3,188	3,362
Liabilities at 31 December	**12,824**	**7,215**

DONG Energy has ownership interests in jointly controlled assets via its participation in oil and gas exploration and production licences and participates in jointly controlled entities whose activities primarily comprise ownership and operation of wind farms.

The Group has assumed investment obligations totalling DKK 9,004 million (2011: DKK 0 million) in connection with investments in jointly controlled entities and through participation in licences (jointly controlled assets) and entities for DKK 10,304 million (2011: DKK 8,848 million). The Group has provided guarantees, and guarantees under which the Group assumes primary liability, in respect of the construction and operation of facilities, and leases, decommissioning obligations, purchase and sales contracts, etc., in connection with participation in licences and jointly controlled entities.

16 Associates

DKK million	2012	2011
Revenue	3,818	2,134
Profit	(606)	144
Profit (loss) attributable to DONG Energy	**(553)**	**36**
Assets	15,722	13,470
Liabilities	3,035	1,344
Equity	12,687	12,126
Equity attributable to DONG Energy	**3,055**	**3,226**

Profit (loss) of associates attributable to DONG Energy was affected by a tax adjustment in respect of prior years in the associate Kraftgården AB.

16 | Accounting policies

Investments in associates are measured in the consolidated financial statements using the equity method. Associates with negative net assets are measured at nil. If the Group has a legal or constructive obligation to cover the associate's deficit, the obligation is recognised as a liability. Receivables from associates are measured at amortised cost and write-downs are made for bad debts.

The proportionate share of associates' profit after tax and non-controlling interests and after elimination of the proportionate share of intragroup profits/losses is recognised in profit for the year.

On acquisition of investments in associates, the purchase method is applied. Gains or losses on disposal of investments in associates are determined as the difference between the selling price and the carrying amount of net assets, including goodwill at the date of disposal and transaction costs. Gains/losses are recognised in profit for the year as gain (loss) on disposal of enterprises.

16 | Critical accounting estimates

Investments in associates are tested for impairment if there is any indication of impairment. Such indications may include changes in regulatory, financial and technological factors and general market conditions.

17 Capital employed and interest-bearing debt

DKK million	2012	2011
Non-interest-bearing assets	138,545	136,727
Non-interest-bearing debt	(55,035)	(55,372)
Capital employed	**83,510**	**81,355**
Issued bonds	31,567	22,678
Bank loans	22,628	17,549
Payables to associates	348	10
Other interest-bearing liabilities	0	724
Interest-bearing debt	**54,543**	**40,961**
Securities	14,914	9,914
Cash	3,569	2,294
Receivables from associates and jointly controlled entities	2,138	1,416
Receivables from the disposal of equity investments to non-controlling interests	173	1,345
Capital contributions receivable from non-controlling interests	-	2,103
Assets classified as held for sale	255	274
Interest-bearing assets	**21,049**	**17,346**
Interest-bearing net debt	**33,494**	**23,615**
Capital employed	83,510	81,355
Interest-bearing net debt	(33,494)	(23,615)
Equity	**50,016**	**57,740**

18 Cash and cash equivalents and securities

DKK million	2012	2011
Available cash	2,259	1,554
Bank overdrafts that are part of the ongoing cash management, see note 19	(47)	(114)
Cash and cash equivalents at 31 December, see statement of cash flows	**2,212**	**1,440**
Cash can be broken down into the following balance sheet items:		
Available cash	2,259	1,554
Cash not available for use	1,327	788
Cash at 31 December	**3,586**	**2,342**
Securities can be broken down into the following balance sheet items:		
Available securities	11,907	8,129
Securities not available for use	3,007	1,785
Securities at 31 December	**14,914**	**9,914**

Cash not available for use primarily comprises cash and cash equivalents tied up for use in jointly controlled wind turbine projects and operated oil and gas licences, cash and cash equivalents pledged as collateral for trading in financial instruments, cash and cash equivalents to cover insurance-related provisions, and cash and cash equivalents received from the users of the North Sea oil pipeline for use for pipeline maintenance.

The Group's securities are primarily highly liquid AAA-rated Danish mortgage bonds that qualify for repos in the Danish Central Bank.

The securities are part of the ongoing cash management. In accordance with IAS 7, cash flows from securities are recognised in cash flows from investing activities.

Securities not available for use comprise securities that form part of genuine sale and repurchase transactions (repo transactions) amounting to DKK 2,752 million (2011: DKK 1,536 million) and securities used to cover insurance-related provisions.

Securities – overview of bond portfolio

2012

				Maturity					
DKK million	Nominal value	Carrying amount	Avg. interest rate (%)	2013	2014	2015	2016	2017	After 2017
Fixed-interest	8,293	8,543	2.8%	5,003	1,630	-	1,146	138	626
Floating-rate	3,351	3,364	0.6%	591	672	1,500	451	-	150
Distributable securities	**11,644**	**11,907**		**5,594**	**2,302**	**1,500**	**1,597**	**138**	**776**
Fixed-rate securities forming part of repo transactions	2,676	2,752	2.3%	683	783	1,245	-	41	-
Fixed-interest securities pledged as collateral in respect of insurance-related provisions	255	255	2.0%	255	-	-	-	-	-
At 31 December	**14,575**	**14,914**		**6,532**	**3,085**	**2,745**	**1,597**	**179**	**776**

2011

				Maturity					
DKK million	Nominal value	Carrying amount	Avg. interest rate (%)	2012	2013	2014	2015	2016	After 2016
Fixed-interest	4,929	4,968	2.9%	205	559	2,125	206	1,148	725
Floating-rate	3,156	3,161	1.5%	1,724	397	687	-	353	-
Distributable securities	**8,085**	**8,129**		**1,929**	**956**	**2,812**	**206**	**1,501**	**725**
Fixed-rate securities forming part of repo transactions	1,502	1,536	2.0%	-	509	-	1,027	-	-
Fixed-interest securities pledged as collateral in respect of insurance-related provisions	250	249	2.6%	249	-	-	-	-	-
At 31 December	**9,837**	**9,914**		**2,178**	**1,465**	**2,812**	**1,233**	**1,501**	**725**

18 | Accounting policies

Securities comprise bonds that are monitored, measured and reported at fair value on an ongoing basis in conformity with the Group's investment policy. Changes in fair value are recognised in profit for the year as finance income and costs.

For listed securities, fair value equals the market price, and for unlisted securities, fair value is estimated based on generally accepted valuation methods and market data.

Sold securities where a repurchase agreement (repo transactions) has been made at the time of sale are recognised in the balance sheet at the settlement date as if the securities were still held. The amount received is recognised as a liability, and the difference between the selling price and the purchase price is recognised in profit for the year over the term as interest. The return on the securities is recognised in profit for the year.

19 Loans and borrowings

Maturity analysis of loans and borrowings, including interest payments

2012

DKK million	Carrying amount	Payment obligation	2013	2014	2015	2016	2017	After 2017
Non-derivative financial instruments								
Bank loans and issued bonds	54,195	77,544	8,000	6,149	2,046	6,271	4,786	50,292
Trade payables	9,581	9,581	9,581	-	-	-	-	-
Payables to associates	348	348	348	-	-	-	-	-
Other payables	10,810	10,810	7,473	230	136	105	89	2,777
Derivative financial instruments								
Derivative financial instruments	12,523	12,543	7,771	2,328	544	264	417	1,219
At 31 December incl. liabilities classified as held for sale	**87,457**	**110,826**	**33,173**	**8,707**	**2,726**	**6,640**	**5,292**	**54,288**
Liabilities relating to assets classified as held for sale	181	181	181	-	-	-	-	-
At 31 December adjusted for liabilities classified as held for sale	**87,638**	**111,007**	**33,354**	**8,707**	**2,726**	**6,640**	**5,292**	**54,288**

2011

DKK million	Carrying amount	Payment obligation	2012	2013	2014	2015	2016	After 2016
Non-derivative financial instruments								
Bank loans and issued bonds	40,227	56,411	7,096	3,370	5,748	1,618	5,826	32,753
Trade payables	9,377	9,377	9,377	-	-	-	-	-
Payables to associates	10	10	10	-	-	-	-	-
Other payables	10,672	10,672	8,343	2,329	-	-	-	-
Derivative financial instruments								
Derivative financial instruments	13,095	13,378	9,374	1,830	729	139	110	1,196
At 31 December, incl. liabilities classified as held for sale	**73,381**	**89,848**	**34,200**	**7,529**	**6,477**	**1,757**	**5,936**	**33,949**
Liabilities relating to assets classified as held for sale	385	385	385	-	-	-	-	-
At 31 December adjusted for liabilities classified as held for sale	**73,766**	**90,233**	**34,585**	**7,529**	**6,477**	**1,757**	**5,936**	**33,949**

At 31 December 2012, DONG Energy had issued hybrid capital with a principal of DKK 9,664 million due in 3005 (DKK 4,460 million) and 3010 (DKK 5,204 million).

The maturity analysis is based on undiscounted cash flows, including estimated coupon payments. Coupon payments are based on current market conditions. Derivative financial instruments have been used to hedge interest rate and currency risks on the Group's loan portfolio.

Other payables primarily comprise deferred income and payable pay-related items and VAT.

DKK million	2012	2011
Bank loans and issued bonds:		
Issued bonds	31,567	22,678
Bank loans	22,513	17,352
Lease debt	68	83
Bank overdrafts	47	114
Carrying amount	**54,195**	**40,227**
Bank loans and issued bonds are recognised in the balance sheet as follows:		
Non-current liabilities	48,563	34,715
Current liabilities	5,632	5,512
Carrying amount	**54,195**	**40,227**
Nominal value	54,558	40,584

19 Loans and borrowings – continued

At 31 December 2012, DONG Energy had loans totalling DKK 15.7 billion (2011: DKK 13.9 billion), primarily from the European Investment Bank and the Nordic Investment Bank. The loans are recognised in the balance sheet under bank loans. The loans offered by these multilateral financial institutions include loans to co-fund infrastructure and energy projects on favourable terms and with maturities exceeding those normally available in the commercial banking market.

In connection with these loans, the Group may be met with demands concerning collateral in the event of a player other than the Danish State acquiring more than 50% of the share capital or voting rights in DONG Energy A/S (change of control), or repayment in the event of Moody's or Standard & Poor's downgrading DONG Energy A/S's rating to Baa3 or BBB- or less respectively.

At 31 December 2012, DONG Energy also had loans totalling DKK 0.7 billion (2011: DKK 0 billion) from KfW-IPEX Bank and non-cancellable revolving credit facilities totalling DKK 11.6 billion (2011: DKK 11.6 billion). These revolving credit facilities are primarily used as cash resources and remained undrawn at 31 December 2012.

In connection with these credit facilities and the loan from KfW-IPEX Bank, the Group may be met with demands concerning collateral in the event of other players than a group consisting of the Danish State and Danish electricity distribution companies acquiring more than 50% of the share capital or voting rights in DONG Energy A/S, or in the event of the Danish State ceasing to hold at least 20% of the share capital.

The Group's financing agreements are not subject to any other unusual terms or conditions. Further details of the Group's risk management are provided in the chapter on Risk and risk management on pages 30-31 of Management's review.

19 | Accounting policies

Issued bonds, bank loans, lease obligations and other payables are recognised at inception at fair value (typically proceeds received) net of transaction costs incurred. In subsequent periods, the liabilities are measured at amortised cost so that the difference between the cost (proceeds) and the nominal amount is recognised in profit for the year as finance costs over the term of the loan, using the effective interest rate method.

Bank loans and issued bonds include the capitalised residual lease commitment under finance leases.

Financial liabilities are classified as current unless the Group has an unconditional right to defer settlement of the liability to at least one year after the balance sheet date.

20 Provisions

	2012			2011		
DKK million	Decommissioning obligations	Other	**Total**	Decommissioning obligations	Other	**Total**
Provisions at 1 January	9,386	3,067	12,453	7,123	2,739	9,862
Foreign exchange adjustments	187	10	197	47	3	50
Provisions used during the year	(32)	(1,860)	(1,892)	(7)	(220)	(227)
Provisions reversed during the year	(8)	(275)	(283)	(50)	(225)	(275)
Provisions made during the year	880	3,596	4,476	1,417	677	2,094
Change in interest rate estimates	(2,790)	-	(2,790)	799	-	799
Change in estimates of other factors	775	-	775	311	-	311
Transfers to/from liabilities relating to assets classified as held for sale	(124)	(5)	(129)	(349)	12	(337)
Reclassifications	-	-	-	(81)	81	-
Interest element of provisions	242	44	286	176	-	176
Provisions at 31 December	**8,516**	**4,577**	**13,093**	**9,386**	**3,067**	**12,453**

Decommissioning obligations mainly comprise expected future expenses relating to decommissioning and restoration of oil and gas fields, power stations and wind farms. The decrease in provisions for decommissioning obligations in 2012 primarily reflected a change in discount rate estimates. The value of the provision is recognised in property, plant and equipment and depreciated together with the associated asset. The depreciation charge for the year on capitalised decommissioning obligations was DKK 1,193 million (2011: DKK 488 million).

Other provisions primarily include provisions for onerous contracts; guarantee obligations; expected repayments to electricity consumers, etc., relating to litigation and contractual disputes, etc.

The increase in other provisions is made up of a DKK 2,347 million provision for three long-term contracts for leasing of gas storage capacity in Germany and a DKK 564 million provision for an onerous contract for capacity in the LNG terminal in the Netherlands. These contracts have become onerous due to market developments, the value of gas storage capacity having deteriorated significantly since the contracts were concluded.

	2012			2011		
DKK million	Decommissioning obligations	Other	**2012**	Decommissioning obligations	Other	2011
0 - 1 year	50	547	597	6	511	517
1 - 5 years	1,538	2,197	3,735	968	2,450	3,418
5 - 10 years	2,870	861	3,731	3,226	78	3,304
10 - 20 years	1,825	624	2,449	2,201	24	2,225
20 - 30 years	1,719	348	2,067	1,850	4	1,854
30 - 40 years	514	-	514	1,133	-	1,133
More than 40 years	-	-	-	2	-	2
Provisions at 31 December	**8,516**	**4,577**	**13,093**	**9,386**	**3,067**	**12,453**

20 Provisions – continued

20 | Accounting policies

Provisions are recognised when, as a result of an event occurring before or at the balance sheet date, the Group has a legal or constructive obligation, the settlement of which is expected to result in an outflow from the Group of resources embodying economic benefits. A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

Decommissioning obligations are measured at the present value of the future liability in respect of decommissioning and restoration as expected at the balance sheet date. The value of the provision is recognised in property, plant and equipment and depreciated together with the associated asset. The increase in time of the present value of the provision is recognised in profit for the year as finance costs.

20 | Critical accounting estimates

Estimates of the Group's provisions are updated quarterly on the basis of management's expectations.

Decommissioning obligations

Estimates of decommissioning obligations are based on management's expectations concerning timing and scope, future cost level, and adopted laws and regulations on decommissioning.

The timing of decommissioning obligations depends on the useful lives of the assets. In the case of oil and gas fields, the expected useful lives depend on the current estimates of oil and gas reserves. The determination of these reserve estimates is subject to uncertainty, see the section on impairment testing in note 10 on property, plant and equipment.

In measuring provisions, the costs required to settle the liability are discounted. In determining the decommissioning obligations at 31 December 2012, a discount rate of 4.5% was used compared with 1.75-2.5% last year. Previously, the discount rate used was the current interest rate on ten-year government bonds in the individual countries. This is no longer deemed to provide a true and fair view, as these interest rates are estimated to be exceptionally low due to the financial crisis. The reason for this is that the countries in which DONG Energy operates are primarily AAA-rated. This has reduced interest rates on government bonds, providing a negative real rate of interest. Against this background, DONG Energy has opted to change the discount rate used. The estimate was changed on 1 October 2012, and the change has reduced decommissioning obligations by DKK 3,012 million.

The discount rate of 4.5% that has been used is expected to be used over a prolonged period. The rate has been estimated on the basis of expectations concerning the future, long-term interest rate level, based on the historical interest rate level.

The extent to which decommissioning and restoration will be required is estimated based on current legislation and standards in this area. Expectations concerning the future cost level are based on variables such as expectations concerning the general price trend or the oil price trend, demand conditions and the development in existing technologies.

Onerous contracts

In the course of the Group's operations, a number of commercial contracts have been entered into with fixed terms of contract that may result in the contracts becoming onerous depending on market developments, etc., and the liabilities incurred by the Group as a result of these contracts may also be subject to uncertainty. The judgements concerning these complex contracts and their future effects are subject to significant uncertainties.

Litigation

The factors taken into account when exercising a judgement about a potential liability in connection with litigation include the nature of the litigation, claim or statement. Other factors taken into account are the development of the case, the judgements and recommendations of legal or other advisers, experience from similar cases, and management's decision on how the Group will react to the litigation, claim or statement.

21 Derivative financial instruments

Categories of financial instruments

DKK million	2012 Carrying amount	2012 Fair value	2011 Carrying amount	2011 Fair value
Derivative financial instruments included in trading portfolio	11,053	11,053	16,301	16,301
Securities	14,914	14,914	9,914	9,914
Financial assets at fair value through profit or loss	**25,967**	**25,967**	**26,215**	**26,215**
Derivative financial instruments entered into to hedge net investments in foreign subsidiaries	1,310	1,310	455	455
Derivative financial instruments entered into to hedge fair values	259	259	405	405
Financial assets used as hedging instruments	**1,569**	**1,569**	**860**	**860**
Trade receivables	7,888	7,888	7,634	7,634
Receivables from the disposal of activities	446	446	1,554	1,554
Other receivables	6,849	6,849	8,530	8,530
Cash	3,586	3,586	2,342	2,342
Loans and receivables	**18,769**	**18,769**	**20,060**	**20,060**
Other equity investments	382	382	418	418
Available-for-sale financial assets	**382**	**382**	**418**	**418**
Derivative financial instruments included in trading portfolio	8,991	8,991	11,755	11,755
Financial liabilities at fair value through profit or loss	**8,991**	**8,991**	**11,755**	**11,755**
Derivative financial instruments entered into to hedge future cash flows	1,373	1,373	1,028	1,028
Derivative financial instruments entered into to hedge net investments in foreign subsidiaries	2,021	2,021	1,293	1,293
Derivative financial instruments entered into to hedge fair values	138	138	120	120
Financial liabilities used as hedging instruments	**3,532**	**3,532**	**2,441**	**2,441**
Issued bonds	31,567	35,574	22,678	25,228
Bank loans	22,628	23,549	17,549	18,271
Other payables	11,782	11,782	12,546	12,546
Financial liabilities measured at amortised cost	**65,977**	**70,905**	**52,773**	**56,045**

The fair value has been determined as the present value of expected future instalments and interest payments using the Group's current interest rate on loans as discount rate.

Fair value of derivative financial instruments

DKK million	2012 Positive	2012 Negative	2012 Net	2011 Positive	2011 Negative	2011 Net
Commodities:						
Oil swaps	2,145	(1,514)	631	2,255	(1,952)	303
Oil options	104	(31)	73	514	(101)	413
Gas swaps	1,893	(1,304)	589	4,083	(2,538)	1,545
Electricity swaps	6,473	(5,295)	1,178	6,566	(4,731)	1,835
Electricity options	7	(424)	(417)	23	(529)	(506)
CO_2 emissions allowances	240	(113)	127	417	(130)	287
Coal forwards	835	(1,144)	(309)	715	(797)	(82)
Currency:						
Forward exchange contracts	407	(296)	111	920	(939)	(19)
Currency swaps	277	(851)	(574)	423	(449)	(26)
Currency options	-	(193)	(193)	-	-	-
Interest:						
Interest rate swaps	241	(1,358)	(1,117)	144	(929)	(785)
At 31 December	**12,622**	**(12,523)**	**99**	**16,060**	**(13,095)**	**2,965**

21 Derivative financial instruments – continued

	2012			2011		
DKK million	Positive	Negative	**Net**	Positive	Negative	**Net**
0-6 months	4,973	(4,309)	664	7,612	(6,288)	1,324
6-12 months	3,828	(3,458)	370	3,739	(3,018)	721
1-2 years	2,401	(2,319)	82	2,495	(1,789)	706
2-3 years	771	(538)	233	936	(709)	227
More than 3 years	649	(1,899)	(1,250)	1,278	(1,291)	(13)
At 31 December	**12,622**	**(12,523)**	**99**	**16,060**	**(13,095)**	**2,965**

The Group uses derivative financial instruments as part of its risk management, trading and position taking. The maturity analysis for interest rate swaps reflects the expected maturity for each contract.

21 | Accounting policies

Derivative financial instruments and loans are used to hedge currency and interest rate risks and risks related to the price of oil, gas, electricity, coal and CO_2 emissions allowances.

This section describes accounting policies under IFRS. For a description of accounting policies under business performance, reference is made to note 1.

Derivative financial instruments are recognised from the trade date as receivables (positive fair values) and other payables (negative fair values) respectively and are measured in the balance sheet at fair value, determined on the basis of current market data and assumptions and generally accepted valuation methods. Transaction costs are added to the fair value on initial recognition, unless the financial asset or the financial liability is measured at fair value with recognition of fair value adjustments in profit for the year. Positive and negative fair values are only offset if the enterprise is entitled to and intends to settle several financial instruments net.

The Group applies the provisions on hedge accounting to derivative financial instruments and loans that hedge currency and interest rate risks. Commodity hedge transactions and related foreign exchange exposures are no longer accounted for as cash flow hedge accounting. Market value adjustments of these, which were previously recognised in comprehensive income and a special reserve in equity, are recognised in profit for the year as the underlying transactions are realised or if the hedges are judged to no longer be effective.

Value adjustments of derivative financial instruments that act as economic hedges of the Group's primary activities but do not meet the criteria for hedge accounting are recognised as revenue and cost of sales respectively. Likewise, value adjustments of financial contracts offered to customers with a view to price hedging and financial contracts entered into as part of efforts to optimise the Group's primary activities are also recognised as revenue. Value adjustments of financial contracts that are not used as economic hedges of the Group's primary activities or that are part of the Group's trading portfolio are recognised as finance income and costs.

Some contracts feature terms that correspond to derivative financial instruments. Such embedded financial instruments are recognised separately and measured at fair value on a continuing basis if they differ significantly from the host contract, unless the combined contract is recognised and measured at fair value on a continuing basis.

Under IFRS, contracts that involve physical delivery may, in certain circumstances, be accounted for as derivative financial instruments. The classification is determined based on an evaluation of the purpose of the contract compared with the Group's other activities. Contracts entered into in the course of the Group's trading activities or as part of certain hedging activities are classified and accounted for as derivative financial instruments, even though they are settled on physical delivery.

Cash flow hedging

Changes in the portion of the fair value of derivative financial instruments and foreign exchange adjustments of loans that is designated as and qualifies for recognition as a hedge of future cash flows and that provides an effective hedge against changes in the value of the hedged item are recognised in other comprehensive income within a separate hedging reserve until the hedged cash flow is realised. On realisation of the hedged cash flow, the resulting gain or loss is transferred from equity and recognised in the same item as the hedged item. However, on hedging of the proceeds from future loans, the resulting gain or loss is transferred from equity over the term of the loan.

If the hedged cash flows are no longer expected to be realised, the accumulated value adjustment is transferred immediately to profit for the year.

21 Derivative financial instruments – continued

2012	Total		Trading portfolio and economic hedging		Cash flow hedging					
								Expected date of transfer to profit for the year		
DKK million	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Recognised in other comprehensive income	2013	2014	After 2014
Commodities:										
Oil swaps	8,182	631	8,182	631	-	-	(94)	(39)	(55)	-
Oil options	289	73	289	73	-	-	109	109	-	-
Gas swaps	23,359	589	23,359	589	-	-	-	-	-	-
Electricity swaps	16,382	1,178	16,382	1,178	-	-	(5)	(4)	(1)	-
Electricity options	2,545	(417)	2,545	(417)	-	-	-	-	-	-
CO_2 emissions allowances	607	127	607	127	-	-	-	-	-	-
Coal forwards	1,741	(309)	1,741	(309)	-	-	9	9	-	-
Currency:										
Forward exchange contracts	10,966	(81)	6,089	(3)	4,876	(78)	(1,122)	(485)	(457)	(180)
Currency swaps	5,129	207	4,952	216	177	(8)	136	38	65	33
Currency options	6,008	(193)	6,008	(193)	-	-	-	-	-	-
Interest:										
Interest rate swaps	22,495	(1,117)	11,952	170	10,544	(1,287)	(1,287)	(13)	(6)	(1,268)
Total derivative financial instruments	**97,703**	**688**	**82,106**	**2,062**	**15,597**	**(1,373)**	**(2,254)**	**(385)**	**(454)**	**(1,415)**

2011	Total		Trading portfolio and economic hedging		Cash flow hedging					
								Expected date of transfer to profit for the year		
DKK million	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Recognised in other comprehensive income	2012	2013	After 2013
Commodities:										
Oil swaps	6,129	303	6,129	303	-	-	(184)	(90)	(39)	(55)
Oil options	1,192	413	1,192	413	-	-	317	208	109	-
Gas swaps	22,032	1,545	22,032	1,545	-	-	-	-	-	-
Electricity swaps	19,006	1,835	19,006	1,835	-	-	(69)	(65)	(4)	-
Electricity options	444	(506)	444	(506)	-	-	-	-	-	-
CO_2 emissions allowances	512	287	512	287	-	-	-	-	-	-
Coal forwards	1,636	(82)	1,636	(82)	-	-	56	45	11	-
Currency:										
Forward exchange contracts	9,240	300	3,751	467	5,489	(167)	(1,457)	(392)	(486)	(579)
Currency swaps	7,014	352	6,177	367	837	(15)	153	20	34	99
Interest:										
Interest rate swaps	10,033	(929)	550	(83)	9,483	(846)	(848)	(6)	(25)	(817)
Total derivative financial instruments	**77,238**	**3,518**	**61,429**	**4,546**	**15,809**	**(1,028)**	**(2,032)**	**(280)**	**(400)**	**(1,352)**

Commodity hedge transactions, DKK 19 million (2011: DKK 120 million), all of which relate to hedging transactions entered into in or before 2010 are recognised in hedging of future cash flows. All commodity hedges and related currency exposures recognised in hedging of future cash flows are expected to be realised by 2015 as the Group discontinued the use of hedge accounting for commodity risks and related currency exposures in 2011.

Ineffectiveness arising from hedging of future cash flows from commodity hedging and related currency exposures is recognised in the item effect of economic hedging with a charge of DKK 42 million (2011: DKK 30 million), see note 3, and in cost of sales with DKK 4 million (2011: DKK 47 million), see note 5.
Ineffectiveness of interest rate and currency hedging amounted to a charge of DKK 14 million (2011: DKK 27 million).

21 Derivative financial instruments – continued

Hedging of fair values – currency

2012

DKK million	Assets	Liabilities	Hedged using hedging instruments	Net position	Fair value of hedging instrument
EUR	18,912	(44,559)	6,558	(19,089)	47
USD	1,241	(4,595)	1,418	(1,936)	(72)
GBP	3,135	(17,143)	10,776	(3,232)	147
SEK	1,451	(47)	-	1,404	-
NOK	1,591	(1,176)	(17)	398	(1)
Other	1	(2)	-	(1)	-
Total	**26,331**	**(67,522)**	**18,735**	**(22,456)**	**121**

In 2012, the Group used fair value hedges to hedge currency exposures only. In 2011, in addition to the above, the fair value of the Group's interest payments was hedged in the form of interest rate swaps from fixed to floating-rate. Interest swaps with a nominal value of DKK 4,386 million and a fair value of DKK 144 million were entered into in 2011. Recognised value adjustments amounted to DKK 133 million in 2011, which was offset by fair value adjustments of a share of the loan portfolio that matures in 2014-2016 with a total amount outstanding of DKK 4,386 million.

21 | Accounting policies

Changes in the fair value of derivative financial instruments that are designated as and qualify for recognition as hedges of the fair value of a recognised asset or liability are recognised in profit for the year together with changes in the value of the hedged asset or liability to the extent of the hedged risk. Hedging of future cash flows in accordance with an agreement (firm commitment) is accounted for as fair value hedging, except in the case of foreign currency hedging.

2011

DKK million	Assets	Liabilities	Hedged using hedging instruments	Net position	Fair value of hedging instrument
EUR	16,592	(40,252)	18,095	(5,565)	(5)
USD	4,607	(7,659)	1,439	(1,613)	(48)
GBP	6,155	(9,085)	-	(2,930)	-
SEK	1,154	(84)	-	1,070	-
NOK	919	(2,964)	-	(2,045)	-
Other	137	(118)	-	19	-
Total	**29,564**	**(60,162)**	**19,534**	**(11,064)**	**(53)**

Hedging of net investments in foreign subsidiaries

	2012				2011			
DKK million	Net investment including equity-like loans	Hedged amount in currency	**Net position**	Net foreign exchange adjustment recognised in other comprehensive income	Net investment including equity-like loans	Hedged amount in currency	**Net position**	Net foreign exchange adjustment recognised in other comprehensive income
GBP	42,662	(32,574)	10,088	(269)	25,771	(22,400)	3,371	236
NOK	10,281	(1,983)	8,298	777	10,932	(3,361)	7,571	349
SEK	2,449	(336)	2,113	(169)	2,776	(1,407)	1,369	(254)
EUR	5,458	-	5,458	14	5,974	-	5,974	(9)
PLN	1,500	(1,366)	134	(89)	1,243	(1,183)	60	(38)
Total	**62,350**	**(36,259)**	**26,091**	**264**	**46,696**	**(28,351)**	**18,345**	**284**

Ineffectiveness relating to hedging of net investments in foreign subsidiaries was a charge of DKK 35 million (2011: DKK 28 million).

21 | Accounting policies

Changes in the fair value of derivative financial instruments and borrowings that are used to hedge net investments in foreign subsidiaries or associates and that provide effective hedges against changes in foreign exchange rates in these enterprises are recognised in the consolidated financial statements directly in equity within a separate translation reserve.

21 Derivative financial instruments – continued

Fair value hierarchy of financial instruments

	2012				2011			
DKK million	Quoted prices (Level 1)	Observ-able inputs (Level 2)	Non-observ-able inputs (Level 3)	**Total**	Quoted prices (Level 1)	Observ-able inputs (Level 2)	Non-observ-able inputs (Level 3)	**Total**
Derivative financial instruments	1,727	10,056	839	12,622	-	13,967	2,093	16,060
Securities	14,914	-	-	14,914	9,914	-	-	9,914
Assets	**16,641**	**10,056**	**839**	**27,536**	**9,914**	**13,967**	**2,093**	**25,974**
Derivative financial instruments	(2,626)	(9,158)	(739)	(12,523)	-	(12,135)	(960)	(13,095)
Liabilities	**(2,626)**	**(9,158)**	**(739)**	**(12,523)**	**-**	**(12,135)**	**(960)**	**(13,095)**

Level 1 comprises quoted securities and derivative financial instruments that are traded in active markets.

Level 2 comprises derivative financial instruments, where valuation models with observable inputs are used to measure fair value, but with discounting to present value applying one of the discount rates set by the Group.

Level 3 comprises primarily long-term contracts on purchase/sale of, in particular, electricity and gas, and oil options. The fair values are based on assumptions concerning the long-term prices of, in particular, electricity, gas, coal, USD, EUR, volatilities as well as risk premiums in respect of liquidity and market risks and are determined by discounting of expected cash flows. Level 3 also includes other financial instruments in which primarily electricity, oil and gas prices have been estimated, and where the sum of these estimated, non-observable inputs may affect fair value.

Reconciliation of financial instruments based on non-observable inputs

	2012		2011	
DKK million	Derivative financial instruments (assets)	Derivative financial instruments (liabilities)	Derivative financial instruments (assets)	Derivative financial instruments (liabilities)
Fair value at 1 January	2,093	(960)	1,642	(38)
Gains and losses recognised in profit for the year as revenue	(1,484)	765	(54)	(449)
Purchases	277	(676)	561	(196)
Other transfers to and from Level 3	(47)	132	(56)	(277)
Fair value at 31 December	**839**	**(739)**	**2,093**	**(960)**

Gains and losses in respect of assets and liabilities that are valued based on non-observable inputs and were still recognised in the balance sheet at 31 December 2012 were recognised with a loss of DKK 1,118 million (2011: loss of DKK 137 million) in profit for the year as revenue.

The fair value of financial instruments based on non-observable inputs is significantly affected by the non-observable inputs used. As a result of the long-term and illiquid nature of the contracts, the fair value may change significantly in the event of a change in the Group's reasonable expectations relating to the non-observable inputs used.

22 Operating lease obligations

DKK million	**2012**	2011
0-1 year	373	306
1-5 years	1,081	850
Over 5 years	1,884	1,257
Minimum lease payments	**3,338**	**2,413**

Assets held under operating leases comprise land and seabed relating to wind farms in the UK, Poland and Germany until 2039, natural gas storage facilities in Germany until 2025, a power station site in the Netherlands until 2037, office premises until 2026 and vehicles, etc.

Lease payments relating to leasing of sea bed in connection with wind farms in the UK vary with the MWh generated, but with agreed minimum lease payments. Seabed leases typically have a five-year term with an option for five-year extensions.

The Group has concluded operating leases in respect of jack-up vessels for the construction of wind farms for the period 2013-2017 and a port in Belfast in Northern Ireland for the period 2013-2017 (with an option for extension for a further five years). The minimum lease payments relating to the above leases have been determined at DKK 563 million (2011: DKK 1,153 million) and have not been recognised in the above determination of minimum lease payments under lease arrangements commenced.

In 2012, operating lease payments totalling DKK 401 million (2011: DKK 414 million) were recognised in profit for the year.

22 | Accounting policies

Lease payments under operating leases are recognised in profit for the year over the term of the lease on a straight-line basis.

23 Finance income and costs

DKK million	2012	2011
Interest income from cash, etc.	545	643
Interest income from securities at fair value	340	264
Capital gains on securities at fair value	21	249
Foreign exchange gains	2,339	2,815
Value adjustments of derivative financial instruments	351	1,818
Other finance income	96	22
Finance income	**3,692**	**5,811**
Interest expense relating to payables	(2,355)	(1,921)
Transfers to assets	661	373
Interest element of provisions	(286)	(176)
Capital losses on securities at fair value	(98)	(22)
Foreign exchange losses	(2,569)	(2,658)
Value adjustments of derivative financial instruments	(389)	(1,654)
Other finance costs	(9)	(35)
Finance costs	**(5,045)**	**(6,093)**
Net finance costs	**(1,353)**	**(282)**

Foreign exchange adjustments are recognised in revenue and cost of sales for the year with a charge of DKK 221 million (2011: DKK 340 million) and in profit for the year with a charge of DKK 451 million (2011: DKK 497 million).

Borrowing costs transferred to assets under construction were calculated at the weighted average effective interest rate for general borrowing, which was 4.43% (2011: 4.42%).

23 | Accounting policies

Finance income and finance costs comprise interest income and interest expense, capital gains and capital losses and impairment losses relating to securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities, including lease commitments under finance leases, as well as extra payments and repayments under the on-account tax scheme, etc. Finance income and finance costs also include realised and unrealised gains and losses relating to hedging of interest rate and currency risks that has not been entered into to hedge revenue, cost of sales or non-current assets.

Borrowing costs relating to general borrowing or loans directly attributable to the acquisition, construction or development of qualifying assets form part of the cost of such assets.

24 Credit risks

DKK million	Clearing centres	AAA/Aaa	AA/Aa	A/A	BBB/Baa	Other	Total
2012	**2,441**	**14,921**	**5,124**	**7,252**	**3,992**	**10,783**	**44,513**
2011	3,430	8,350	5,226	8,621	1,471	9,078	**36,176**

Credit risks

The quality of the Group's financial assets is primarily assessed for the items derivative financial instruments, cash and bond portfolios and receivables, and is based on the individual counterparty's ratings with Standard & Poor's and Moody's. No set-off is made in respect of any collateral, and the figures therefore do not reflect the Group's actual credit risk.

DONG Energy's counterparty risks are largely concentrated on large international energy companies and banks. Such trading is regulated under standard agreements, such as EFET and ISDA agreements, which feature credit rating and netting provisions. DONG Energy's largest counterparties maintain an external investment grade rating, although there has been a gradual shift towards lower rating levels in recent years as DONG Energy's counterparties are also feeling the negative effects of the European financial crisis.

The AAA/Aaa category covers DONG Energy's position in Danish AAA-rated government and mortgage bonds and the category Other predominantly consists of trade receivables from customers such as end users and PSO customers.

Further details of the Group's risk management are provided in the chapter on Risk and risk management on pages 30-31 of Management's review.

25 Market risks

Market risk is the risk that changes in market prices such as commodity prices, exchange rates and interest rates will affect the Group's profit and/or equity.

The market risk on commodities primarily relates to portfolio management and trading activities. The Group is exposed to two types of energy risk: fluctuations in market prices and fluctuations in volumes due to the fluctuating needs of the underlying business.

By virtue of its day-to-day activities, the Group is exposed to fluctuations in the prices of gas, oil, electricity, coal and CO_2 and, to a lesser extent, other commodities. The Group trades actively in these commodities in the relevant markets to hedge and optimise its supply requirements and secure the Group's supply chain. In this connection, the Group uses derivatives to hedge its positions.

As a result of its activities, the Group is primarily exposed to USD, GBP and NOK. The Group hedges currency risk to mitigate the effect of exchange rate movements.

Sensitivity analysis

The sensitivity analysis below shows the effect of market value changes assuming a relative price change at 31 December 2012. The effect on profit before tax comprises financial instruments that remained open at the balance sheet date and have an effect on profit in the financial year in question. The effect on equity before tax comprises financial instruments that remained open at the balance sheet date and are value-adjusted directly on equity. Besides derivative financial instruments on commodities and currency, financial instruments in this context include receivables and payables in foreign currencies.

The illustrated sensitivities only comprise the Group's financial instruments and therefore exclude the effect from contracts concluded under which physical delivery of the underlying assets is made, as these are not recognised as financial instruments in accordance with IAS 39. The sensitivity thus only comprises the derivative financial instruments and not the physical contracts they hedge.

The use of business performance has made the Group more sensitive to changes in commodity prices and exchange rates in the statement of comprehensive income, but has reduced its sensitivity in equity. The financial instruments that form part of the sensitivity analysis are financial instruments and financial contracts measured at market value and the Group's receivables, cash and trade payables and its external financing such as bank loans and issued bonds.

Net investments and associated hedging of net investments in foreign subsidiaries are not included in the table, as the effect of the sum of the investment and the hedging is considered to be neutral to price changes. A 10% increase in the currencies hedged in connection with net investments would result in a DKK 3,626 million decrease in equity (2011: decrease of DKK 2,835 million). All other conditions being equal, a decrease in the exchange rate would have had a corresponding opposite effect. For further details on currency positions hedged by hedging of net investments, reference is made to note 21, hedging of net investments in foreign subsidiaries.

Further details of the Group's risk management are provided in the chapter on Risk and risk management on pages 30-31 of Management's review.

		At 31 December 2012		At 31 December 2011	
Risk	Price change	**Effect on profit before tax**	**Effect on equity before tax**	Effect on profit before tax	Effect on equity before tax
Oil	+10%	1,058	-	751	-
	-10%	(1,034)	-	(719)	-
Gas	+10%	(1,835)	-	(1,572)	-
	-10%	1,835	-	1,572	-
Electricity	+10%	(866)	-	(636)	-
	-10%	823	-	599	-
Coal	+10%	(90)	-	25	-
	-10%	90	-	(25)	-
USD	+10%	1,464	-	1,617	-
	-10%	(1,231)	-	(1,617)	-
GBP	+10%	120	(488)	(369)	(94)
	-10%	(120)	488	369	94
NOK	+10%	60	-	(205)	(5)
	-10%	(60)	-	205	5
SEK	+10%	20	-	75	(3)
	-10%	(1)	-	(68)	3
EUR	+10%	(2,269)	-	(535)	-
	-10%	2,407	-	535	-
Other	+10%	-	-	2	9
	-10%	-	-	(2)	(9)
Interest	+100 basis points	(171)	486	(237)	448

26 Equity

Share capital

DKK million	2012	2011
Share capital at 1 January	2,937	2,937
Share capital at 31 December	**2,937**	**2,937**

The company's share capital is DKK 2,937,099,000, divided into shares of DKK 10. All shares rank equally. There are no restrictions on voting rights. The shares are fully paid up. The shares may only be assigned or otherwise transferred with the written consent of the Danish Finance Minister.

Resolutions concerning amendments to the Articles of Association or DONG Energy A/S's dissolution require at least two thirds of the votes cast and of the voting share capital to be represented at the general meeting in order to be carried.

Cash management and capital structure

Management evaluates the Group's capital structure on an ongoing basis to ensure that it is aligned with the Group's and the shareholders' interests and underpins the Group's strategy.

DONG Energy's liquidity and financing risks are managed centrally in accordance with principles and delegated authorities laid down by the Board of Directors. One of the most important financial management tasks in DONG Energy is to secure sufficient and flexible financial resources in relation to the day-to-day operations and the Group's investment programme. To this end, internal management targets have been set for the required level of financial resources, taking into account primarily factors such as the investment programme, cash flows from operating activities and debt maturity profile.

Equity, hybrid capital and bank loans and issued bonds are considered to be capital.

It is DONG Energy's financing policy to concentrate loans in the parent company in order to optimise the Group's borrowing. New investments are primarily financed by cash flows from operating activities, supplemented by the raising of debt.

DONG Energy manages its debt profile and cash resources via various policies aimed at minimising costs and refinancing risks. This is achieved partly via a spread of sources of funding and maturities, and partly by ensuring that cash resources are sound, either in the form of cash and cash equivalents or committed borrowing facilities. Cash resources totalled DKK 25.8 billion at the end of 2012 (2011: DKK 23.1 billion), including undrawn committed borrowing facilities of DKK 11.6 billion (2011: DKK 13.4 billion) and available cash and securities of DKK 14.2 billion (2011: DKK 9,7 billion).

To secure financing on attractive terms at all times, DONG Energy has set targets for its credit rating and capital structure. The credit rating target is for ratings of at least BBB+ and Baa1 respectively to be maintained with the rating agencies Standard & Poor's and Moody's. DONG Energy has been rated BBB+ with a negative outlook by Standard & Poor's and Baa1 with a stable outlook by Moody's. The capital structure target is for adjusted net debt not to exceed 2.5 times EBITDA.

Dividends

The Board of Directors will recommend that no dividend be paid for the 2012 financial year. In 2012, a dividend of DKK 4,96 per share was paid for the 2011 financial year. It is the Board of Directors' intention to distribute DKK 8.25 per share for the 2013 financial year, and, in the years after the 2013 financial year and until a decision, if any, on an IPO is made, to generally increase distributions by DKK 0.25 per share per year, although in such a way that the payout ratio does not fall below 40% or exceed 60% of the business performance result for the year determined as the shareholders' share of the business performance result after tax (i.e. after payment of coupon to hybrid capital holders and non-controlling interests).

Dividend distributions to shareholders have no tax implications for DONG Energy A/S. Dividend paid per share (DPS) of DKK 10 amounted to DKK 4.96 (2011: DKK 7.50).

26 | Accounting policies

Proposed dividends are recognised as a liability at the date of their adoption at the Annual General Meeting (declaration date). Extraordinary dividends are recognised as a liability at the declaration date.

Hybrid capital

The hybrid capital totalling DKK 9,538 million (EUR 1.3 billion nominal value) comprises EUR hybrid bonds issued in the European capital markets to which a series of special terms are attached. The hybrid capital is subordinate to the Group's other creditors. The purpose of issuing hybrid capital was to strengthen the Group's capital base and to fund the Group's CAPEX and acquisitions.

The total hybrid capital consists of hybrid bonds due in 3005 and hybrid bonds due in 3010. Further details on the two hybrid bonds are provided in the table below.

Coupon on the hybrid capital is settled annually. Coupon payments and their tax effect are recognised directly in equity.

DONG Energy A/S may, at its sole discretion, omit or defer coupon payments to bond holders. However, deferred coupon payments will fall due for payment in the event of DONG Energy A/S subsequently making any distributions to its shareholders. So far, DONG Energy A/S has not used the option to defer coupon payments.

For the hybrid bond due in 3010, DONG Energy A/S must defer coupon payments to bond holders in the event of S&P downgrading DONG Energy A/S's credit rating to BB+ or less. In the event of such mandatory deferral, the coupon must not be paid until five years after the deferral date, or when the credit rating again exceeds BB+.

Via a trust deed in connection with the issuing of the hybrid bonds due in 3010, DONG Energy A/S has committed to not redeeming these bonds without replacing them with similar bonds or other subordinated capital contributions. This commitment, which has been made to the investors at any given time in one or more of DONG Energy A/S's other bond issues, will remain in effect until 2046. DONG Energy A/S may be released from this obligation subject to certain conditions being met.

26 | Accounting policies

Hybrid capital comprises issued bonds that qualify for treatment in accordance with the rules on compound financial instruments due to the special characteristics of the loan. The principal amount, which constitutes a liability, is recognised at present value, and equity has been increased by the difference between the net proceeds received and the present value of the discounted liability. Accordingly, any coupon payments are accounted for as dividends, which are recognised directly in equity at the time the payment obligation arises. This is because the coupon payments are discretionary and relate to the part of the hybrid capital that is recognised in equity. Coupon payments consequently do not have any effect on profit for the year.

The part of the hybrid capital that is accounted for as a liability is measured at amortised cost. However, as the carrying amount of this component amounted to nil on initial recognition, and, as a result of the 1,000-year term of the hybrid capital, amortisation charges will only impact on profit for the year towards the end of the 1,000-year term of the hybrid capital. Coupon payments are recognised in the statement of cash flows in the same way as dividend payments within financing activities.

	Hybrid capital due 3005	Hybrid capital due 3010
Carrying amount	DKK 4,411 million	DKK 5,127 million
Notional amount	EUR 600 million (DKK 4,460 million)	EUR 700 million (DKK 5,204 million)
Issued	June 2005	January 2011
Maturing	June 3005	June 3010
First call date	29 June 2015	1 June 2021
Interest	Coupon for the first ten years is fixed at 5.5% p.a., after which it becomes floating at 3 months' EURIBOR + 3.2%	Coupon for the first ten years is fixed at 7.75% p.a., after which it becomes floating at 12 months' EURIBOR + 5.5%
Deferral of coupon payment	Optional deferral option	Optional deferral option, plus mandatory deferral in the event of DONG Energy A/S's credit rating with S&P being downgraded to BB+ or less

27 Acquisition of enterprises

Acquisition of enterprises in 2012

In 2012, DONG Energy obtained control of CT Offshore A/S and Shell Gas Direct Ltd.

At the acquisition date, the cost of assets and liabilities acquired was DKK 125 million and DKK 247 million respectively. After adjustment of net assets to fair value, goodwill has been determined at DKK 186 million. Goodwill relates to employee skills, expected cost synergies and access to the UK market. The goodwill recognised in respect of the transactions is not deductible for tax purposes.

The allocation of the cost of identifiable assets acquired and liabilities and contingent liabilities assumed had yet to be finalised at the time of publication of the consolidated financial statements for 2012, and the items in the opening balance sheet may therefore subsequently be changed.

Revenue and result in CT Offshore A/S since the acquisition amount to DKK 162 million and a loss of DKK 92 million respectively.

Revenue and result in Shell Gas Direct Ltd. since the acquisition amount to DKK 3,725 million and a loss of DKK 19 million respectively.

If the two companies had been acquired on 1 January 2012, consolidated revenue and profit would have been DKK 67,888 million and a loss of DKK 5,122 million.

Acquisition of enterprises in 2011

There were no business combinations in 2011.

DKK million	Existing ownership interest	Ownership interest acquired	DONG Energy ownership interest, total	Acquisition date	Core activity
CT Offshore A/S	29%	37.67%	66.67%	9 January 2012	Offshore cable installation
Shell Gas Direct Ltd	-	100.00%	100.00%	30 April 2012	Gas sales

27 | Accounting policies

Enterprises acquired or formed are recognised in the consolidated financial statements from the date of acquisition or formation. The acquisition date is the date on which DONG Energy obtains control of the acquiree. On acquisition of new enterprises whereby the parent company obtains control of the acquiree, the purchase method is applied, whereby the acquiree's identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date.

The consideration transferred in exchange for an acquiree is measured at the fair value of the agreed consideration in the form of assets acquired, liabilities assumed and issued equity instruments. If parts of the consideration are contingent on future events, these are recognised in the consideration at the acquisition-date fair value. Costs incurred in connection with business combinations are recognised directly in profit for the year as incurred.

The excess of the cost of the consideration transferred in exchange for the acquiree, the amount of any non-controlling interests in the acquiree and the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed (goodwill) is recognised as goodwill. Goodwill is not amortised, but is tested for impairment, at least annually. The first impairment test is carried out before the end of the year of acquisition.

Any excess of the fair value over the cost of acquisition (negative goodwill) is recognised in profit for the year at the date of acquisition.

If there is any uncertainty, at the acquisition date, concerning the measurement of identifiable assets acquired and liabilities and contingent liabilities assumed, initial recognition is based on provisional fair values. Subsequent adjustments, including goodwill, are made retrospectively within twelve months of the acquisition date, and comparative figures are restated. Changes in estimates of contingent consideration are generally recognised directly in profit for the year.

Non-controlling interests are measured on initial recognition either at fair value or at their proportionate interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. The measurement of non-controlling interests is elected on a transaction-by-transaction basis.

Comparative figures are not restated to reflect acquisitions or disposals; however, discontinued operations are presented separately.

28 Assets classified as held for sale

DKK million	2012	2011
Property, plant and equipment	3,961	320
Other non-current assets	35	-
Non-current assets	**3,996**	**320**
Current assets	347	364
Assets classified as held for sale at 31 December	**4,343**	**684**
Non-current liabilities	127	355
Current liabilities	54	30
Liabilities relating to assets classified as held for sale at 31 December	**181**	**385**

Assets classified as held for sale at 31 December 2012 comprise offshore transmission networks in the UK (Wind Power segment), which are being divested as a result of statutory requirements, and the Group's Polish wind activities (Wind Power segment). The Group sold its Polish wind activities for approx. PLN 1.0 billion (corresponding to approx. DKK 1.8 billion) in February 2013. The divestment of offshore transmission networks is expected to be completed in the first half of 2013.

In 2011, this item primarily comprised oil terminals and a number of small-scale power stations belonging to the Thermal Power segment, all of which were sold in 2012. Reference is made to note 29.

28 | Accounting policies

Assets classified as held for sale are measured at the lower of carrying amount before the reclassification and fair value less costs to sell.

29 Disposal of enterprises

DKK million	2012	2011
Other non-current assets	513	14
Other current assets	354	11
Assets classified as held for sale	-	395
Non-current liabilities	(336)	-
Current liabilities	(47)	-
Liabilities relating to assets classified as held for sale	-	(395)
Gain on disposal of enterprises	2,675	225
Selling price	**3,159**	**250**
Non-controlling interest	-	-
Of which selling price receivable	-	26
Of which other provisions selling price	40	(221)
Received in respect of prior year disposals	-	-
Cash transferred	(277)	(10)
Cash selling price	**2,922**	**45**

Gain/(loss) on disposal of enterprises

DKK million	2012	2011
Oil Terminals (Thermal Power)	2,490	-
Small-scale CHP plants (Thermal Power)	160	-
Purchase price adjustment relating to Energi E2 Renewables Ibericas S.L. (Wind Power)	-	221
Other	25	4
Gain on disposal of enterprises	**2,675**	**225**

30 Transactions with non-controlling interests

Transactions with non-controlling interests

DKK million	2012	2011
Dividends paid to non-controlling interests	(1,061)	(16)
Acquisition of equity investments from non-controlling interests	-	(76)
Disposal of equity investments to non-controlling interests	1,185	1,541
Other capital transactions with non-controlling interests[1]	2,379	2,496
Transactions with non-controlling interests	**2,503**	**3,945**

[1] Other capital transactions with non-controlling interests primarily comprise capital contributions.

Disposal of equity investments to non-controlling interests

DKK million	2012	2011
Selling price	(33)	1,767
Transaction costs	-	(53)
Of which receivables	1,186	(173)
Of which payables	32	-
Cash selling price	**1,185**	**1,541**

30 | Accounting policies

Transactions with non-controlling interests are accounted for as transactions with the group of owners. Gains and losses on disposal of equity investments to non-controlling interests are recognised in equity to the extent that the sale does not result in a loss of control. Net assets acquired are not revalued on acquisition of non-controlling interests.

30 | Critical accounting estimates

Contracts relating to the disposal of equity investments to non-controlling interests may contain provisions that are contingent on future conditions. The determination of gains and the recognition of receivables are therefore subject to uncertainty. The determination is based on management's estimates of the most likely outcomes of future events.

31 Contingent assets and liabilities

Contingent assets

Significant unrecognised contingent assets comprise deferred tax assets at DKK 15.5 billion (2011: DKK 13.3 billion). Reference is made to note 8.

DONG Energy has advanced claims against a few trading partners and insurance companies. Management is of the opinion that the claims are justified. The claims have not been recognised, as the existence of these assets is subject to several uncertain future events that are outside DONG Energy's control.

Contingent liabilities

Liability to pay compensation

According to the legislation, DONG Energy's natural gas companies DONG Oil Pipe A/S, DONG E&P A/S and DONG E&P Grønland A/S are liable to pay compensation for damage caused by their gas and oil activities, even where there is no proof of negligence (strict liability). Usual insurance has been taken out to cover any such claims.

Guarantees

DONG Energy A/S has furnished the Danish Ministry for Economic Affairs and the Interior with a guarantee for fulfilment of obligations and liability in damages towards the Danish State or third parties incurred by DONG E&P A/S as co-holder of the licences in which the company participates, irrespective of whether the obligations and liability rest on DONG E&P A/S alone or jointly and severally with others. However, the guarantee is limited to a sum corresponding to twice DONG E&P's share of each obligation or liability.

As a condition for approval of its participation in gas and oil exploration and production on the Norwegian, UK, Greenland and Faroese continental shelves, DONG Energy A/S has provided a guarantee under which it assumes primary liability as normally required by the local authorities. The guarantee covers obligations and liability incurred or assumed by the DONG E&P Group in connection with its exploration and production activities. The guarantee is not capped and the DONG E&P Group is jointly and severally liable with the other partners for obligations and liability.

Indemnities

Through subsidiaries and jointly controlled assets and entities, DONG Energy participates in oil and gas exploration and production, construction and operation of wind farms, renewable energy projects, geothermal plants and natural gas facilities. The Group has provided guarantees, and guarantees under which the Group assumes primary liability, in respect of the construction and operation of facilities, and leases, decommissioning obligations, and purchase, sales and supply contracts, etc. In addition, the Group is jointly and severally liable with the other joint venturers for obligations and liability under agreements with jointly controlled assets and entities.

DONG Energy Thermal Power A/S is liable as a partner for financial losses at certain CHP plants.

Litigation

DONG Energy is a party to actions relating to the competition authorities' claim that Elsam A/S and Elsam Kraft A/S charged excessive prices in the Danish wholesale electricity market in some periods. Following a merger in 2008, Elsam Kraft A/S is part of DONG Energy Thermal Power A/S.

The Competition Appeals Tribunal has concluded that Elsam A/S and Elsam Kraft A/S abused their dominant positions in the wholesale electricity market in Western Denmark to some extent in the periods 1 July 2003 to 31 December 2004 and 1 January 2005 to 30 June 2006 by charging excessive prices. DONG Energy disputes the rulings and has appealed them to the Copenhagen Maritime and Commercial Court.

A group of electricity consumers has filed a claim with the Copenhagen Maritime and Commercial Court for compensation of up to DKK 4.4 billion with addition of interest in connection with the above actions relating to excessive prices in Western Denmark. DONG Energy has recognised a provision of DKK 298 million, which has been determined on the basis of the Danish Competition Council's calculation of the consumers' losses.

DONG Energy is a party to a case concerning cancellation of an arbitration award relating to, in particular, an alleged competition law infringement in connection with the purchase of gas, where the arbitration found in favour of DONG Energy. The plaintiff has requested that a reference for a preliminary ruling be made to the EU Court of Justice. This request has been rejected by the Maritime and Commercial Court. The Maritime and Commercial Court has set the case down for trial in 2014. The Group has not made a loss provision, as it considers the probability of the court finding for the plaintiff to be small.

In connection with collaboration agreements entered into by the Group concerning jointly controlled assets and entities, etc., various minor litigation cases are pending, the outcome of which is not expected, either individually or collectively, to have any significant effect on the Group's financial position. The Group is also a party to a number of litigation proceedings and legal disputes that will not have any significant effect on the Group's financial position, either individually or collectively.

Contractual obligations

The Group is a party to a number of long-term purchase, sales and supply contracts entered into in the course of its ordinary operations. Reference is made to notes 10, 11 and 15. Apart from the liabilities already recognised in the balance sheet, the Group does not expect to incur any significant financial losses as a result of the performance of these contracts.

32 Related party transactions

Related parties that have control over the Group comprise the Danish State, represented by the Danish Ministry of Finance, which owns 79.96% of the parent company.

Other related parties are the Group's jointly controlled entities and associates, the members of the Board of Directors and the Executive Board and other senior executives.

Reference is made to note 36 for an overview of the Group's jointly controlled entities and associates.

Transactions with jointly controlled entitles and associates appear from the table below. Remuneration to the Board of Directors, the Executive Boards and other senior executives is disclosed in note 6.

	Jointly controlled entities		Associates	
DKK million	**2012**	2011	**2012**	2011
Dividends received and capital reductions	-	-	30	60
Capital transactions, net	-	-	340	259
Trade receivables	248	2,179	-	5
Trade payables	(35)	(55)	(107)	(435)
Purchase of property, plant and equipment	(2,578)	(1,792)	-	-
Interest, net	52	38	23	64
Receivables	1,143	870	995	557
Payables	-	-	(348)	(10)

Transactions with related parties are made on arm's length terms. Intra-group transactions have been eliminated in the consolidated financial statements.

There were no other transactions with related parties during the year.

33 Fee to auditor appointed at the Annual General Meeting

DKK million	**2012**	2011
Audit fees	13	12
Other assurance engagements	3	2
Tax and VAT advice	14	7
Non-audit services	26	30
Total fees to PricewaterhouseCoopers	**56**	**51**

34 Events after the reporting period

Construction of the Westermost Rough offshore wind farm

DONG Energy has decided to build the offshore wind farm Westermost Rough in the North Sea off the east coast of the UK. The construction will represent a total investment of approximately EUR 1 billion, including the construction of the transmission assets. When the wind farm goes into operation, the transmission assets will be sold to a transmission operator, as required by UK regulation.

Westermost Rough will consist of 35 turbines from Siemens Wind Power, each of 6.0 MW, with a total capacity of 210 MW.

Offshore construction of the Westermost Rough offshore wind farm will begin in the first half of 2014 and DONG Energy expects that the farm will be fully commissioned in the first half of 2015.

Divestment of Polish onshore wind activities

DONG Energy has signed an agreement on the sale of the Group's Polish onshore wind activities comprising three wind farms with a total installed capacity of 111.5 MW and a development portfolio of more than 700 MW. The aggregate selling price for the wind activities is approximately PLN 1.0 billion (equivalent to approximately DKK 1.8 billion) and the transaction is expected to result in a net gain before tax of up to DKK 600 million. The gain will not have any impact on EBITDA.

Completion of the transaction is subject to approval by the relevant competition authorities.

35 Licence overview

Hydrocarbon exploration and extraction licences in Denmark and abroad

Country	Licence	Ownership interest
Denmark	7/86 Amalie Part	30%
Denmark	7/86 Lulita part	44%
Denmark	7/89 Syd Arne Field	37%
Denmark	1/90 Lulita	22%
Denmark	4/95 Nini Field	40%
Denmark	6/95 Siri	100%
Denmark	9/95 Maja	27%
Denmark	4/98 Svane/Solsort	35%
Denmark	5/98 Hejre	60%
Denmark	16/98 Cecilie Field	22%
Denmark	1/06 Hejre Extension	48%
Denmark	7/06 Rau	40%
Denmark	3/09 Solsort	35%
Denmark	1/12 Nena/Nelly	80%
Faroe Islands	F008 Sula/Stelkur	30%
Faroe Islands	F016 Kúlubøkan	30%
Greenland	G2007/26 Puilasoq	29%
Greenland	G2011/11 Qamut	26%
Norway	PL019 Ula	20%
Norway	PL019B Gyda	34%
Norway	PL019C Kark	35%
Norway	PL019D	34%
Norway	PL065 Tambar	45%
Norway	PL113 Mjølner	70%
Norway	PL122 Marulk	30%
Norway	PL122B Marulk	30%
Norway	PL122C Marulk	30%
Norway	PL122D Marulk	30%
Norway	PL147 Trym/Trym South	50%
Norway	PL159B Alve	15%
Norway	PL208 Ormen Lange	45%
Norway	PL250 Ormen Lange	9%
Norway	PL274 Oselvar	55%
Norway	PL274CS Oselvar	55%
Norway	PL289 Musling	50%
Norway	PL299 Frode	20%
Norway	PL300 Tambar East	45%
Norway	PL360 Lupin	20%
Norway	PL360B	20%
Norway	PL385 Jette	20%
Norway	PL481	50%
Norway	PL518 Zapffe	60%
Norway	PL518B	60%
Norway	PL529 Himmelbjerget/Bønna	20%
Norway	PL530	20%
Norway	PL536	20%
Norway	PL613 Fafner	40%
Norway	PL624 Ve	20%
Norway	PL656 Clipper	20%
Norway	PL658 Gram	50%
Norway	Gassled	1%
UK	P911 Laggan	20%
UK	P967 Tobermory	33%
UK	P1026 Rosebank	10%
UK	P1028 Cambo	20%
UK	P1159 Tormore	20%
UK	P1189 Cambo	20%
UK	P1190 Tornado	20%
UK	P1191 Rosebank South	10%
UK	P1195 Glenlivet	80%
UK	P1262 Tornado	20%
UK	P1272 Rosebank	10%
UK	P1453 Edradour	25%
UK	P1454 Glenrothes	40%
UK	P1598 Cragganmore	40%
UK	P1636 Longmorn	30%
UK	P1678 Dalmore	20%
UK	P1830 Black Rock	25%
UK	P1838 Tomintoul	20%
UK	P1846 Sula/Stelkur	30%
UK	P1847 Milburn	30%

36 Company overview

Segment/company	Type[1]	Registered office	Ownership interest
Parent company			
DONG Energy A/S		Fredericia, Denmark	-
Exploration & Production			
DONG Central Graben E&P Ltd.[2]	S	Fredericia, Denmark	100%
DONG E&P A/S[3]	S	Fredericia, Denmark	100%
DONG E&P Føroyar P/F	S	Torshavn, Faroe Islands	100%
DONG E&P Grønland A/S	S	Sermersooq, Greenland	100%
DONG E&P Norge AS	S	Stavanger, Norway	100%
DONG E&P nr. 1 2008 A/S[2]	S	Fredericia, Denmark	100%
DONG E&P Services (UK) Ltd.	S	London, UK	100%
DONG E&P Siri (UK) Ltd.	S	London, UK	100%
DONG E&P (UK) Ltd.	S	London, UK	100%
Shetland Land lease Ltd.	A	London, UK	20%
Wind Power			
Anholt Havvindmøllepark I/S	J	Fredericia, Denmark	50%
A2SEA A/S	S	Fredericia, Denmark	51%
A2SEA Deutschland GmbH	S	Hamburg, Germany	100%
A2SEA Ltd.	S	London, UK	100%
Barrow Offshore Wind Ltd.	J	Berkshire, UK	50%
Borkum Riffgrund I Holding A/S	S	Fredericia, Denmark	100%
Borkum Riffgrund I Offshore Windpark A/S GmbH & Co. oHG	J	Norden, Germany	50%
Breeveertien II Wind Farm B.V.	J	Rotterdam, Netherlands	50%
Celtic Array Limited	J	Berkshire, UK	50%
CT Offshore A/S	S	Odense, Denmark	67%
Den Helder Wind Farm B.V.	J	Rotterdam, Netherlands	50%
DE POWER NR. 1 2011 ApS[2]	S	Fredericia, Denmark	100%
DE POWER NR. 2 2011 ApS[2]	S	Fredericia, Denmark	100%
DONG Energy 1 Sp. z o. o.	S	Warsaw, Poland	100%
DONG Energy 2 Sp. z o. o.	S	Warsaw, Poland	100%
DONG Energy 3 Sp. z o. o.	S	Warsaw, Poland	100%
DONG Energy 4 Sp. z o. o.	S	Warsaw, Poland	100%
DONG Energy 5 Sp. z o. o.	S	Warsaw, Poland	100%
DONG Energy 6 Sp. z o. o.	S	Warsaw, Poland	100%
DONG Energy – Anholt Offshore A/S	S	Fredericia, Denmark	100%
DONG Energy Borkum Riffgrund I HoldCo GmbH	S	Hamburg, Germany	100%
DONG Energy Borkum Riffgrund II GmbH	S	Cuxhaven, Germany	100%
DONG Energy Borkum Riffgrund West I GmbH	S	Hamburg, Germany	100%
DONG Energy Bukowo Sp. z o. o.	S	Warsaw, Poland	100%
DONG Energy Burbo (UK) Limited	S	London, UK	100%
DONG Energy Burbo Extension (UK) Ltd.	S	London, UK	100%
DONG Energy Gasiorowo Sp. z o. o.	S	Warsaw, Poland	100%
DONG Energy Gunfleet Sands Demo (UK) Ltd.	S	London, UK	100%
DONG Energy Horns Rev I A/S	S	Fredericia, Denmark	100%
DONG Energy Horns Rev 2 A/S	S	Fredericia, Denmark	100%
DONG Energy Humber Renewables Ltd.	S	London, UK	100%
DONG Energy Hydro Power Holding AB	S	Malmö, Sweden	100%
DONG Energy Karcino Sp. z o.o.	S	Koszalin, Poland	100%
DONG Energy Karnice III Sp. z o.o.	S	Warsaw, Poland	100%
DONG Energy Kraftwerke Greifswald Beteiligungs-GmbH	S	Rubenow, Germany	100%
DONG Energy Lincs (UK) Ltd.	S	London, UK	100%
DONG Energy London Array Ltd.	S	London, UK	100%
DONG Energy London Array II Ltd.	S	London, UK	100%
DONG Energy NearshoreLAB, Frederikshavn A/S	S	Frederikshavn, Denmark	100%
DONG Energy Nysted I A/S	S	Fredericia, Denmark	86%
DONG Energy Olecko Sp. z o.o.	S	Warsaw, Poland	100%
DONG Energy Pancerzyn Sp. z o.o.	S	Warsaw, Poland	100%
DONG Energy Polska S.A.	S	Warsaw, Poland	100%
DONG Energy Power (Gunfleet Sands) Ltd.	S	London, UK	100%
DONG Energy Power (Participation) Ltd.	S	London, UK	100%

36 Company overview – continued

Segment/company	Type[1]	Registered office	Ownership interest
DONG Energy Power (UK) Ltd.	S	London, UK	100%
DONG Energy Power UK I Ltd.	S	London, UK	100%
DONG Energy Power Vind Norge AS	S	Stavanger, Norway	100%
DONG Energy Renewables Germany GmbH	S	Hamburg, Germany	100%
DONG Energy Renewables Polska Sp. z o.o.	S	Warsaw, Poland	100%
DONG Energy Shell Flats (UK) Limited	S	London, UK	100%
DONG Energy Tuszyny Sp. z o.o.	S	Warsaw, Poland	100%
DONG Energy UK III Limited	S	London, UK	100%
DONG Energy Walney Extension (UK) Ltd.	S	London, UK	100%
DONG Energy West of Duddon Sands (UK) Limited	S	London, UK	100%
DONG Energy Wind Power A/S	S	Fredericia, Denmark	100%
DONG Energy Wind Power Denmark A/S	S	Fredericia, Denmark	100%
DONG Energy Wind Power Holding A/S[3]	S	Fredericia, Denmark	100%
DONG VE A/S	S	Fredericia, Denmark	100%
DONG Vind A/S	S	Fredericia, Denmark	100%
DONG Wind I (UK) Ltd.	S	London, UK	100%
E2 Landvind A/S	S	Fredericia, Denmark	100%
E2 Landvind A/S af 15. september 2003	S	Fredericia, Denmark	100%
E2 Landvind A/S af 20. oktober 2003	S	Fredericia, Denmark	100%
Energi E2 Renewables A/S	S	Fredericia, Denmark	100%
Eolien Maritimes de France S.A.S.	A	Paris, France	40%
First Flight Wind Limited	J	Belfast, UK	50%
Gode Wind I GmbH	S	Hamburg, Germany	100%
Gode Wind II GmbH	S	Hamburg, Germany	100%
Greenpower (Broadmeadows) Limited	J	Aberdeen, UK	50%
Gunfleet Grid Company Limited	S	London, UK	100%
Gunfleet Sands Ltd.	S	London, UK	100%
Gunfleet Sands II Ltd.	S	London, UK	100%
Gunfleet Sands Holding Ltd.	S	London, UK	50%
Heron Wind Limited	A	London, UK	33%
Heysham Offshore Wind Ltd.	S	London, UK	100%
Kappa Sp. z o.o.	S	Szczecin, Poland	100%
Kraftgården AB	A	Ragunda, Sweden	26%
Kvalheim Kraft DA	A	Drammen, Norway	33%
Lincs Renewable Energy Holdings Limited	J	London, UK	50%
Lincs Wind Farm Ltd.	J	Edinburgh, UK	50%
London Array Ltd.	J	Coventry, UK	50%
Morecambe Wind Ltd.	J	London, UK	50%
Nesa Vind A/S	S	Gentofte, Denmark	100%
Njord Limited	A	London, UK	33%
Omikron Sp. z o.o.	S	Szczecin, Poland	100%
Ploudalmezeau – Breiz Avel 01 S.A.S.	S	Paris, France	100%
Polska Energia Wiatrowa Sp. z o.o.	S	Szczecin, Poland	100%
P/S New Energy Solutions	A	Copenhagen, Denmark	22%
Rhiannon Wind Farm Limited	J	Windsor, UK	100%
Scarweather Sands Ltd.	J	Coventry, UK	50%
Storrun Vindkraft AB	S	Uddevalla, Sweden	80%
Storrun Vindkraft Elnät AB	S	Stockholm, Sweden	100%
Universal Foundation A/S	A	Aalborg, Denmark	27%
Walney (UK) Offshore Windfarms Ltd.	S	London, UK	50%
West Rijn Wind Farm B.V.	J	Rotterdam, Netherlands	50%
Westermost Rough Gridco Limited	S	London, UK	100%
Westermost Rough Ltd.	S	London, UK	100%
Zephyr AS	A	Sarpsborg, Norway	33%
Thermal Power			
Carron Engineering & Construction Limited	S	Stokesley, UK	100%
DONG Energy Holding Ludwigsau I GmbH	S	Hamburg, Germany	100%
DONG Energy Holding Ludwigsau II GmbH	S	Hamburg, Germany	100%
DONG Energy Kraftwerke Emden GmbH i. L.	S	Hamburg, Germany	100%
DONG Energy Kraftwerke Greifswald Verwaltungs GmbH i. L.	S	Rubenow, Germany	100%
DONG Energy Kraftwerke Holding GmbH	S	Hamburg, Germany	100%

36 Company overview – continued

Segment/company	Type[1]	Registered office	Ownership interest
DONG Energy Maabjerg Energy Concept A/S	S	Fredericia, Denmark	70%
DONG Energy Power Rotterdam B.V.	S	Rotterdam, Netherlands	100%
DONG Energy UK I Ltd.[3]	S	London, UK	100%
DONG Energy Thermal Power A/S[3]	S	Fredericia, Denmark	100%
DONG Energy Waste (UK) Ltd.	S	London, UK	100%
DONG Generation Norge AS	S	Lindås, Norway	100%
Dublin Waste to Energy (Holdings) Limited	A	Dublin, Ireland	49%
Emineral A/S	J	Aalborg, Denmark	50%
Enecogen V.O.F	J	Rotterdam, Netherlands	50%
Haderslev Kraftvarmeværk A/S	S	Fredericia, Denmark	100%
Horsens Kraftvarmeværk A/S	S	Fredericia, Denmark	100%
I/S Ensted Transithavn	J	Aabenraa, Denmark	50%
Inbicon A/S	S	Fredericia, Denmark	100%
Konsortiet for etablering af Maabjerg Energy Concept I/S	S	Holstebro, Denmark	50%
Kraftwerk Ludwigsau GmbH & Co, KG	S	Hamburg, Germany	100%
Kraftwerk Ludwigsau Verwaltungs GmbH	S	Hamburg, Germany	100%
Måbjergværket A/S	S	Fredericia, Denmark	100%
Pyroneer A/S	S	Fredericia, Denmark	100%
REnescience A/S	S	Fredericia, Denmark	100%
Severn Gas Transportation Limited	S	Newport, UK	100%
Severn Power Funding Limited	S	Newport, UK	100%
Severn Power Holdings Limited	S	Newport, UK	100%
Severn Power Limited	S	Newport, UK	100%
Stigsnæs Vandindvinding I/S	NC	Slagelse, Denmark	64%
Vejen Kraftvarmeværk A/S	S	Fredericia, Denmark	100%
Energy Markets			
DONG Energy Business GmbH	S	Hamburg, Germany	100%
DONG Energy Financial Solutions GmbH	S	Leipzig, Germany	100%
DONG Energy Infrastruktur Holding GmbH[3]	S	Hamburg, Germany	100%
DONG Energy Leitung E GmbH	S	Hamburg, Germany	100%
DONG Energy Markets B.V.	S	Amsterdam, Netherlands	100%
DONG Energy Markets GmbH	S	Dorsten, Germany	100%
DONG Energy Pipelines A/S	S	Fredericia, Denmark	100%
DONG Energy Pipelines GmbH[3]	S	Kiel, Germany	100%
DONG Energy Speicher E GmbH	S	Hamburg, Germany	100%
DONG Energy Speicher R GmbH	S	Kiel, Germany	100%
DONG Naturgas A/S[3]	S	Fredericia, Denmark	100%
DONG Offshore Gas Systems A/S	S	Fredericia, Denmark	100%
Etzel Kavernenbetriebsverwaltungsgesellschaft mbH	A	Hamburg, Germany	33%
Etzel Kavernenbetriebsgesellschaft mbH & Co. KG	A	Hamburg, Germany	33%
Kielspeicher 103 GmbH & Co. KG	J	Kiel, Germany	49%
Kielspeicher 103 Verwaltungs-GmbH	J	Kiel, Germany	49%
Sales & Distribution			
Dansk Gasteknisk Center A/S	A	Rudersdal, Denmark	36%
DONG Energy Aktiebolag	S	Gothenburg, Sweden	100%
DONG Energy El & Gas A/S	S	Fredericia, Denmark	100%
DONG Energy Eldistribution A/S	S	Frederica, Denmark	100%
DONG Energy Gasforsyning A/S	S	Fredericia, Denmark	100%
DONG Energy Kabler A/S	S	Fredericia, Denmark	100%
DONG Energy Power Sales UK Limited	S	London, UK	100%
DONG Energy S&D UK Limited	S	London, UK	100%
DONG Energy Sales B.V.	S	Hertogenbosch, Netherlands	100%
DONG Energy Sales (UK) Limited	S	London, UK	100%
DONG Energy Sales & Distribution A/S[3]	S	Fredericia, Denmark	100%
DONG Energy Service 1 A/S	S	Fredericia, Denmark	100%
DONG Energy Service 2 A/S	S	Fredericia, Denmark	100%
DONG Gas Distribution A/S[3]	S	Fredericia, Denmark	100%
DONG Oil Pipe A/S[3]	S	Fredericia, Denmark	100%
DONG Storage A/S[3]	S	Fredericia, Denmark	100%

36 Company overview – continued

Segment/company	Type[1]	Registered office	Ownership interest
DONG Sverige Distribution AB[3]	S	Gothenburg, Sweden	100%
FordonsGas Sverige AB	A	Gothenburg, Sweden	50%
PowerSense A/S	A	Rudersdal, Denmark	28%
Stadtwerke Lübeck GmbH	A	Lübeck, Germany	25%
Other			
DONG EGJ A/S	S	Fredericia, Denmark	100%
DONG El A/S[3]	S	Fredericia, Denmark	100%
DONG Energy (UK) Ltd.	S	London, UK	100%
DONG Energy IT Malaysia Sdn. Bhd.	S	Kuala Lumpur, Malaysia	100%
DONG Energy IT Polska Sp. z o. o.	S	Warsaw, Poland	100%
DONG Energy Oil & Gas A/S[3]	S	Fredericia, Denmark	100%
DONG Energy Vangede A/S[3]	S	Fredericia, Denmark	100%
DONG Insurance A/S[3]	S	Fredericia, Denmark	100%
EM El Holding A/S	S	Fredericia, Denmark	100%
EnergiGruppen Jylland El A/S	S	Fredericia, Denmark	100%
EnergiGruppen Jylland El Holding A/S	S	Fredericia, Denmark	100%
Lithium Balance A/S	A	Ishøj, Denmark	20%

[1] S = subsidiary, A = associate, J = jointly controlled entity NC = non-consolidated enterprise.

[2] The company applies the provision in section 6 of the Danish Financial Statements Act to omit presenting a separate annual report.

[3] Subsidiaries owned directly by DONG Energy A/S.