CONSOLIDATED FINANCIAL STATEMENTS

Income statement

DKK million	Note	2013 Business performance	2013 Adjustments	2013 IFRS	2012 Business performance	2012 Adjustments	2012 IFRS
Revenue	2.1, 2.2	73,105	(906)	72,199	67,179	(1,319)	65,860
Cost of sales	2.3	(47,224)	101	(47,123)	(47,360)	(154)	(47,514)
Other external expenses	7.9	(6,955)	-	(6,955)	(8,142)	-	(8,142)
Employee costs	2.5	(3,491)	-	(3,491)	(3,638)	-	(3,638)
Share of profit (loss) of associates and joint ventures	3.4	(711)	-	(711)	(3)		(3)
Other operating income	2.6	705	-	705	848	-	848
Other operating expenses	3.7	(425)	-	(425)	(245)	-	(245)
Operating profit before depreciation, amortisation and impairment losses (EBITDA)		**15,004**	**(805)**	**14,199**	**8,639**	**(1,473)**	**7,166**
Depreciation, amortisation and impairment losses on intangible assets and property, plant and equipment	2.1, 3.1, 3.3	(12,963)	-	(12,963)	(11,963)	-	(11,963)
Operating profit (loss) EBIT)		**2,041**	**(805)**	**1,236**	**(3,324)**	**(1,473)**	**(4,797)**
Gain on disposal of enterprises	3.7	2,045	-	2,045	2,675	-	2,675
Share of profit (loss) of associates and joint ventures	3.4	(57)	-	(57)	(699)	-	(699)
Finance income	4.3	3,099	-	3,099	3,667	-	3,667
Finance costs	4.3	(6,899)	-	(6,899)	(5,023)	-	(5,023)
Profit (loss) before tax		**229**	**(805)**	**(576)**	**(2,704)**	**(1,473)**	**(4,177)**
Income tax expense	7.1	(1,222)	207	(1,015)	(1,317)	368	(949)
Profit (loss) for the year		**(993)**	**(598)**	**(1,591)**	**(4,021)**	**(1,105)**	**(5,126)**
Profit (loss) for the year is attributable to:							
Equity holders of DONG Energy A/S		(1,729)	(598)	(2,327)	(4,130)	(1,105)	(5,235)
Coupon payments and bond discount after tax, hybrid capital holders of DONG Energy A/S		765	-	765	549	-	549
Non-controlling interests		(29)	-	(29)	(440)	-	(440)
Profit (loss) for the year		**(993)**	**(598)**	**(1,591)**	**(4,021)**	**(1,105)**	**(5,126)**

Statement of comprehensive income

DKK million	2013 IFRS	2012 IFRS
Profit (loss) for the year	**(1,591)**	**(5,126)**
Other comprehensive income[1]:		
Hedging instruments:		
Value adjustments for the year	174	(590)
Value adjustments transferred to revenue	274	14
Value adjustments transferred to cost of sales	(7)	(62)
Value adjustments transferred to finance income and costs	851	413
Tax on value adjustments of hedging instruments	(337)	46
Foreign exchange adjustments:		
Relating to foreign enterprises, etc.	(828)	707
Relating to equity-like loans, etc.	200	(492)
Value adjustments transferred to gain on disposal of enterprises	193	-
Tax on foreign exchange adjustments	(94)	134
Change in tax rate	(60)	-
Other comprehensive income	**366**	**170**
Total comprehensive income	**(1,225)**	**(4,956)**
Total comprehensive income for the year is attributable to:		
Equity holders of DONG Energy A/S	(1,799)	(5,256)
Coupon payments and bond discount after tax, hybrid capital holders of DONG Energy A/S	755	549
Non-controlling interests	(181)	(249)
Total comprehensive income	**(1,225)**	**(4,956)**

[1] All items in other comprehensive income may be reclassified to the income statement.

Assets

DKK million	Note	2013	2012
Intangible assets	**3.3**	**2,167**	**2,425**
Land and buildings	3.1	1,979	3,806
Production assets	3.1	67,758	70,266
Exploration assets	3.1	1,192	1,401
Fixtures and fittings, tools and equipment	3.1	296	266
Property, plant and equipment under construction	3.1	20,297	18,181
Property, plant and equipment		**91,522**	**93,920**
Investments in associates and joint ventures	3.4	2,013	4,459
Receivables from associates and joint ventures		933	1,645
Other securities and equity investments	3	261	382
Deferred tax	7.2	130	265
Other receivables	5.3	278	2,266
Prepayments		-	41
Other non-current assets		**3,615**	**9,058**
Non-current assets		**97,304**	**105,403**
Inventories	5.1	3,560	3,765
Derivative financial instruments	6.1	9,147	12,582
Construction contracts	5.2	1,890	853
Trade receivables	5	8,875	7,873
Other receivables	5.3	4,426	4,087
Prepayments		1,009	849
Income tax		169	181
Securities	4.2	16,118	14,914
Cash	4.2	2,894	3,351
Current assets		**48,088**	**48,455**
Assets classified as held for sale	**3.6**	**280**	**3,631**
Assets		**145,672**	**157,489**

Equity and liabilities

DKK million	Note	2013	2012
Share capital	7.3	2,937	2,937
Reserves		8,431	7,903
Retained earnings		20,231	22,581
Equity attributable to equity holders of DONG Energy A/S		**31,599**	**33,421**
Hybrid capital	7.3	13,236	9,538
Non-controlling interests	3.8	6,708	7,057
Equity		**51,543**	**50,016**
Deferred tax	7.2	5,496	6,917
Provisions	3.2	12,891	12,408
Bank loans and issued bonds	4.1	36,767	47,673
Other payables	5.3	1,739	1,552
Deferred income		2,219	1,748
Non-current liabilities		**59,112**	**70,298**
Provisions	3.2	719	567
Bank loans and issued bonds	4.1	9,389	5,072
Derivative financial instruments	6.1	8,519	12,541
Construction contracts	5.2	415	68
Trade payables		7,329	9,531
Other payables	5.3	6,625	6,105
Deferred income		1,033	1,285
Income tax		986	1,825
Current liabilities		**35,015**	**36,994**
Liabilities		**94,127**	**107,292**
Liabilities relating to assets classified as held for sale	**3.6**	**2**	**181**
Equity and liabilities		**145,672**	**157,489**

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 2013	2,937	(1,692)	347	9,248	22,581	33,421	9,538	7,057	50,016
Comprehensive income for the year									
Profit (loss) for the year	-	-	-	-	(2,327)	(2,327)	765	(29)	(1,591)
Other comprehensive income:									
Hedging instruments	-	1,299	-	-	-	1,299	-	(7)	1,292
Foreign exchange adjustments	-	6	(294)	-	-	(288)	-	(147)	(435)
Tax on other comprehensive income	-	(339)	(94)	-	-	(433)	-	2	(431)
Change in tax rate	-	4	(54)	-	-	(50)	(10)	-	(60)
Total comprehensive income	**-**	**970**	**(442)**	**-**	**(2,327)**	**(1,799)**	**755**	**(181)**	**(1,225)**
Transactions with owners:									
Coupon payments, hybrid capital	-	-	-	-	-	-	(675)	-	(675)
Bond discount and costs, hybrid capital	-	-	-	-	-	-	(304)	-	(304)
Tax on coupon and costs, hybrid capital	-	-	-	-	-	-	224	-	224
Additions, hybrid capital	-	-	-	-	-	-	8,825	-	8,825
Disposals, hybrid capital	-	-	-	-	-	-	(5,127)	-	(5,127)
Dividends paid	-	-	-	-	-	-	-	(319)	(319)
Additions, non-controlling interests	-	-	-	-	(23)	(23)	-	151	128
Changes in equity in 2013	**-**	**970**	**(442)**	**-**	**(2,350)**	**(1,822)**	**3,698**	**(349)**	**1,527**
Equity at 31 December 2013	**2,937**	**(722)**	**(95)**	**9,248**	**20,231**	**31,599**	**13,236**	**6,708**	**51,543**
Equity at 1 January 2012	2,937	(1,523)	188	9,248	29,400	40,250	9,538	7,952	57,740
Effect of change in accounting policy	-	11	-	-	(11)	-	-	-	-
Equity at 1 January 2012 after change	2,937	(1,512)	188	9,248	29,389	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:									
Hedging instruments	-	(226)	-	-	-	(226)	-	1	(225)
Foreign exchange adjustments	-	-	25	-	-	25	-	190	215
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)	-	(999)	(2,456)
Additions, non-controlling interests	-	-	-	-	(83)	(83)	-	353	270
Disposals, 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**	**(1,692)**	**347**	**9,248**	**22,581**	**33,421**	**9,538**	**7,057**	**50,016**

Accounting policies

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 currency that is not the Group's functional 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. On realisation or partial realisation of the net investment, the foreign exchange adjustments are recognised in profit for the year in the line 'Gain on disposal of enterprises'.

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	2013	2012
Operating profit before depreciation, amortisation and impairment losses (EBITDA)		14,199	7,166
Change in derivative financial instruments and loans, business performance adjustments	2.4	805	1,473
Change in derivative financial instruments and loans, other adjustments		1,324	(468)
Change in provisions		(241)	788
Other items[1]		1,424	1,934
Interest income and similar items		3,304	3,322
Interest expense and similar items		(6,176)	(4,179)
Income tax paid	7.1	(2,856)	(2,642)
Cash flows from operating activities before change in net working capital		**11,783**	**7,394**
Change in inventories		199	506
Change in construction contracts		(685)	(1,208)
Change in trade receivables		(1,305)	361
Change in other receivables		(195)	415
Change in trade payables		(532)	(445)
Change in other payables		464	868
Change in net working capital		**(2,054)**	**497**
Cash flows from operating activities		**9,729**	**7,891**
Purchase of intangible assets and property, plant and equipment		(21,039)	(16,546)
Sale of intangible assets and property, plant and equipment	3.7	3,981	1,389
Acquisition of enterprises		-	(291)
Disposal of enterprises	3.7	9,184	2,922
Acquisition of other equity investments		(8)	(11)
Disposal of other equity investments	3.7	1,991	-
Purchase of securities		(13,569)	(10,184)
Sale of securities		12,365	5,184
Change in other non-current assets		41	(42)
Financial transactions with associates and joint ventures		532	(1,653)
Dividends received and capital reduction		39	30
Cash flows from investing activities		**(6,483)**	**(19,202)**
Proceeds from raising of loans		4,722	19,280
Instalments on loans		(11,157)	(7,678)
Coupon payments on hybrid capital		(675)	(648)
Repurchase of hybrid capital		(695)	-
Proceeds from issuance of hybrid capital		4,094	-
Dividends paid to equity holders of DONG Energy A/S		-	(1,457)
Transactions with non-controlling interests	3.8	(474)	2,373
Change in other non-current liabilities		353	(20)
Cash flows from financing activities		**(3,832)**	**11,850**
Net increase (decrease) in cash and cash equivalents		**(586)**	**539**
Cash and cash equivalents at 1 January	4.2	1,952	1,361
Net increase (decrease) in cash and cash equivalents		(586)	539
Cash classified as held for sale		93	23
Foreign exchange adjustments of cash and cash equivalents		(28)	29
Cash and cash equivalents at 31 December	**4.2**	**1,431**	**1,952**

[1]Other items primarily comprise reversal of gain on disposal of assets, reversal of share of profit (loss) of and dividends in associates and joint ventures, reversal of drilling expenses charged to the income statement, changes in bad debt provisions and changes in prepayments and deferred income.

Accounting policies

Cash flows from operating activities are determined using the indirect method as operating profit before depreciation, amortisation and impairment losses adjusted for changes in provisions, prepayments and deferred income, value adjustments of financial instruments, etc., 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 hybrid capital, expenses associated with such changes, and dividend payments to owners and coupon payments on hybrid capital. Cash flows from financing activities also include raising of and instalments on loans, transactions with non-controlling interests, and changes in other non-current payables.

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.

Supplementary balance sheet

NET ASSETS

DKK million	2013	2012
Property, plant and equipment and intangible assets	93,689	96,345
Investments in associates and joint ventures, other securities and equity investments, etc.	2,323	7,077
Net working capital, including trade payables relating to capital expenditure	2,599	(605)
Hedging instruments, net	628	41
Assets classified as held for sale, net	278	3,195
Total net assets	**99,517**	**106,053**

NET EQUITY AND LIABILITIES

	2013	2012
Equity	51,543	50,016
Interest-bearing net debt	25,803	31,968
Decommissioning obligations	8,821	8,415
Other provisions	4,789	4,560
Tax, net	6,183	8,296
Deferred income, etc., net	2,378	2,798
Total net equity and liabilities	**99,517**	**106,053**

The supplementary balance sheet is used in connection with internal control and management reporting, including reporting to the Board of Directors.

Supplementary information to the statement of cash flows

DKK million	Note	2013	2012
EBITDA – Business performance		**15,004**	**8,639**
Interest expense, net	4.3	(1,661)	(815)
Reversal of interest expense transferred to assets	4.3	(282)	(576)
Interest element of decommissioning obligations	3.2	(363)	(241)
50% of coupon paid on hybrid capital (2012: 50% of hybrid capital due in 3005)		(337)	(123)
Calculated interest expense on operating lease obligations	7.5	(153)	(105)
Adjusted interest expense, net		**(2,796)**	**(1,860)**
Reversal of recognised operating lease payment in profit for the year	7.5	354	401
Total current tax	7.1	(2,536)	(3,762)
Funds From Operation (FFO)		**10,026**	**3,418**
Cash flows from investing activities		(6,483)	(19,202)
Dividends received and capital reduction, reversal		(39)	(30)
Purchase and sale of securities, reversal		1,204	5,000
Loans to associates and joint ventures, reversal		(760)	883
Sale of non-current assets, reversal	3.7	(15,156)	(4,311)
Gross investments		**(21,234)**	**(17,660)**
Transactions with non-controlling interests in connection with disposals		65	100
Interest-bearing balances on acquisition and disposal of enterprises		111	(101)
Sale of non-current assets	3.7	15,156	4,311
Total cash flows from disposals		**15,332**	**4,310**
Net investments		**(5,902)**	**(13,350)**
Dividends paid to equity holders		-	(1,457)
Dividends paid to non-controlling interests		(319)	(999)
Dividends received and capital reductions		39	30
Coupon payments, hybrid capital		(675)	(648)
Dividends and hybrid capital coupon		**(955)**	**(3,074)**

Supplementary information relating to the statement of cash flows is used both internally and by rating agencies.

The supplementary information shows the connection between EBITDA and Funds From Operation (FFO) and the connection between cash flows from investing activities and the adjustments made to gross investments and net investments respectively.

Net investments, dividends paid and coupon paid, along with cash flows from operating activities, form the primary components in analyses of changes in the Group's net debt, see section 4.

1 Basis of reporting

DONG Energy prepares its consolidated financial statements in accordance with IFRS.

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

When preparing the annual report, emphasis is placed on the importance of the content for the user of the financial statements. The focus is therefore on ensuring that the content is relevant and the presentation clear.

In the process of preparing the consolidated financial statements, a number of accounting estimates have been made. Management regularly reassesses these estimates, partly on the basis of historical experience and a number of other factors in the given circumstances.

Critical accounting estimates made in connection with the financial reporting are set out in the following notes:

▪ Revenue	note 2.2
▪ Impairment testing of property, plant and equipment	note 3.1
▪ Useful lives for production assets	note 3.1
▪ Decommissioning obligations	note 3.2
▪ Onerous contracts	note 3.2
▪ Litigation	note 3.2
▪ Investments in associates and joint ventures	note 3.4
▪ Construction contracts	note 5.2
▪ Deferred tax	note 7.2

The financial statements for the period 1 January – 31 December 2013 comprise 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. Reference is made to page 110 for the parent company's accounting policies.

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 financial statements are presented in million Danish kroner (DKK), unless otherwise stated.

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

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

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 the notes to which they relate.

The descriptions of accounting policies in the statements and notes form part of the overall description of accounting policies:

▪ Statement of changes in equity	
▪ Statement of cash flows	
▪ Segment information	note 2.1
▪ Revenue	note 2.2
▪ Trading portfolio and hedging of EBITDA	note 2.4
▪ Property, plant and equipment	note 3.1
▪ Provisions	note 3.2
▪ Intangible assets	note 3.3
▪ Investments in associates and joint ventures	note 3.4
▪ Acquisition of enterprises	note 3.5
▪ Assets classified as held for sale	note 3.6
▪ Disposals of assets and enterprises	note 3.7
▪ Non-controlling interests	note 3.8
▪ Interest-bearing debt	note 4.1
▪ Financial resources	note 4.2
▪ Finance income and costs	note 4.3
▪ Inventories	note 5.1
▪ Construction contracts	note 5.2
▪ Hedge accounting and economic hedging	note 6.1
▪ Offsetting of financial assets and liabilities	note 6.3
▪ Deferred tax	note 7.2
▪ Equity	note 7.3
▪ Operating lease obligations	note 7.5

Consolidated financial statements

The 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 joint ventures.

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 joint ventures are eliminated to the extent of the Group's interest in the

1 Basis of reporting – continued

enterprise. Unrealised losses are eliminated in the same way as unrealised gains to the extent that there has been no impairment.
The Group's share in joint operations is recognised in the consolidated balance sheet through recognition of the Group's own assets and liabilities and income and expenses. The Group's share of joint income and expenses and assets and liabilities is then recognised. The proportionate share of realised and unrealised gains and losses arising from intragroup transactions between fully consolidated enterprises and joint operations is eliminated.

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 recognised enterprises and associates and joint ventures, 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 accumulated exchange adjustments, including any associated hedging, 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 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 equity holders' 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 2013, DONG Energy implemented the following standards (IASs and IFRSs) and interpretations (IFRICs), effective for reporting periods beginning on or after 1 January 2013:

- IFRS 10 Consolidated Financial Statements. IFRS 10 introduces a 'de facto control' concept as a result of which the question of who effectively has the power to make operating and financial decisions will be relevant in borderline cases.
- IFRS 11 Joint Arrangements. IFRS 11 removes the accounting choice of proportionate recognition for joint ventures in some cases. In such cases, profit is presented as one aggregate amount in the income statement. Profit of associates and joint ventures that are deemed to be part of the Group's principal activities is presented before EBITDA, while associates and joint ventures that are not part of the Group's principal activities are presented after EBIT. In the balance sheet, assets and liabilities relating to joint ventures must be presented as a single net amount in future.
- IFRS 12 Disclosure of Interests in Other Entities. This standard contains disclosure requirements for consolidated enterprises and joint operations as well as for joint ventures and associates recognised using the equity method.
- Amendments to IAS 27 Separate Financial Statements
- Amendments to IAS 28 Investments in Associates
- Amendment to IAS 36.134 relating to disclosure requirements in connection with impairment testing
- IFRS 13 Fair Value Measurement. IFRS 13 replaces the guidance in several standards on fair value measurement. It also requires additional disclosures on fair value measurement.
- Annual improvements 2009-11
- Amendments to IFRS 10, 11, 12 and 13 Transition Guidance.
- Amendments to IFRS 7 Financial Instruments: Disclosure. The amendment requires disclosure of information about offsetting in the balance sheet and other matters.
- Amendments to IAS 1 Presentation of Financial Statements.

The implementation of the amended standards in the consolidated financial statements for 2013 has not had any impact on DONG Energy's consolidated financial statements for 2013, except for the implementation of IFRS 11.

The implementation of IFRS 11 has no effect on profit or equity. The balance sheet total at 31 December 2012 is reduced by DKK 2,105 million (1 January 2012: DKK 1,148 million), net cash flows for the year are reduced by DKK 184 million and the Group's net debt is reduced by DKK 1,526 million. EBITDA is increased by DKK 7 million.

The effect of the implementation of IFRS 11 on profit for the year, balance sheet and cash flows for 2012 is set out in note 7.11.

New standards and interpretations
The IASB has issued a number of new or amended standards and interpretations that have been adopted by the EU but not yet become effective and are consequently not mandatory in connection with the preparation of DONG Energy's consolidated financial statements for 2013.

- Amendments to IAS 32 Financial Instruments: Presentation.
- Amendments to IFRS 10, IFRS 12 and IAS 27 on Investment Entities.
- Amendments to IAS 39

In addition, the following new or amended standards and interpretations have been published that have yet to be adopted by the EU and are consequently not relevant for 2013.

- IFRS 9 Financial Instruments
- IFRIC 21 Levies

The new or amended standards and interpretations are not mandatory in connection with the financial reporting for 2013. DONG Energy expects to implement the standards and interpretations from their mandatory effective dates.

DONG Energy has initiated assessments of the impact of the amended standards and interpretations and expects that these will not have any material impact on the financial reporting.

1 Basis of reporting – continued

DEFINITIONS OF PERFORMANCE HIGHLIGHTS

EBITDA adjusted for current hydrocarbon tax	Hydrocarbon tax is a result of the Group's oil and gas extraction.
Funds From Operation (FFO)[1]	Supplementary concept for cash flows from operating activities determined as EBITDA less interest expense (net) on interest-bearing net debt and hybrid capital (50%), interest element of decommissioning obligations and current tax. In addition, operating lease obligations have been recognised as if they were finance lease obligations, where operating lease payments have been reversed and calculated interest expense of the present value of lease payments has been deducted.
Gross investments	Cash flows from investing activities, excluding dividends received from associates, joint ventures and equity investments, purchase and sale of securities, loans to joint ventures and joint operations, 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.
Adjusted interest-bearing net debt	Interest-bearing net debt plus 50% of the hybrid capital, cash and cash equivalents and securities not available for use with the exception of repo transactions, present value of lease obligations (operating lease obligations calculated as if they were finance lease obligations), and decommissioning obligations less deferred tax.
FFO to Adjusted interest-bearing net debt	$\frac{\text{FFO}}{\text{Adjusted interest-bearing net debt}}$
Adjusted interest-bearing net debt to EBITDA[2]	$\frac{\text{Adjusted interest-bearing net debt}}{\text{EBITDA}}$
Return on capital employed (ROCE)	$\frac{\text{Adjusted operating profit}}{\text{Average capital employed}}$
Adjusted operating profit	EBIT adjusted for current hydrocarbon tax plus profit from associates and joint ventures that are not part of the Group's principal activities, 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	$\frac{\text{(Capital employed beginning of year + capital employed year end)}}{2}$
Proposed dividend per share (DPS) of DKK 10	$\frac{\text{Total proposed dividend}}{\text{Number of shares year end}}$
Payout ratio	$\frac{\text{Total proposed dividend}}{\text{Profit for the year attributable to equity holders}}$
Average number of shares	$\frac{1}{\text{Number of days}} \sum_{i=1}^{\text{Number of days}} \text{Number of days}_i$
External net working capital	Inventories, trade receivables, associates and joint ventures and other operating current assets less trade payables, excluding asset suppliers and liabilities to associates and joint ventures and other operating current liabilities.
Intragroup net working capital	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 definition of Funds From Operation (FFO) has been changed compared with 2012.

[2] In the key ratio Adjusted interest-bearing net debt / EBITDA, only 50% of the hybrid capital is added to adjusted interest-bearing net debt.

2 Return on capital employed

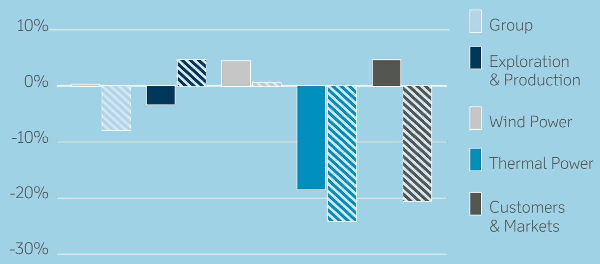
Return on capital employed (ROCE) is a strategic key ratio for DONG Energy that shows how profitable DONG Energy's business is.

ROCE was 0.5% for 2013 and (7.9%) for 2012.

It is an important strategic objective for the Group to increase ROCE to at least 10% in 2016 and at least 12% in 2020.

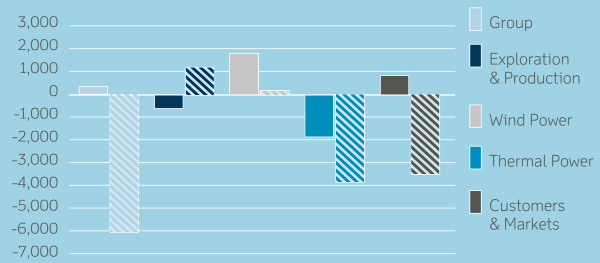
This section examines revenue, cost of sales, employee costs and other operating income, which are the key components of adjusted operating profit. Adjusted operating profit, together with capital employed, is included in the calculation of the return on capital employed.

Return on capital employed (ROCE), business performance, %



2012 comparative figures are shown in the cross-hatched bars

Adjusted operating profit, business performance, DKK million



2012 comparative figures are shown in the cross-hatched bars

		Business performance		IFRS	
DKK million	Note	**2013**	2012	**2013**	2012
Revenue	2.2	73,105	67,179	72,199	65,860
Cost of sales	2.3	(47,224)	(47,360)	(47,123)	(47,514)
Other external expenses		(6,955)	(8,142)	(6,955)	(8,142)
Employee costs	2.5	(3,491)	(3,638)	(3,491)	(3,638)
Share of profit (loss) of associates and joint ventures	3.4	(711)	(3)	(711)	(3)
Other operating income	2.6	705	848	705	848
Other operating expenses		(425)	(245)	(425)	(245)
Depreciation, amortisation and impairment losses on intangible assets and property, plant and equipment		(12,963)	(11,963)	(12,963)	(11,963)
Operating profit (loss) (EBIT)		**2,041**	**(3,324)**	**1,236**	**(4,797)**
Share of profit (loss) of associates and joint ventures	3.4	(57)	(699)	(57)	(699)
Hydrocarbon tax, current	7.1	(1,105)	(2,149)	(1,105)	(2,149)
Interest element of provisions	3.2	(501)	(285)	(501)	(285)
Adjusted operating profit (loss)		**378**	**(6,457)**	**(427)**	**(7,930)**
Capital employed		**77,345**	**81,984**	**77,345**	**81,984**
Return on capital employed (ROCE)		**0.5%**	**(7.9%)**	**-**	**-**

2.1 Segment information

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 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, Norway, Sweden, Germany, France and the Netherlands.
- **Thermal Power:** Generation and sale of electricity and heat from thermal power stations in Denmark and a gas-fired power station in the Netherlands, and ownership of a demonstration plant for production of second-generation bioethanol in Denmark.
- **Customers & Markets:** Sale of electricity, gas, climate partnerships and related energy products in Denmark, Sweden, Germany and the UK as well as operation of the Group's electricity, gas and oil infrastructure in Denmark. The segment is also responsible for optimising

2.1 Segment information – continued

the value of DONG Energy's overall energy portfolio and executing the Group's hedging strategy.

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.

On 1 May 2013, DONG Energy merged the business segments Energy Markets and Sales & Distribution under the name Customers & Markets. In connection with the restructuring, full responsibility for the Group's gas-fired power station in the Netherlands was transferred to the Thermal Power business segment. Previously, Energy Markets has been responsible for commercial optimisation of the gas-fired power station, while Thermal Power has been responsible for its operation. The reporting to the Group Executive Management has been aligned to the new corporate structure.

Prior-period segment information has been restated to reflect the new structure.

ACTIVITIES

2013 **DKK million**	Exploration & Production	Wind Power	Thermal Power	Customers & Markets	**Reportable segments**	Other activities/ eliminations	**Business performance**	Adjustments	**IFRS**
External revenue	4,550	10,102	10,117	48,165	72,934	171	73,105	(906)	72,199
Intragroup revenue	7,794	1,858	(459)	1,498	10,691	(10,691)[1]	-	-	-
Revenue	**12,344**	**11,960**	**9,658**	**49,663**	**83,625**	**(10,520)**	**73,105**	**(906)**	**72,199**
Cost of sales	(684)	(4,915)	(7,071)	(44,887)	(57,557)	10,333	(47,224)	101	(47,123)
Fixed costs[2]	(4,433)	(1,900)	(1,918)	(2,435)	(10,686)	240	(10,446)	-	(10,446)
Other operating income and expenses	97	(313)	73	6	(137)	5	(132)	-	(132)
Gain/(loss) on disposal of non-current assets	-	131	3	1	135	277	412	-	412
Investments in associates and joint ventures	-	(710)	(1)	-	(711)	-	(711)	-	(711)
EBITDA	**7,324**	**4,253**	**744**	**2,348**	**14,669**	**335**	**15,004**	**(805)**	**14,199**
Depreciation and amortisation	(2,925)	(2,020)	(1,546)	(1,429)	(7,920)	(35)	(7,955)	-	(7,955)
Impairment losses	(3,663)	(339)	(1,000)	(6)	(5,008)	-	(5,008)	-	(5,008)
Operating profit (loss) (EBIT)	**736**	**1,894**	**(1,802)**	**913**	**1,741**	**300**	**2,041**	**(805)**	**1,236**
Gain on disposal of enterprises									2,045
Investments in associates and joint ventures									(57)
Net finance costs									(3,800)
Profit (loss) before tax									**(576)**
Adjusted operating profit (loss)	**(598)**	**1,779**	**(1,861)**	**758**	**78**	**300**	**378**	**(805)**	**(427)**
Capital employed	**20,663**	**39,935**	**6,412**	**14,551**	**81,561**	**(4,216)**	**77,345**	**-**	**77,345**
Return on capital employed (ROCE)[3]	**(3.1)%**	**4.6%**	**(18.2)%**	**4.8%**			**0.5%**		

[1] Of which elimination of intragroup revenue accounts for an outflow of DKK 12,554 million

[2] Includes employee costs and other external expenses

[3] Return on capital employed (ROCE) is calculated as adjusted operating profit / average capital employed

DKK million	Exploration & Production	Wind Power	Thermal Power	Customers & Markets	**Reportable segments**	Other activities/ eliminations	**Business performance**	Adjustments	**IFRS**
External net working capital	(1,284)	1,395	643	3,650	4,404	(1,805)	2,599	-	2,599
Intragroup net working capital	1,301	813	(560)	(1,997)	(443)	443	-	-	-
Net working capital	**17**	**2,208**	**83**	**1,653**	**3,961**	**(1,362)**	**2,599**	**-**	**2,599**
Net working capital excl. trade payables, non-current assets	1,016	2,727	116	1,653	5,512	(1,362)	4,150	-	4,150
Gross investments	(9,610)	(9,485)	(680)	(1,447)	(21,222)	(12)	(21,234)	-	(21,234)
Segment assets	38,628	66,880	15,367	50,256	171,131	(25,758)[4]	145,373	-	145,373
Deferred tax	354	470	888	464	2,176	(2,046)	130	-	130
Income tax receivable	47	509	411	303	1,270	(1,101)	169	-	169
Total assets	**39,029**	**67,859**	**16,666**	**51,023**	**174,577**	**(28,905)**	**145,672**	**-**	**145,672**

[4] Of which elimination of intragroup assets accounts for an outflow of DKK 110,989 million.

Oil and gas exploration expenses of DKK 1,823 million were recognised in Exploration & Production (2012: DKK 1,230 million). At 31 December 2013, assets and liabilities relating to oil and gas exploration amounted to DKK 5,743 million and DKK 597 million respectively (2012: DKK 3,801 million and DKK 886 million respectively). Operating and investing activities related to oil and gas exploration absorbed cash of DKK 3,514 million and DKK 1,082 million respectively (2012: outflows of DKK 2,504 million and DKK 917 million respectively).

2.1 Segment information – continued

2012 **DKK million**	Exploration & Production	Wind Power	Thermal Power	Customers & Markets	**Reportable segments**	Other activities/ eliminations	**Business performance**	Adjustments	**IFRS**
External revenue	6,175	6,783	8,851	45,409	67,218	(39)	67,179	(1,319)	65,860
Intragroup revenue	5,696	954	212	1,160	8,022	(8,022)[1]	-	-	-
Revenue	**11,871**	**7,737**	**9,063**	**46,569**	**75,240**	**(8,061)**	**67,179**	**(1,319)**	**65,860**
Cost of sales	(664)	(3,214)	(5,933)	(45,453)	(55,264)	7,904	(47,360)	(154)	(47,514)
Fixed costs	(4,660)	(2,081)	(2,305)	(2,890)	(11,936)	156	(11,780)	-	(11,780)
Other operating income and expenses	-	(102)	226	334	458	3	461	-	461
Gain/(loss) on disposal of non-current assets	3	143	15	(15)	146	(4)	142	-	142
Share of profit (loss) of associates and joint ventures	-	(4)	1	-	(3)	-	(3)	-	(3)
EBITDA	**6,550**	**2,479**	**1,067**	**(1,455)**	**8,641**	**(2)**	**8,639**	**(1,473)**	**7,166**
Depreciation and amortisation	(3,462)	(1,442)	(2,447)	(1,713)	(9,064)	(108)	(9,172)	-	(9,172)
Impairment losses, net	-	(322)	(2,424)	(45)	(2,791)	-	(2,791)	-	(2,791)
Operating profit (loss) (EBIT)	**3,088**	**715**	**(3,804)**	**(3,213)**	**(3,214)**	**(110)**	**(3,324)**	**(1,473)**	**(4,797)**
Gain on disposal of enterprises									2,675
Share of profit (loss) of associates and joint ventures									(699)
Net finance costs									(1,356)
Profit (loss) before tax									**(4,177)**
Adjusted operating profit (loss)	**820**	**176**	**(3,854)**	**(3,488)**	**(6,346)**	**(111)**	**(6,457)**	**(1,473)**	**(7,930)**
Capital employed	**17,507**	**38,243**	**13,990**	**16,722**	**86,462**	**(4,478)**	**81,984**	**-**	**81,984**
Return on capital employed (ROCE)	**4.6%**	**0.5%**	**(24.1%)**	**(20.5%)**			**(7.9%)**		

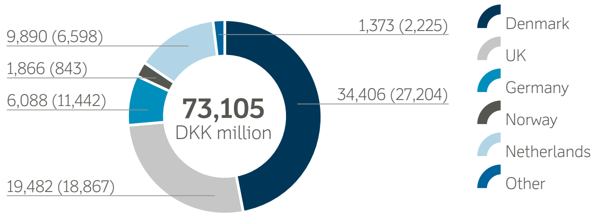
[1] Of which elimination of intragroup revenue accounts for an outflow of DKK 10,206 million.

External net working capital	(2,337)	(1,568)	522	4,564	1,181	(1,786)	(605)	-	(605)
Intragroup net working capital	1,032	469	(619)	(1,276)	(394)	394	-	-	-
Net working capital	**(1,305)**	**(1,099)**	**(97)**	**3,288**	**787**	**(1,392)**	**(605)**	**-**	**(605)**
Net working capital excl. trade payables, non-current assets	56	669	(77)	3,288	3,936	(1,393)	2,543	-	2,543
Gross investments	(5,064)	(11,258)	(309)	(1,439)	(18,070)	410	(17,660)	-	(17,660)
Segment assets	36,955	54,067	21,684	51,545	164,251	(7,208)[2]	157,043	-	157,043
Deferred tax	481	443	1,083	643	2,650	(2,385)	265	-	265
Income tax receivable	-	754	185	347	1,286	(1,105)	181	-	181
Total assets	**37,436**	**55,264**	**22,952**	**52,535**	**168,187**	**(10,698)**	**157,489**	**-**	**157,489**

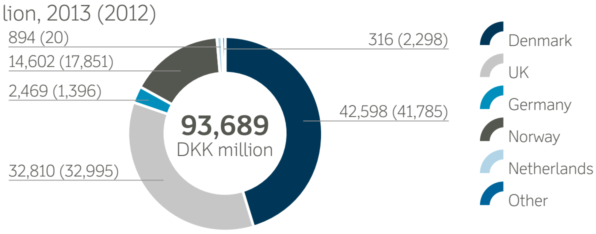
[2] Of which elimination of intragroup assets accounts for an outflow of DKK 94,572 million.

Geographical information

Revenue, DKK million, 2013 (2012)[1]



Property, plant and equipment and intangible assets, DKK million, 2013 (2012)



[1] Revenue determined based on business performance.

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.

2.1 Segment information – continued

Accounting policies
Segment assets and segment liabilitities are measured in accordance with the accounting policies applied in the consolidated financial statements.

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 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.

If a hedged transaction ceases, for example as a result of disposal, changed outlook, etc., the market value of the related hedging transaction is recognised in the period in which the hedged transaction ceases.

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.

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.

2.2 Revenue

	Business performance		IFRS	
DKK million	**2013**	2012	**2013**	2012
Sales of gas	33,635	28,953	33,041	28,117
Sales and distribution of oil	4,995	6,368	4,995	6,368
Sales of electricity	18,775	17,524	18,963	17,286
Sales of district heat	2,729	2,857	2,729	2,857
Distribution and storage of gas	1,150	1,187	1,150	1,187
Distribution of electricity	3,999	3,964	3,999	3,964
Construction contracts	5,612	3,244	5,612	3,244
Trading activities, net	(310)	415	(310)	415
Economic hedging, net	(220)	(12)	(416)	(285)
Hedge accounting, net	-	-	(304)	28
Other revenue	2,740	2,679	2,740	2,679
Revenue	**73,105**	**67,179**	**72,199**	**65,860**

Of total revenue of DKK 72,199 million (2012: DKK 65,860 million), revenue from the sale of products accounted for DKK 65,802 million (2012: DKK 59,484 million), while revenue from the sale of services accounted for DKK 6,397 million (2012: DKK 6,376 million).

Accounting policies
Revenue from sales of gas, sales and distribution of oil, distribution and storage of 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.

Revenue from the Group's offshore wind turbines comprises sale of electricity at market prices and regulated prices (fixed tariffs and guaranteed minimum prices for green certificates), which is recognised at the production date.

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 to the extent of costs incurred that it is probable will be recoverable.

Critical accounting estimates
In connection with the determination of revenue, the accrual of revenue relating to sales of electricity and gas to residential and business customers is subject to considerable uncertainty due to the fact that customers' realised consumption can only be verified through meter readings, which are not available at the date of presentation of the annual report. Revenue is recognised on the basis of statements that take account of relevant factors.

2.3 Cost of sales

	Business performance		IFRS	
DKK million	**2013**	2012	**2013**	2012
Gas	26,260	23,951	26,084	23,951
Electricity	6,949	9,063	6,949	9,063
Coal	1,707	1,568	1,707	1,568
Biomass	1,270	1,266	1,270	1,266
Oil	209	288	209	288
Transportation costs, etc.	4,678	7,796	4,678	7,796
Economic hedging, net	311	(353)	387	(141)
Hedge accounting, net	-	-	(1)	(58)
Costs associated with construction contracts	4,189	2,354	4,189	2,354
Other cost of sales	1,651	1,427	1,651	1,427
Cost of sales	**47,224**	**47,360**	**47,123**	**47,514**

In 2012, transportation costs, etc., were 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 had become onerous due to market developments, the value of gas storage capacity having deteriorated significantly since the contracts were concluded.

2.4 Trading portfolio and hedging of EBITDA

DONG Energy is affected by the changes in energy prices and related exchange rates. DONG Energy engages in hedging to reduce this risk to an acceptable level.

The Group also engages in trading activities with a view to generating gains from short-term fluctuations in energy prices.

The Group's hedging of energy prices and the associated currency risk and trading portfolio can be broken down as follows:

At 31 December 2013	Total		Economic hedging[1] and commercial contracts		Trading portfolio		Cash flow hedging				
										Expected date of transfer to EBITDA	
DKK million	Contractual principal amount[2]	Fair value	Contractual principal amount[2]	Fair value	Contractual principal amount[2]	Fair value	Contractual principal amount[2]	Fair value	Recognised in other comprehensive income	2014	2015
Energy											
Oil swaps	4,451	(78)	4,150	(190)	301	112	-	-	(55)	(55)	-
Oil options	222	(3)	173	(2)	49	(1)	-	-	-	-	-
Gas swaps	27,538	513	26,719	353	819	160	-	-	-	-	-
Electricity swaps	7,748	951	5,211	704	2,537	247	-	-	(1)	(1)	-
Electricity options	1,697	(353)	1,627	(358)	70	5	-	-	-	-	-
CO_2 emissions allowances	15	(1)	-	-	15	(1)	-	-	-	-	-
Coal	1,692	(266)	1,600	(214)	92	(52)	-	-	-	-	-
Currency											
Forward exchange contracts	5,775	(142)	5,775	(142)	-	-	-	-	(310)	(315)	5
Options	2,165	(121)	2,165	(121)	-	-	-	-	-	-	-
Total	**51,303**	**500**	**47,420**	**30**	**3,883**	**470**	**-**	**-**	**(366)**	**(371)**	**5**

2.4 Trading portfolio and hedging of EBITDA – continued

At 31 December 2012	Total		Economic hedging[1] and commercial contracts		Trading portfolio		Cash flow hedging					
										Expected date of transfer to EBITDA		
DKK million	Contractual principal amount[2]	Fair value	Contractual principal amount[2]	Fair value	Contractual principal amount[2]	Fair value	Contractual principal amount[2]	Fair value	Recognised in other comprehensive income	2013	2014	After 2014
Energy												
Oil swaps	8,182	631	5,609	422	2,573	209	-	-	(94)	(39)	(55)	-
Oil options	389	73	340	78	49	(5)	-	-	109	109	-	-
Gas swaps	22,222	589	21,162	322	1,060	267	-	-	-	-	-	-
Electricity swaps	10,459	1,178	9,763	1,042	696	136	-	-	(5)	(4)	(1)	-
Electricity options	2,544	(417)	2,489	(420)	55	3	-	-	-	-	-	-
CO_2 emissions allowances	157	127	-	-	157	127	-	-	-	-	-	-
Coal	1,741	(309)	1,615	(237)	126	(72)	-	-	9	9	-	-
Currency												
Forward exchange contracts	13,559	11	13,559	11	-	-	-	-	(726)	(389)	(309)	(28)
Options	6,008	(193)	6,008	(193)	-	-	-	-	-	-	-	-
Total	**65,261**	**1,690**	**60,545**	**1,025**	**4,716**	**665**	**-**	**-**	**(707)**	**(314)**	**(365)**	**(28)**

[1] Economic hedging is accounted for in accordance with business performance as effective hedging, and the resulting market value adjustment is consequently deferred to the period in which the hedged transaction affects profit.
[2] The contractual principal amount has been determined as the net position per derivate type (oil swaps, etc.).

The business performance results have been adjusted for temporary fluctuations in the market value of contracts (including hedging transactions) relating to other periods and therefore represent the underlying financial performance of the Group in the reporting period.

The difference between IFRS and business performance can be broken down as follows:

DKK million	2013	2012
EBITDA – Business performance	**15,004**	**8,639**
Market value adjustments for the period of physical and financial hedging contracts that relate to future periods	(162)	(460)
Deferred losses/gains relating to financial and physical hedging contracts, where the hedged production or trading is recognised in the period under review	(643)	(1,013)
Total adjustments	**(805)**	**(1,473)**
Amount recognised as revenue	(906)	(1,319)
Amount recognised as cost of sales	101	(154)
EBITDA – IFRS	**14,199**	**7,166**

Market value adjustments related to future periods amounted to a charge of DKK 162 million and primarily relate to hedging of oil and coal, partly offset by gas hedging.

Deferred losses/gains recognised in this period amounted to a loss of DKK 643 million and primarily relate to losses on hedging of gas and electricity, partly offset by coal hedging.

Total difference deferred to a future period

Results deferred for recognition in the business performance results in a subsequent period can be broken down as follows:

		Expected date of transfer to EBITDA				Expected date of transfer to EBITDA		
DKK million	Deferred for subsequent recognition 31 December 2013	2014	2015	After 2015	Deferred for subsequent recognition 31 December 2012	2013	2014	After 2014
Oil	(277)	(117)	(54)	(106)	266	156	5	105
Gas	353	93	125	135	322	469	(198)	51
Electricity	(487)	(99)	(55)	(333)	(343)	50	23	(416)
Coal	(214)	(164)	(47)	(3)	(237)	(158)	(73)	(6)
Currency	(259)	(436)	20	157	(319)	(386)	(257)	324
Total	**(884)**	**(723)**	**(11)**	**(150)**	**(311)**	**131**	**(500)**	**58**

2.4 Trading portfolio and hedging of EBITDA – continued

At 31 December 2013, a loss of DKK 884 million had been deferred (2012: DKK 311 million loss), which will affect business performance EBITDA in subsequent years. Of the total deferred loss, a loss of DKK 723 million (2012: DKK 131 million gain) will affect business performance EBITDA in 2014 (2013).

Accounting policies
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 principal operating activities are recognised as revenue or cost of sales. Likewise, fair value adjustments of physical and financial contracts relating to energy 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.

2.5 Employee costs

DKK million	2013	2012
Wages, salaries and remuneration	4,359	3,961
Pensions	343	338
Other social security costs	129	123
Other employee costs	58	74
Employee costs before transfers to assets	**4,889**	**4,496**
Transfers to assets	(1,398)	(858)
Employee costs	**3,491**	**3,638**

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 2013, these obligations amounted to DKK 13 million (2012: DKK 13 million). The average number of employees in DONG Energy in 2013 was 6,692 (2012: 6,735 employees).

Remuneration of Group Executive Management

The remuneration of the Group Executive Management is based on a fixed salary, including personal benefits such as a company car, free telephone, etc., a variable salary, and, in some cases, a pension.

The Group Executive Management will be entitled to 24 months' salary, including pension, made up of salary during the notice period (12 months) and termination payment (12 months), if their contracts of service are terminated by the company.

EXECUTIVE BOARD

	Henrik Poulsen (joined in August 2012)		Marianne Wiinholt (appointed in October 2013)		Carsten Krogsgaard Thomsen (departed in October 2013)		Anders Eldrup (departed in March 2012)		Total	
DKK '000	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
Fixed salary	8,614	2,863	1,152	-	4,004	5,113	-	1,244	13,770	9,220
Variable salary	2,131	600	253	-	714	1,202	-	292	3,098	2,094
Pension	2	1	1	-	1	2	-	2	4	5
Salary during notice period[1]	-	-	-	-	9,084	-	-	6,083	9,084	6,083
Termination payment	-	-	-	-	4,680	-	8,710	-	13,390	-
Total	**10,747**	**3,464**	**1,406**	**-**	**18,483**	**6,317**	**8,710**	**7,621**	**39,346**	**17,402**

[1] Comprises salaries, bonus and pension and is recognised at the departure date.

Carsten Krogsgaard Thomsen departed in October 2013 and received salary during the notice period (18 months) and termination payment (12 months).

The arbitration case that Anders Eldrup brought following the termination of his employment in March 2012 has been decided. As a result, Anders Eldrup has received termination payment equivalent to 21½ months' remuneration.

2.5 Employee costs – continued

OTHER MEMBERS OF THE GROUP EXECUTIVE MANAGEMENT[1]

DKK '000	2013	2012
Fixed salary	14,803	12,211
Variable salary	2,685	2,660
Pension	1,997	1,778
Salary during notice period[2]	2,264	4,350
Termination payment	3,494	3,468
Total	**25,243**	**24,467**

[1] Other members of the Group Executive Management:
Søren Gath Hansen
Samuel Leupold (joined in March 2013)
Thomas Dalsgaard
Morten Hultberg Buchgreitz (appointed in March 2013)
Lars Clausen (departed in May 2013)
Kurt Bligaard Pedersen (departed in November 2012)
[2] Comprises salaries, bonus and pension and is recognised at the departure date.

BOARD OF DIRECTORS

DKK '000	Board of Directors remuneration	Audit and Risk Committee	Remuneration Committee	2013	2012
Fritz H. Schur	500	-	50	550	550
Jacob Brogaard	269	88	19	376	225
Poul Arne Nielsen	175	-	-	175	175
Jørn P. Jensen	175	50	-	225	225
Mogens Vinther	175[1]	-	-	175	175
Pia Gjellerup	175	-	25	200	150
Benny D. Loft	175	50	-	225	169
Hanne Sten Andersen	175	-	-	175	175
Benny Gøbel	225[2]	-	-	225	225
Jytte Koed Madsen	175	-	-	175	175
Jens Nybo Stilling Sørensen	175	-	-	175	175
Lars Nørby Johansen (departed in April 2013)	150	50	12	212	425
Jens Kampmann (departed in April 2012)	44	-	-	44	125
Lars Rebien Sørensen (departed in April 2012)	17	-	-	17	87
Total	**2,605**	**238**	**106**	**2,949**	**3,056**

[1] Mogens Vinther has also received separate compensation of DKK 24 thousand
[2] Benny Gøbel has received DKK 175 thousand as Board member of DONG Energy A/S and DKK 50 thousand (2012: DKK 50 thousand) as Board member of DONG Energy Thermal Power A/S.

No remuneration has been paid to the Board representatives (Chairman and Deputy Chairman) on the Nomination Committee.

No agreements on termination payments to members of the Board of Directors have been made and no termination payments have been made to members of the Board of Directors. Remuneration of the Board of Directors comprises salary only.

2.6 Other operating income

DKK million	2013	2012
Gain on disposal of assets	451	217
Adjustment of decommissioning obligations	64	465
Miscellaneous operating income	190	166
Other operating income	**705**	**848**

Gain on disposal of assets in 2013 consists primarily of the gain on sale of the office premises in Gentofte. Reference is made to note 3.7 for a further breakdown of gain on disposal of assets. Adjustment of decommissioning obligations relates to production assets with a carrying amount of nil as a result of the assets having been fully depreciated.

3 Capital employed

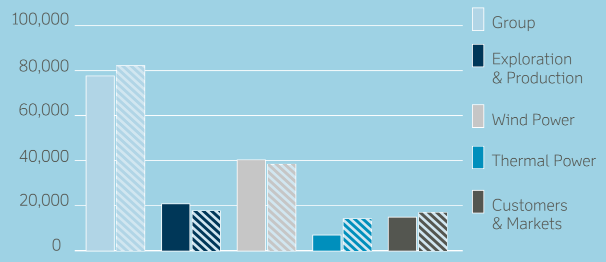
Capital employed is part of the strategic key ratio return on capital employed (ROCE) and comprises non-interest-bearing assets and liabilities.

The Group's total capital employed was DKK 77,345 million at 31 December 2013 compared with DKK 81,984 million at 31 December 2012.

The Group has an extensive investment and divestment programme and, in 2013, made gross investments totalling DKK 21,234 million and divested assets and enterprises totalling DKK 15,156 million.

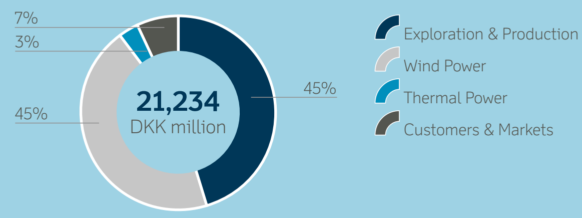
This section examines property, plant and equipment, provisions, intangible assets and investments in associates and joint ventures recognised in capital employed.

Capital employed, DKK million



2012 comparative figures are shown in the cross-hatched bars

Gross investments



DKK million	Note	2013	2012
Property, plant and equipment	3.1	91,522	93,920
Intangible assets	3.3	2,167	2,425
Investments in associates and joint ventures	3.4	2,013	4,459
Other equity investments		261	382
Other receivables, non-current	5.3	49	2,197
Other receivables, current	5.3	539	400
Assets classified as held for sale, net	3.6	278	3,195
Working capital	5	4,150	2,543
Trade payables, non-current assets		(1,533)	(3,148)
Other payables, non-current	5.3	(380)	(235)
Other payables, current	5.3	(871)	(1,183)
Prepayments and deferred income, net		(1,685)	(1,741)
Derivative financial instruments, net	6.1	628	41
Provisions	3.2	(13,610)	(12,975)
Tax, net	7.2	(6,183)	(8,296)
Capital employed		**77,345**	**81,984**

3.1 Property, plant and equipment

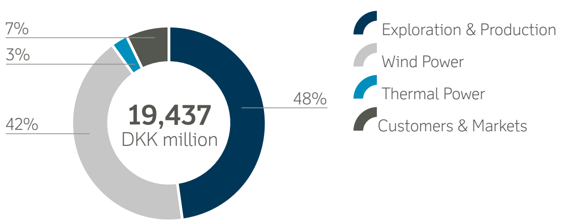
DKK million	Land and buildings	Production assets	Exploration assets	Fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
Cost at 1 January 2013	5,020	116,007	1,401	759	18,355	141,542
Foreign exchange adjustments	(8)	(4,183)	(72)	(4)	(253)	(4,520)
Additions	15	3,953	1,082	64	14,323	19,437
Disposal on sale of enterprises	(73)	(6,057)	-	(1)	-	(6,131)
Disposals	(1,926)	(270)	(1,136)	(32)	(157)	(3,521)
Adjustment of decommissioning obligations	-	475	(31)	-	81	525
Transfers to assets classified as held for sale	-	8	-	(5)	22	25
Transfers	13	11,549	(52)	51	(11,561)	-
Cost at 31 December 2013	**3,041**	**121,482**	**1,192**	**832**	**20,810**	**147,357**
Depreciation and impairment losses at 1 January 2013	(1,214)	(45,741)	-	(493)	(174)	(47,622)
Foreign exchange adjustments	3	1,579	-	1	-	1,583
Disposal on sale of enterprises	31	2,335	-	1	-	2,367
Disposals	292	197	-	15	-	504
Depreciation	(163)	(7,436)	-	(66)	-	(7,665)
Impairment losses	(11)	(4,658)	-	-	(339)	(5,008)
Transfers to assets classified as held for sale	-	-	-	6	-	6
Depreciation and impairment losses at 31 December 2013	**(1,062)**	**(53,724)**	**-**	**(536)**	**(513)**	**(55,835)**
Carrying amount at 31 December 2013	**1,979**	**67,758**	**1,192**	**296**	**20,297**	**91,522**

Cost at 1 January 2012	5,076	99,613	1,611	698	21,492	128,490
Foreign exchange adjustments	10	2,224	41	20	375	2,670
Addition on acquisition of enterprises	-	406	-	-	-	406
Additions	41	1,138	917	57	14,396	16,549
Disposal on sale of enterprises	-	3	-	-	(23)	(20)
Disposals	(131)	(206)	(688)	(18)	(187)	(1,230)
Adjustment of decommissioning obligations	-	(1,106)	74	-	350	(682)
Transfers to assets classified as held for sale	-	(2,511)	-	(59)	(2,070)	(4,640)
Transfers	24	16,446	(554)	61	(15,978)	(1)
Cost at 31 December 2012	**5,020**	**116,007**	**1,401**	**759**	**18,355**	**141,542**
Depreciation and impairment losses at 1 January 2012	(934)	(34,592)	-	(416)	(17)	(35,959)
Foreign exchange adjustments	(8)	(692)	-	(13)	-	(713)
Disposals	22	200	-	21	17	260
Depreciation	(250)	(8,446)	-	(85)	-	(8,781)
Impairment losses	(44)	(2,565)	-	(1)	(174)	(2,784)
Impairment losses reversed	-	114	-	-	-	114
Transfers to assets classified as held for sale	-	240	-	1	-	241
Depreciation and impairment losses at 31 December 2012	**(1,214)**	**(45,741)**	**-**	**(493)**	**(174)**	**(47,622)**
Carrying amount at 31 December 2012	**3,806**	**70,266**	**1,401**	**266**	**18,181**	**93,920**

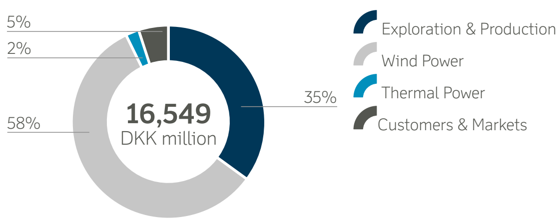
Capital commitments
At 31 December 2013, DONG Energy had entered into agreements on investments in property, plant and equipment (primarily wind farms) totalling DKK 43,241 million (2012: DKK 36,775 million).

Security arrangements
Loans totalling DKK 1,744 million (2012: DKK 1,760 million) are secured on power stations and vessels with a carrying amount of DKK 2,274 million (2012: DKK 2,506 million).

Additions, 2013



Additions, 2012



3.1 Property, plant and equipment – continued

Impairment losses

Oil and gas activities

The Group recognised a DKK 1,832 million impairment loss on the value of the Ula-Tambar-Oselvar area (UTO), reflecting lower reserve estimates as well as performance problems on two of three production wells on Oselvar, which also had an effect on Ula.

A DKK 922 million impairment loss was charged on the fields in the Siri area as a result of a lower future earnings outlook following the identification of a further crack in the Siri platform's subsea structure.

Moreover, a DKK 476 million impairment loss was charged on the Gyda field as a result of a changed estimate of the decommissioning obligations, and a DKK 433 million impairment loss was charged on the stake in the Gassled transmission network as a result of the Norwegian authorities having introduced a tariff reduction of up to 90% from 2016.

The UTO area, the Siri area, the Gyda field and the Gassled transmission network are part of the Exploration & Production segment.

Gas-fired power stations

DONG Energy has recognised a DKK 1,000 million impairment loss on the value of the Dutch Enecogen power station. The reason for the impairment loss was a changed outlook concerning the development in long-term green spark spreads (contribution margin on electricity generation at gas-fired power stations). The development in green spark spreads led to the recognition of a DKK 624 million impairment loss on the power station in 2012.

A DKK 1,393 million impairment loss was recognised on the Severn power station in the UK in 2012, also in this case reflecting the development in green spark spreads. Severn was divested in 2013.

The gas-fired power stations are part of the Thermal Power segment.

Other impairment losses

DONG Energy also recognised a DKK 339 million impairment charge in respect of capitalised project development costs in Wind Power due to uncertainty as to whether these projects will go ahead. Other impairment losses recognised in 2012 were a DKK 888 million impairment loss 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 Customers & Markets.

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 og 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, 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.

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 discoveries 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 discoveries.

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.

3.2 Provisions

DKK million	2013 Decom-missioning obligations	2013 Other provisions	2013 Total	2012 Decom-missioning obligations	2012 Other provisions	2012 Total
Provisions at 1 January	8,415	4,560	12,975	9,300	3,069	12,369
Foreign exchange adjustments	(366)	(28)	(394)	185	10	195
Provisions used during the year	(32)	(961)	(993)	(32)	(1,849)	(1,881)
Provisions reversed during the year	-	(248)	(248)	(8)	(316)	(324)
Provisions made during the year	377	1,328	1,705	862	3,606	4,468
Change in interest rate estimates	-	-	-	(2,780)	-	(2,780)
Change in estimates of other factors	135	-	135	771	-	771
Transfers to/from liabilities relating to assets classified as held for sale	(71)	-	(71)	(124)	(4)	(128)
Interest element of provisions	363	138	501	241	44	285
Provisions at 31 December	**8,821**	**4,789**	**13,610**	**8,415**	**4,560**	**12,975**

Decommissioning obligations mainly comprise expected future expenses relating to decommissioning and restoration of oil and gas fields, power stations and wind farms.

Other provisions primarily include provisions for onerous contracts; guarantee obligations; CO_2 obligations; expected repayments to electricity consumers, etc., relating to litigation and contractual disputes, etc.

In 2012, other provisions increased by DKK 2,347 million due to a loss on three long-term contracts for leasing of gas storage capacity in Germany and DKK 564 million due to an onerous contract for capacity in the LNG terminal in the Netherlands. These contracts had become onerous due to market developments, the value of gas storage capacity having deteriorated significantly since the contracts were concluded.

DKK million	2013 Decom-missioning obligations	2013 Other provisions	2013 Total	2012 Decom-missioning obligations	2012 Other provisions	2012 Total
0 - 1 year	38	681	719	50	517	567
1 - 5 years	1,917	2,076	3,993	1,538	2,201	3,739
5 - 10 years	2,459	518	2,977	2,870	869	3,739
10 - 20 years	2,259	742	3,001	1,764	625	2,389
20 - 30 years	1,466	772	2,238	1,679	348	2,027
30 - 40 years	682	-	682	514	-	514
Provisions at 31 December	**8,821**	**4,789**	**13,610**	**8,415**	**4,560**	**12,975**

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.

In measuring provisions, the costs required to settle the liability are discounted. In determining decommissioning obligations at 31 December 2013, a discount rate of 4.5% was used, the same discount rate as the Group used at 31 December 2012. The discount rate of 4.5% used is still 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.

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 3.1 on property, plant and equipment. There is a statutory requirement for the power stations to be removed no later than 12 years after they have been decommissioned.

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 obligations 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

When exercising a judgement about a potential liability in connection with litigation, the nature of the litigation, claim or statement is assessed. 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.

3.3 Intangible assets

DKK million	Goodwill	Rights	CO_2 emissions allowances	Completed development projects	In-process development projects	Total
Cost at 1 January 2013	843	3,286	738	1,027	84	5,978
Foreign exchange adjustments	1	-	(1)	5	6	11
Additions	-	19	149	-	119	287
Disposal on sale of enterprises	-	(182)	-	-	-	(182)
Disposals	-	-	(139)	(22)	(2)	(163)
Transfers to assets classified as held for sale	-	-	-	-	(19)	(19)
Transfers	-	4	-	80	(84)	-
Cost at 31 December 2013	**844**	**3,127**	**747**	**1,090**	**104**	**5,912**
Amortisation and impairment losses at 1 January 2013	(353)	(2,348)	-	(852)	-	(3,553)
Foreign exchange adjustments	-	-	-	(5)	-	(5)
Disposal on sale of enterprises	-	103	-	-	-	103
Disposals	-	-	-	-	-	-
Amortisation	-	(194)	-	(96)	-	(290)
Impairment losses	-	-	-	-	-	-
Amortisation and impairment losses at 31 December 2013	**(353)**	**(2,439)**	**-**	**(953)**	**-**	**(3,745)**
Carrying amount at 31 December 2013	**491**	**688**	**747**	**137**	**104**	**2,167**
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)
Disposals	-	39	93	-	-	132
Amortisation	-	(284)	-	(107)	-	(391)
Impairment losses	(76)	(45)	-	-	-	(121)
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**

Recognised goodwill is attributable to the following cash-generating units: Central power stations, A2SEA, Markets and DONG Energy S&D UK Limited. The recoverable amount of cash-generating units 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.

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. 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.

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.

3.4 Investments in associates and joint ventures

Financial information for the Group's individually material associates and joint ventures. The amounts stated are the overall accounting figures for the individual associates and joint ventures, determined applying the DONG Energy Group's accounting policies.

	Associates		Joint ventures			
	Etzel Kavernenbetriebs-gesellschaft GmbH & Co. KG, Hamburg, Germany		Lincs Renewable Energy Holdings Limited, London, UK		Barrow Offshore Wind Ltd.	
DKK million	**2013**	2012	**2013**	2012	**2013**	2012
Ownership interest	33%	33%	50%	50%	50%	50%
Statement of comprehensive income						
Revenue	466	236	-	-	189	176
Depreciation and amortisation	(116)	(41)	-	-	(53)	(58)
Impairment losses	-	-	-	-	-	-
Finance income	-	1	105	115	-	1
Finance costs	(1)	(142)	-	-	(6)	(4)
Income tax expense	27	23	28	(28)	3	19
Profit (loss) for the year	(64)	(267)	(56)	(20)	55	26
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	(64)	(267)	(56)	(20)	55	26
Balance sheet						
Non-current assets	2,210	2,228	778	614	702	766
Current assets	102	47	1,377	1,301	110	121
Cash	67	17	4	4	41	51
Equity	2,153	2,217	2,115	1,846	464	522
Non-current liabilities	1	1	-	-	293	306
Non-current liabilities, excluding provisions	-	-	-	-	160	184
Current liabilities, excluding trade payables and provisions	131	19	40	69	50	50
Current liabilities	158	57	40	69	55	59

	Associates				Joint ventures					
	Individually material		Not individually material		Individually material		Not individually material		Total	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
The DONG Energy Group's share of:										
Profit (loss) for the year	(21)	(89)	(420)	(464)	(1)	3	(326)	(152)	**(768)**	**(702)**
Other comprehensive income	-	-	-	-	-	-	-	-	**-**	**-**
Total comprehensive income	**(21)**	**(89)**	**(420)**	**(464)**	**(1)**	**3**	**(326)**	**(152)**	**(768)**	**(702)**
Equity of associates and joint ventures attributable to DONG Energy	**718**	**739**	**4**	**2,315**	**1,290**	**1,184**	**1**	**221**	**2,013**	**4,459**

The Group's share of profit (loss) for the year of associates and joint ventures, a total loss of DKK 768 million (2012: DKK 702 million loss), is recognised in the income statement in share of profit (loss) of associates and joint ventures that are deemed to be part of the Group's principal activities with a loss of DKK 711 million (2012: DKK 3 million loss) and with a loss of DKK 57 million (2012: DKK 699 million loss) for associates and joint ventures that are deemed not to be part of the Group's principal activities.

Capital commitments

The Group has assumed capital commitments of DKK 780 million (2012: DKK 996 million) in connection with investments in joint ventures. The Group has not assumed any capital commitments in connection with investments in associates.

3.4 Investments in associates and joint ventures – continued

Accounting policies

Investments in associates and joint ventures are measured in the consolidated financial statements using the equity method.

Profit of associates and joint ventures that are deemed to be part of the Group's principal activities is presented before EBITDA, while profit of associates and joint ventures that are deemed not to be part of the Group's principal activities is presented after EBIT.

Associates and joint ventures with negative net assets are measured at nil. If the Group has a legal or constructive obligation to cover the deficit of the associate or joint venture, the obligation is recognised as a liability. Receivables from associates and joint ventures are measured at amortised cost and write-downs are made for bad debts.

The proportionate share of associates' and joint ventures' 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 and joint ventures, the purchase method is applied. Gains or losses on disposal of investments in associates and joint ventures 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.

Critical accounting estimates

Investments in associates and joint ventures 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.

A distinction is made between joint ventures and joint operations. When determining whether an investment is in a joint venture or a joint operation, a holistic view is adopted of the factors deemed relevant in the situation in question. These factors include whether the collaboration has been established in corporate form and whether only DONG Energy is entitled to the net profit or income and expenses resulting from the operation. Reference is also made to the information on associates and joint ventures in the basis of reporting for the consolidated financial statements.

3.5 Acquisition of enterprises

Acquisition of enterprises in 2013

There were no business combinations in 2013.

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.

Revenue and profit (loss) of CT Offshore A/S in the 2012 financial year from the date of acquisition and up to 31 December was DKK 162 million and a loss of DKK 92 million respectively.

Revenue and profit (loss) of Shell Gas Direct Ltd. in the 2012 financial year from the date of acquisition and up to 31 December was 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 (loss) would have been DKK 67,824 million and a loss of DKK 5,122 million respectively.

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 trading

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 effectively 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.

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.

3.6 Assets classified as held for sale

DKK million	2013	2012
Intangible assets	13	-
Property, plant and equipment	1	3,249
Other non-current assets	-	35
Non-current assets	**14**	**3,284**
Current assets	266	347
Assets classified as held for sale at 31 December	**280**	**3,631**
Non-current liabilities	-	127
Current liabilities	2	54
Liabilities related to assets classified as held for sale at 31 December	**2**	**181**
Assets classified as held for sale, net	**278**	**3,450**

On 21 January 2014, DONG Energy signed an agreement to divest its Dutch sales company DONG Energy Sales B.V. (Customers & Markets segment). Completion of the transaction is subject to regulatory approval.

In 2012, assets classified as held for sale comprised offshore transmission networks in the UK and the Group's Polish wind activities (Wind Power segment), which were sold in 2013. Reference is made to note 3.7.

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.

3.7 Disposals of assets and enterprises

Assets and enterprises totalling DKK 15,156 million were divested in 2013 (2012: DKK 4,311 million). A breakdown of cash selling prices and gains/(losses) by assets and enterprises is set out below. Gain on disposal of assets is recognised in other operating income, other operating expenses or net finance income or costs, while gain on disposal of enterprises is presented in a separate line in the income statement under EBIT.

DISPOSAL OF ASSETS

Cash selling price on disposal of assets can be broken down as follows:

DKK million	2013	2012
Offshore transmission networks (Wind Power)	2,045	1,015
Energiverk Mongstad (Thermal Power)	1,836	-
Gentofte office premises (other activities)	1,900	-
50% of Borkum Riffgrund I (Wind Power)	-	283
Other	191	91
Cash selling price on disposal of assets[1]	**5,972**	**1,389**

[1] Cash selling price on disposal of assets consists of sales of intangible assets and property, plant and equipment and disposals of other equity investments.

Gain on disposal of the above assets can be broken down as follows:

DKK million	2013	2012
Offshore transmission networks (Wind Power)	135	(3)
Energiverk Mongstad (Thermal Power)	(201)	-
Gentofte office premises (other activities)	280	-
50% of Borkum Riffgrund I (Wind Power)	-	149
Other	(3)	(4)
Gain on disposal of assets	**211**	**142**
Gain on disposal of assets is recognised in the income statement as follows:		
Other operating income	451	217
Other operating expenses	(39)	(75)
Finance costs	(201)	-
Gain on disposal of assets	**211**	**142**

3.7 Disposals of assets and enterprises – continued

DISPOSAL OF ENTERPRISES

Assets and liabilities related to enterprises disposed of can be broken down as follows:

DKK million	2013	2012
Non-current assets	7,319	513
Current assets	250	354
Assets classified as held for sale	556	-
Non-current liabilities	(430)	(336)
Current liabilities	(3,490)	(47)
Liabilities relating to assets classified as held for sale	(115)	-
Gain on disposal of enterprises	2,045	2,675
Selling price on disposal of enterprises	**6,135**	**3,159**
Of which selling price receivable	(125)	-
Of which recognised as other provisions	57	40
Cash transferred	3,117	(277)
Cash selling price on disposal of enterprises	**9,184**	**2,922**

The cash selling price on disposal of enterprises referred to above can be broken down as follows:

DKK million	2013	2012
Kraftgården AB (Wind Power)	3,312	-
Polish onshore wind activities (Wind Power)	1,782	-
Danish onshore wind activities (Wind Power)	698	-
Stadtwerke Lübeck (Customers & Markets)	284	-
DONG Energy Speicher GmbH (Customers & Markets)	31	-
Severn Power Limited (Thermal Power)	3,054	-
Oil Terminals (Thermal Power)	-	2,620
Small-scale CHP plants (Thermal Power)	-	230
Other	23	72
Cash selling price on disposal of enterprises	**9,184**	**2,922**

Gain on disposal of enterprises can be broken down as follows:

DKK million	2013	2012
Kraftgården AB (Wind Power)	1,262	-
Polish onshore wind activities (Wind Power)	475	-
Danish onshore wind activities (Wind Power)	451	-
Stadtwerke Lübeck (Customers & Markets)	174	-
DONG Energy Speicher GmbH (Customers & Markets)	97	-
Severn Power Limited (Thermal Power)	(422)	-
Oil Terminals (Thermal Power)	-	2,490
Small-scale CHP plants (Thermal Power)	-	160
Other	8	25
Gain on disposal of enterprises	**2,045**	**2,675**

Accounting policies

Enterprises disposed of are recognised in the consolidated income statement up to the date of disposal. The date of disposal is the date on which DONG Energy A/S or its subsidiaries effectively relinquish control of the enterprise disposed of.

Comparative figures are not adjusted to reflect disposals.

Gains or losses on disposal of subsidiaries and 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 costs necessary to make the sale.

3.8 Non-controlling interests

Information about the Group's subsidiaries that have material non-controlling interests. The figures stated are the subsidiaries' or the Group's aggregate accounting figures.

DKK million	A2Sea A/S Group, Fredericia, Denmark 2013	2012	Gunfleet Sands Holding Ltd. Group, London, UK 2013	2012	Walney Offshore Windfarms Ltd., London, UK 2013	2012	Other non-controlling interests 2013	2012	Total 2013	2012
Ownership interest of non-controlling interests	49%	49%	49.9%	49.9%	49.9%	49.9%				
Statement of comprehensive income										
Revenue	1,489	1,365	392	386	985	983				
Profit (loss) for the year	176	(74)	36	18	99	(137)				
Total comprehensive income	165	(72)	36	18	99	(137)				
Profit (loss) for the year attributable to non-controlling interests	86	(53)	(115)	9	(131)	(307)	131	(89)	**(29)**	**(440)**
Balance sheet										
Non-current assets	2,543	2,257	3,132	3,513	8,322	8,828				
Current assets	346	248	156	223	262	408				
Non-current liabilities	293	273	225	328	477	438				
Current liabilities	216	243	36	53	182	179				
Carrying amount of non-controlling interests	1,194	1,004	1,510	1,674	3,914	4,284	90	95	**6,708**	**7,057**
Statement of cash flows										
Cash flows from operating activities	224	351	219	(9)	602	402				
Cash flows from investing activities	(437)	(749)	-	16	(114)	(710)				
Cash flows from financing activities	262	254	(280)	(114)	(616)	(2,357)				
Transactions with non-controlling interests										
Dividends paid to non-controlling interests									(319)	(999)
Disposal of equity investments to non-controlling interests									(303)	1,185
Other capital transactions with non-controlling interests									148	2,187
Transactions with non-controlling interests									**(474)**	**2,373**
Disposal of equity investments to non-controlling interests										
Selling price									(35)	(33)
Of which change in receivables relating to acquisition and disposal of non-controlling interests									(222)	1,186
Of which change in payables relating to acquisition and disposal of non-controlling interests									(46)	32
Cash selling price									**(303)**	**1,185**

Accounting policies

Transactions with non-controlling interests are accounted for as transactions with the shareholder base. 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. Any difference between the carrying amount and the acquisition or selling price is recognised in equity.

4 Interest-bearing debt

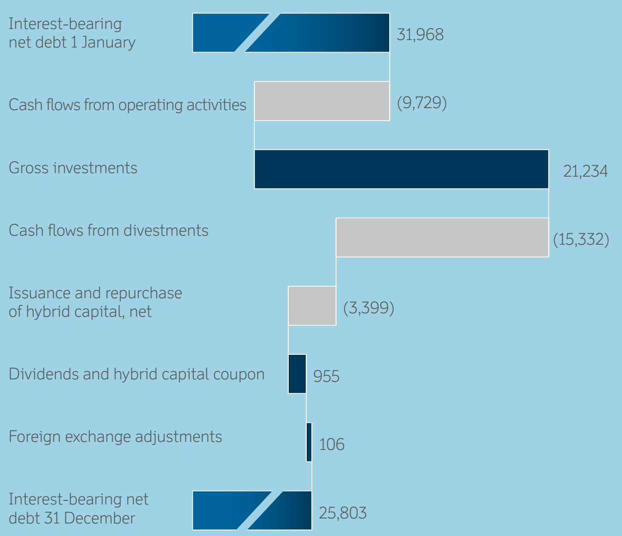
The composition of interest-bearing debt ensures a balance between future earnings and debt maturity.

The Group's total interest-bearing net debt was DKK 25,803 million at 31 December 2013 compared with DKK 31,968 million at 31 December 2012.

The long-term objective is for Funds From Operation (FFO) to be around 30% of adjusted interest-bearing net debt. At 31 December 2013, FFO to adjusted interest-bearing net debt was 23.1% compared with 7.8% at 31 December 2012.

The composition of interest-bearing debt, the Group's financial resources and income and expenses related to financing will be examined in this section.

Interest-bearing net debt 2013, DKK million



DKK million	Note	2013	2012
Bank loans and issued bonds	4.1	46,156	52,745
Other payables, current	4.1	304	-
Interest-bearing debt		**46,460**	**52,745**
Securities	4.2	16,118	14,914
Cash	4.2	2,894	3,334
Receivables from associates and joint ventures		933	1,645
Other receivables, non-current	5.3	229	69
Other receivables, current	5.3	483	560
Assets classified as held for sale	3.6	-	255
Interest-bearing assets		**20,657**	**20,777**
Interest-bearing net debt		**25,803**	**31,968**
Funds From Operation (FFO) / Adjusted interest-bearing net debt			
Interest-bearing net debt		**25,803**	**31,968**
50% of the hybrid capital (50% of hybrid capital due in 3005)		6,618	2,206
Cash and securities not available for distribution, excluding repo loans	4.2, 6.3	1,678	1,756
Present value of operating lease payments	7.5	3,933	2,844
Decommissioning obligations	3.2	8,821	8,415
Deferred tax on decommissioning obligations	7.2	(3,471)	(3,339)
Adjusted interest-bearing net debt		**43,382**	**43,850**
Funds From Operation (FFO)[1]		10,026	3,418
Funds From Operation (FFO) / Adjusted interest-bearing net debt		**23,1%**	**7,8%**
Long-term objective		**30%**	**30%**
Adjusted interest-bearing debt / EBITDA			
Interest-bearing net debt at 31 December		**25,803**	**31,968**
50% of hybrid capital (50% of hybrid capital due in 3005)		6,618	2,206
Adjusted interest-bearing net debt		**34,421**	**34,174**
EBITDA (Business Performance)		15,004	8,639
Adjusted interest-bearing net debt /EBITDA		**2.2x**	**4.0x**
Long-term objective		**<2.5x**	**<2,5x**

[1] For further details, see supplementary information to the statement of cash flows (page 57)

4.1 Interest-bearing debt

DKK million	2013	2012
Bank loans	14,826	21,178
Issued bonds	31,330	31,567
Bank loans and issued bonds	**46,156**	**52,745**
Other interest-bearing liabilities	304	-
Total interest-bearing debt	**46,460**	**52,745**
Bank loans and issued bonds are recognised in the balance sheet as follows:		
Non-current liabilities	36,767	47,673
Current liabilities	9,389[1]	5,072
Total bank loans and issued bonds	**46,156**	**52,745**
Change in interest-bearing net debt		
Interest-bearing net debt at 1 January	31,968	23,179
Cash flows from operating activities	(9,729)	(7,891)
Gross investments[2]	21,234	17,660
Cash flows from divestments[2]	(15,332)	(4,310)
Issuance and repurchase of hybrid capital	(3,399)	-
Dividends and hybrid capital coupon[2]	955	3,074
Foreign exchange adjustments, etc.	106	256
Interest-bearing net debt at 31 December	**25,803**	**31,968**

[1] This includes expected early repayment of bank loans of DKK 4.5 billion

[2] For further details, see supplementary information to the statement of cash flows (page 57)

[3] 2012: 50% of hybrid capital due in 3005

Financing policy

DONG Energy manages its financing activities, debt portfolio and financial resources via various policies that are designed to ensure optimum borrowing terms and at the same time minimise the Group's net finance costs and liquidity and refinancing risks. It is part of the Group's overall policy to concentrate its borrowing activities in the parent company, as far as possible, and to help to protect the Group against liquidity and refinancing risks by diversifying borrowing activities among various funding sources and maturities and securing robust financialresources in the form of cash and cash equivalents, securities and non-cancellable credit facilities.

Loan arrangements

At 31 December 2013, DONG Energy had loan obligations totalling DKK 12.0 billion (2012: DKK 15.7 billion), primarily to 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 meet with demands for:

- collateral in the event of the Danish State holding less 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.

Furthermore, at 31 December 2013, the Group had loans of DKK 0.7 billion (2012: DKK 0.7 billion) with KfW-IPEX Bank and non-cancellable credit facilities of DKK 17.4 billion (2012: DKK 11.6 billion) with a number of Scandinavian and international banks. In connection with these credit facilities and the loan, 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, 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 section on Risk management on pages 35-43 of Management's review.

Fair value of issued bonds and bank loans

The fair value of issued bonds and bank loans at 31 December 2013 was DKK 34,018 million (2012: DKK 35,574 million) and DKK 15,047 million respectively (2012: DKK 23,549 million).

The fair value of issued bonds (Level 1 – quoted prices) has been determined as the market value at 31 December.

The fair value of bank loans (Level 2 – observable inputs) 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.

Hybrid capital

At 31 December 2013, DONG Energy had issued hybrid capital with a principal amount totalling DKK 13,428 million (2012: DKK 9,664 million) due in 3005 (DKK 4,476 million) and 3013 (DKK 8,952 million). For further details on the hybrid capital, reference is made to note 7.3.

Hedging of future interest payments

As part of its risk management, the Group has hedged part of its future interest payments. The hedging is in the form of raising of fixed-interest debt and entering into interest rate swaps. The table below shows interest rate swaps hedging interest payments on the loan portfolio, ensuring that interest payments are fixed:

4.1 Interest-bearing debt – continued

DKK million	Notional amount	Fair value	Recognition in comprehensive income	Expected date of transfer to profit for the year		
				2014	**2015**	**After 2015**
Interest rate swaps at 31 December 2013	5,975	(431)	(495)	(125)	(93)	(277)
				2013	2014	After 2014
Interest rate swaps at 31 December 2012	10,544	(1,287)	(1,287)	(213)	(200)	(874)

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 interest expense 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.

4.2 Financial resources

FINANCIAL RESOURCES

DONG Energy's financial resources can be broken down as follows:

DKK million	2013	2012
Cash, available	1,909	2,024
Securities, available	15,425	11,907
Undrawn non-cancellable credit facilities	17,378	11,600
Total	**34,712**	**25,531**

Cash management

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.

CASH AND CASH EQUIVALENTS AND SECURITIES

DKK million	2013	2012
Cash, available	1,909	2,024
Bank overdrafts that are part of the ongoing cash management	(478)	(72)
Cash and cash equivalents at 31 December, see statement of cash flows	**1,431**	**1,952**
Cash can be broken down into the following balance sheet items:		
Cash, available	1,909	2,024
Cash, not available for use, interest-bearing	985	1,310
Cash, not available for use, non-interest-bearing	-	17
Cash at 31 December	**2,894**	**3,351**
Securities can be broken down into the following balance sheet items:		
Securities, available	15,425	11,907
Securities, not available for use	693	3,007
Securities at 31 December	**16,118**	**14,914**

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 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), securities used to hedge insurance provisions, and securities used as collateral in respect of trading in financial instruments.

4.2 Financial resources – continued

SECURITIES – OVERVIEW OF BOND PORTFOLIO

	2013				2012			
		Maturity				Maturity		
DKK million	Carrying amount	2014	2015-16	2017-19	Carrying amount	2013	2014-15	2016-18
Danish mortgage bonds (aaa rating)	10,567	5,462	3,469	1,636	11,238	5,940	3,346	1,952
Government bonds (aaa/aa rating)	900	305	595	-	312	-	312	-
Fixed-interest	**11,467**	**5,767**	**4,064**	**1,636**	**11,550**	**5,940**	**3,658**	**1,952**
Danish mortgage bonds (aaa rating)	4,651	638	2,188	1,825	3,364	591	2,173	600
Floating-rate	**4,651**	**638**	**2,188**	**1,825**	**3,364**	**591**	**2,173**	**600**
Total securities	**16,118**	**6,405**	**6,252**	**3,461**	**14,914**	**6,531**	**5,831**	**2,552**

Because securities are a key element of the Group's financial resources, the Group only invests in bonds that have a high credit rating, an insignificant price risk and are highly liquid.

Hedging of fair values of securities
As part of its risk management, the Group has hedged part of the interest rate risk on its securities portfolio. The Group has entered into interest rate swaps with a notional amount of DKK 2,796 million (2012: DKK 0 million). The market value was DKK 6 million (2012: DKK 0 million).

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.

MATURITY ANALYSIS OF LOANS AND BORROWINGS
The Group's financial payment obligations fall due as follows:

	2013					2012				
	Payment obligation	2014	2015	2016 & 2017	After 2017	Payment obligation	2013	2014	2015 & 2016	After 2016
Bank loans and issued bonds	66,289	11,006[1]	1,871	9,459	43,953	75,083	6,842	6,068	8,231	53,942
Trade payables	7,329	7,329	-	-	-	9,531	9,531	-	-	-
Other payables	11,295	7,691	312	302	2,990	10,807	7,486	214	241	2,866
Derivative financial instruments	9,204	5,968	1,815	1,119	302	12,537	7,779	2,318	803	1,637
Liabilities relating to assets classified as held for sale	2	2	-	-	-	181	181	-	-	-
Total	**94,119**	**31,996**	**3,998**	**10,880**	**47,245**	**108,139**	**31,819**	**8,600**	**9,275**	**58,445**

[1] This includes expected early repayment of bank loans of DKK 4.5 billion

At 31 December 2013, DONG Energy had issued hybrid capital with a principal amount totalling DKK 13,428 million due in 3005 (DKK 4,476 million) and 3013 (DKK 8,952 million).

The maturity analysis is based on undiscounted cash flows, including estimated interest payments. Interest payments are based on market conditions and interest-rate hedging entered into at 31 December.

4.3 Finance income and costs

DKK million	2013	2012
Interest income from cash, etc.	93	520
Interest income from securities at fair value	297	340
Capital gains on securities at fair value	19	21
Foreign exchange gains	2,091	2,339
Value adjustments of derivative financial instruments	554	351
Other finance income	45	96
Finance income	**3,099**	**3,667**
Interest expense relating to payables	(2,333)	(2,251)
Interest expense transferred to assets	282	576
Interest element of provisions	(501)	(285)
Capital losses on securities at fair value	(214)	(98)
Foreign exchange losses	(1,709)	(2,569)
Value adjustments of derivative financial instruments	(1,916)	(389)
Other finance costs	(508)	(7)
Finance costs	**(6,899)**	**(5,023)**
Net finance costs are presented in the internal management reporting as follows:		
Interest expense, net	(1,661)	(815)
Interest element of provisions	(501)	(285)
Capital losses on early repayment of loans and interest rate swaps[1]	(665)	-
Value adjustments of derivative financial instruments, net[1]	(293)	(38)
Foreign exchange adjustments, net[1]	(210)	(230)
Disposal of assets held under finance leases	(201)	-
Value adjustments of securities, net	(189)	(77)
Other finance income and costs, net	(80)	89
Net finance costs	**(3,800)**	**(1,356)**

[1] Derivative financial instruments entered into to hedge currency risks are presented in the internal management reporting together with foreign exchange adjustments in the line 'foreign exchange adjustments, net'. Capital losses on early repayment of interest rate swaps are also presented separately, in the line 'capital losses on early repayment of loans and interest rate swaps'.

Exchange adjustments of currency derivatives are recognised in revenue and cost of sales with a loss of DKK 656 million (2012: DKK 221 million loss).

Borrowing costs transferred to assets under construction are calculated at the weighted average effective interest rate for general borrowing, which was 4.0% (2012: 4.4%).

In 2013, DONG Energy sold the gas-fired Mongstad power station in Norway to Statoil. The loss on the sale is recognised in finance costs, as the lease had been recognised for accounting purposes as an asset held under a finance lease.

Accounting policies

Exchange adjustments of interest rate and currency derivatives that have not been entered into to hedge revenue, cost of sales or non-current assets are presented as finance income or costs.

5 Working capital

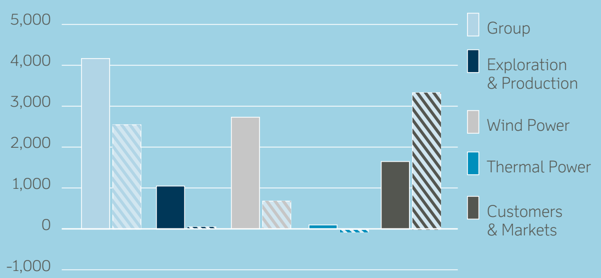
The Group has substantial funds tied up in working capital because of its activities. The working capital is volatile due to the effects of changes in energy prices, seasonal fluctuations, weather conditions and partnerships.

The Group's funds tied up in working capital totalled DKK 4,150 million at 31 December 2013 compared with DKK 2,543 million at 31 December 2012.

The Group continuously strives to reduce funds tied up in working capital while maintaining security of supply and flexibility.

This section examines the key components of working capital.

Working capital, DKK million



2012 comparative figures are shown in the cross-hatched bars

DKK million	Note	2013	2012
Inventories	5.1	3,560	3,765
Construction contracts, net	5.2	1,475	785
Trade receivables		8,875	7,873
Other receivables, current	5.3	3,404	3,127
Trade payables, operating expenses		(5,796)	(6,383)
Other payables, non-current	5.3	(1,359)	(1,317)
Other payables, current	5.3	(5,450)	(4,922)
Other items[1]		(559)	(385)
Working capital		**4,150**	**2,543**

[1] Other items primarily consist of prepayments from customers, which are recognised in prepayments in the balance sheet.

5.1 Inventories

DKK million	2013	2012
Biomass	78	32
Gas	1,801	2,252
Coal	459	651
Oil	211	251
Green certificates	817	475
CO_2 emissions allowances	96	2
Other inventories	98	102
Inventories at 31 December	**3,560**	**3,765**

Accounting policies

In the case of 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.

5.2 Construction contracts

DKK million	2013	2012
Selling price of construction contracts	8,932	3,462
Progress billings	(7,650)	(3,048)
Payments on account to suppliers	193	371
Construction contracts at 31 December	**1,475**	**785**
Construction contracts (assets)	1,890	853
Construction contracts (liabilities)	(415)	(68)
Construction contracts at 31 December	**1,475**	**785**

Selling price and progress billings relate to the construction of 50% of the offshore wind farms Anholt and Borkum Riffgrund 1, which are owned by co-investors (expected to be handed over in 2014 and 2015 respectively) and the construction of two offshore transmission networks in the UK (expected to be handed over in 2014 and 2015).

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, by reference to the stage of completion of the contract at the balance sheet date and total expected income from the contract.

When it is probable that total contract costs on a construction contract will exceed total contract revenue, the expected loss on the 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.

Critical accounting estimates

The determination of the expected selling price of construction contracts includes estimates of the stage of completion, 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.

5.3 Other receivables and other payables

OTHER RECEIVABLES

Other receivables are recognised in capital employed, interest-bearing assets and working capital respectively:

	Capital employed		Interest-bearing assets		Working capital		**Total**	
DKK million	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
Receivables under finance leases	-	2,022	-	-	-	-	-	2,022
Receivables from the disposal of activities and equity investments	-	110	-	-	-	-	-	110
Receivables from the disposal of equity investments to non-controlling interests	-	-	229	69	-	-	229	69
Other receivables	49	65	-	-	-	-	49	65
Other receivables, non-current	**49**	**2,197**	**229**	**69**	**-**	**-**	**278**	**2,266**
Receivables from the disposal of activities and equity investments	367	163	-	-	-	-	367	163
Deposits	-	-	-	-	28	328	28	328
VAT and other indirect taxes receivable	-	-	-	-	623	539	623	539
Central clearing counterparties	-	-	-	-	1,656	1,412	1,656	1,412
Other receivables	172	237	483	560	1,097	848	1,752	1,645
Other receivables, current	**539**	**400**	**483**	**560**	**3,404**	**3,127**	**4,426**	**4,087**

Receivables under finance leases comprise the gas-fired Mongstad power station in Norway, which was sold to Statoil in 2013.

OTHER PAYABLES

Other payables are recognised in capital employed, interest-bearing debt and working capital respectively:

	Capital employed		Interest-bearing debt		Working capital		**Total**	
DKK million	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
Prepaid VAT on exports	-	-	-	-	1,359	1,317	1,359	1,317
CO_2 rights	362	235	-	-	-	-	362	235
Other payables	18	-	-	-	-	-	18	-
Other payables, non-current	**380**	**235**	**-**	**-**	**1,359**	**1,317**	**1,739**	**1,552**
VAT and other indirect taxes payable	-	-	-	-	2,182	2,281	2,182	2,281
Pay-related items payable	-	-	-	-	888	1,058	888	1,058
Accrued interest	855	905	-	-	-	-	855	905
Virtual gas inventory	-	-	-	-	593	-	593	-
Other payables	16	278	304	-	1,787	1,583	2,107	1,861
Other payables, current	**871**	**1,183**	**304**	**-**	**5,450**	**4,922**	**6,625**	**6,105**

6 Risk management

Because DONG Energy is a North West European energy company, what happens in the outside world has a major impact on the company.

Material financial risks include:

- Changes in market prices, including energy prices and exchange rates
- Changes in interest rates
- The risk of losses on counterparties

The Group hedges risks related to changes in energy prices, exchange rates and interest rates with a view to reducing the effect on profit from these risks.

This section examines DONG Energy's hedging and trading activities involving energy and currency derivatives.

6.1 Hedge accounting and economic hedging

		At 31 December 2013				At 31 December 2012			
		Energy		Currency/interest		Energy		Currency/interest	
DKK million	Note	Contrac-tual principal amount	Fair value	Contrac-tual principal amount	Fair value	Contrac-tual principal amount	Fair value	Contrac-tual principal amount	Fair value
Trading portfolio	2.4	3,883	470	-	-	4,716	665	-	-
Economic hedging	2.4	39,480	293	7,940	(263)	40,978	1,207	19,567	(182)
Hedging of fair value – securities	4.2	-	-	2,796	6	-	-	-	-
Finance income and costs	6.1	-	-	17,521	(484)	-	-	35,661	(973)
Hedging of fair value – currency	6.1	-	-	15,115	(127)	-	-	18,735	121
Hedging of net investments	6.1	-	-	39,104	733	-	-	36,259	(797)
Total		**43,363**	**763**	**82,476**	**(135)**	**45,694**	**1,872**	**110,222**	**(1,831)**

	2013	2012
Fair value, energy	763	1,872
Fair value, currency/interest	(135)	(1,831)
Total fair value of energy and currency/interest	**628**	**41**
Fair value of energy and currency/interest is recognised in the balance sheet as follows:		
Derivative financial instruments, liabilities	(8,519)	(12,541)
Derivative financial instruments, assets	9,147	12,582
Derivative financial instruments, net	**628**	**41**

6.1 Hedge accounting and economic hedging – continued

Finance income and costs
The scope of hedging and trading activities that affect finance income and costs can be broken down as follows:

2013	**Total**		Trading portfolio		Cash flow hedging					
								Expected transfer to finance income and costs		
DKK million	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Recognised in other comprehensive income	**2014**	**2015**	**After 2015**
Currency at 31 December										
Forward exchange contracts	3,428	109	1,287	26	2,141	83	5	(38)	(40)	83
Currency swaps	3,166	(243)	44	(160)	3,122	(83)	(83)	-	-	(83)
Interest at 31 December										
Interest rate swaps	10,927	(350)	4,952	81	5,975	(431)	(495)	(125)	(93)	(277)
Total derivative financial instruments	**17,521**	**(484)**	**6,283**	**(53)**	**11,238**	**(431)**	**(573)**	**(163)**	**(133)**	**(277)**

2012								2013	2014	After 2014
Currency at 31 December										
Forward exchange contracts	5,850	(14)	5,850	(14)	-	-	(161)	(60)	(83)	(18)
Currency swaps	4,952	216	4,952	216	-	-	-	-	-	-
Interest at 31 December										
Interest rate swaps	24,859	(1,175)	14,315	112	10,544	(1,287)	(1,287)	(213)	(200)	(874)
Total derivative financial instruments	**35,661**	**(973)**	**25,117**	**314**	**10,544**	**(1,287)**	**(1,448)**	**(273)**	**(283)**	**(892)**

An amount of DKK 478 million (2012: DKK 0 million) was charged to the income statement in respect of interest rate swaps related to loans that are expected to be repaid early, in 2014. Ineffectiveness of currency hedging amounted to a charge of DKK 85 million (2012: DKK 14 million charge).

Accounting policies

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 financial contracts that are not used as economic hedges of the Group's principal activities or are part of the Group's trading portfolio are recognised as finance income and costs.

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 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.

6.1 Hedge accounting and economic hedging – continued

HEDGING OF FAIR VALUES – CURRENCY

2013 DKK million	Assets	Liabilities	Hedged using hedging instruments	Net position	Fair value of hedging instrument
EUR	12,036	(34,592)	5,036	(17,520)	17
USD	2,180	(2,911)	-	(731)	-
GBP	4,646	(15,298)	10,079	(573)	(144)
SEK	387	(50)	-	337	-
NOK	976	(612)	-	364	-
Other	8	(3)	-	5	-
Total at 31 December 2013	**20,233**	**(53,466)**	**15,115**	**(18,118)**	**(127)**
2012					
EUR	18,905	(44,480)	6,558	(19,017)	47
USD	1,241	(4,595)	1,418	(1,936)	(72)
GBP	2,765	(15,322)	10,776	(1,781)	147
SEK	1,451	(47)	-	1,404	-
NOK	1,591	(1,176)	(17)	398	(1)
Other	1	(2)	-	(1)	-
Total at 31 December 2012	**25,954**	**(65,622)**	**18,735**	**(20,933)**	**121**

Hedging of fair value is used to hedge the currency risk on recognised financial assets and liabilities.

The principal hedging instruments used are forward exchange contracts and currency swaps.

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 NET INVESTMENTS IN FOREIGN SUBSIDIARIES

2013 DKK million	Net investment including equity-like loans	Hedged amount in currency	Net position	Acc. foreign exchange adjustment of net investments, incl. equity-like loans	Acc. foreign exchange adjustment of hedging of net investment, incl. equity-like loans	Acc. net foreign exchange adjustment recognised in other comprehensive income
GBP	43,944	(32,646)	11,298	12	(331)	(319)
NOK	9,959	(6,104)	3,855	(163)	486	323
SEK	473	(354)	119	10	(54)	(44)
EUR	2,947	-	2,947	6	-	6
Other	8	-	8	-	-	-
Total at 31 December 2013	**57,331**	**(39,104)**	**18,227**	**(135)**	**101**	**(34)**
2012						
GBP	42,662	(32,574)	10,088	1,166	(1,228)	(62)
NOK	10,281	(1,983)	8,298	1,138	(361)	777
SEK	2,449	(336)	2,113	201	(370)	(169)
EUR	5,458	-	5,458	9	5	14
PLN	1,500	(1,366)	134	37	(126)	(89)
Total at 31 December 2012	**62,350**	**(36,259)**	**26,091**	**2,551**	**(2,080)**	**471**

In connection with its net investments, the Group has hedged future investments with a contract value of DKK 5,263 million (2012: DKK 5,054 million) and a market value of DKK 0 million (2012: DKK 86 million). Hedging of net investments is used to hedge the currency risk on the Group's investments in foreign operations.

The principal hedging instrument used is allocated loans in foreign currencies and foreign exchange contracts and currency swaps.

Ineffectiveness relating to hedging of net investments in foreign subsidiaries was DKK 8 million (2012: DKK 63 million).

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.

6.2 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 2013. 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. Effect on profit before tax is divided into trading portfolio and economic hedging. Effect on profit of financial instruments allocated to economic hedging is offset, over time, by the opposite effect of the hedged exposure. The illustrated sensitivity is therefore only temporary, unlike the effect on profit of financial instruments allocated as trading portfolio, which is not offset by an underlying exposure. 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. If the underlying exposure had been included in the sensitivity analysis, the effect of a price change would have been reduced.

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 reduce equity by DKK 3,910 million (2012: DKK 3,626 million decrease) arising from the hedging instruments. 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 6.1, hedging of net investments in foreign subsidiaries.

Further details of the Group's risk management are provided in the section on Risk and risk management on pages 35-43 of Management's review.

		At 31 December 2013			At 31 December 2012		
Risk	Price change	**Effect on profit before tax (trading portfolio)**	**Effect on profit before tax (economic hedging, etc.)[1]**	**Effect on equity before tax**	Effect on profit before tax (trading portfolio)	Effect on profit before tax (economic hedging, etc.)[1]	Effect on equity before tax
Oil	+10%	(16)	(219)	-	279	780	-
	-10%	15	216	-	(279)	(755)	-
Gas	+10%	(58)	(3,244)	-	(79)	(1,756)	-
	-10%	58	3,244	-	79	1,756	-
Electricity	+10%	(227)	(423)	-	(56)	(810)	-
	-10%	229	403	-	56	767	-
Coal	+10%	(2)	(5)	-	(3)	(87)	-
	-10%	2	5	-	3	87	-
USD	+10%	(3)	1	-	108	1,356	-
	-10%	3	32	-	(108)	(1,123)	-
GBP	+10%	97	(612)	(526)	(168)	288	(488)
	-10%	(97)	612	526	168	(288)	488
NOK	+10%	9	36	-	0	60	-
	-10%	(9)	(36)	-	0	(60)	-
SEK	+10%	2	38	-	3	17	-
	-10%	(2)	(38)	-	(3)	2	-
EUR	+10%	114	(2,042)	-	279	(2,548)	-
	-10%	(114)	2,059	-	(279)	2,685	-
Other	+10%	21	-	-	47	(47)	-
	-10%	(21)	-	-	(47)	47	-
Interest	+100 basis points	(47)	-	258	(171)	-	486

[1] Economic hedging comprises derivatives entered into to hedge future financial risks. The market value changes of these contracts will be offset, wholly or in part, by a change in the hedged risk. Also included are commercial contracts recognised at fair value.

Effect on profit before tax is broken down by sensitivity of the part that is recognised in:

- Trading portfolio, these contracts will affect profit.
- Economic hedging, including commercial contracts. The market value changes of contracts allocated as economic hedging will be offset, wholly or in part, by a change in the hedged risk.

6.3 Credit risks

DKK million	Clearing centres	AAA/Aaa	AA/Aa	A/A	BBB/Baa	Other	Total
2013	2,336	13,969	2,345	7,697	3,029	15,474	**44,850**
2012	2,441	14,921	5,124	7,252	3,992	10,783	**44,513**

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. The figures above have been calculated before offsetting in respect of any collateral and offsetting, 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.

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.

The Group's losses on counterparties were limited. In 2013, write-downs on receivables amounted to DKK 47 million (2012: DKK 93 million).

Further details of the Group's risk management are provided in the section on Risk and risk management on pages 35-43 of Management's review.

Offsetting of financial assets and liabilities

The netting agreements with the individual counterparties are often limited to offsetting within specific products. In addition, it is often the case that the settlement of liabilities and the realisation of assets do not take place simultaneously. Consequently, only some of the Group's netting agreements meet the provisions in IFRS on offsetting.

The table below shows financial assets and liabilities that are subject to netting agreements, and related security:

OFFSETTING OF FINANCIAL ASSETS				Amounts not offset in the balance sheet		
At 31 December 2013 **DKK million**	Financial assets, net	Financial liabilities, offset	Financial assets in the balance sheet	Liabilities with right of set-off	Security received in the form of bonds	**Net**
Derivative financial instruments	3,835	(2,307)	1,528	(352)	(192)	984
Trade receivables	19,484	(17,275)	2,209	-	-	2,209
Total	**23,319**	**(19,582)**	**3,737**	**(352)**	**(192)**	**3,193**
At 31 December 2012 **DKK million**						
Derivative financial instruments	5,200	-	5,200	(3,337)	(5)	1,858
Trade receivables	21,841	(19,976)	1,865	-	-	1,865
Total	**27,041**	**(19,976)**	**7,065**	**(3,337)**	**(5)**	**3,723**

OFFSETTING OF FINANCIAL LIABILITIES				Amounts not offset in the balance sheet		
At 31 December 2013 **DKK million**	Financial liabilities, net	Financial assets, offset	Financial liabilities in the balance sheet	Assets with right of set-off	Security provided in the form of bonds	**Net**
Derivative financial instruments	3,397	(2,307)	1,090	(352)	(283)	455
Repo loans	-	-	-	-	-	-
Trade payables	19,940	(17,275)	2,665	-	-	2,665
Total	**23,337**	**(19,582)**	**3,755**	**(352)**	**(283)**	**3,120**
At 31 December 2012 **DKK million**						
Derivative financial instruments	4,692	-	4,692	(3,337)	(191)	1,164
Repo loans	2,561	-	2,561	-	(2,561)	-
Trade payables	22,385	(19,976)	2,409	-	-	2,409
Total	**29,638**	**(19,976)**	**9,662**	**(3,337)**	**(2,752)**	**3,573**

Accounting policies

Positive and negative values are only offset if the enterprise is entitled to and intends to settle several financial instruments net.

7 Other notes

This section comprises the remaining statutory note disclosures that are not included in the other sections.

Section 7 includes all statutory tax information for the Group and information on unrecognised assets and liabilities.

Information is also provided on the composition of equity, in addition to the information already set out in the statement of changes in equity on page 55.

Lastly, information is provided on the Group's related party transactions, fees to the auditor appointed at the Annual General Meeting, the effect of the implementation of IFRS 11, the statutory overviews of the Group's oil and gas exploration and extraction licences and an overview of the Group's group enterprises.

7.1 Income tax expense

DKK million	2013	2012
Income tax expense	(1,015)	(949)
Tax on other comprehensive income	(491)	180
Total tax for the year	**(1,506)**	**(769)**
Income tax expense can be broken down as follows:		
Current tax (income tax and hydrocarbon tax) calculated applying normal tax rates	(1,142)	(1,806)
Current tax, hydrocarbon tax calculated applying higher tax rate	(1,105)	(2,149)
Deferred tax, calculated applying normal tax rates	1,294	2,096
Deferred tax, hydrocarbon tax calculated applying higher tax rate	(6)	376
Adjustments to tax in respect of prior years	(56)	534
Income tax expense	**(1,015)**	**(949)**
Tax on other comprehensive income can be broken down as follows:		
Current tax (income tax and hydrocarbon tax) calculated applying normal tax rates	(289)	193
Deferred tax, calculated applying normal tax rates	(202)	(13)
Tax on other comprehensive income	**(491)**	**180**

DKK million	2013	2012
Total tax for the year can be broken down as follows:		
Current tax	(2,536)	(3,762)
Deferred tax	1,086	2,459
Adjustments to tax in respect of prior years	(56)	534
Total tax for the year	**(1,506)**	**(769)**

7.1 Income tax expense – continued

	2013		2012	
	DKK million	**%**	DKK million	%
Income tax expense can be explained as follows:				
Calculated 25% tax on profit before tax	144	25	1,044	25
Adjustments of calculated tax in foreign subsidiaries in relation to 25%	14	2	(79)	(2)
Hydrocarbon tax	(1,111)	(193)	(1,774)	(43)
Tax effect of:				
Non-taxable income and non-deductible costs, net	502	87	(75)	(2)
Unrecognised tax assets and capitalisation of tax assets not previously capitalised	(317)	(55)	(408)	(10)
Share of profit (loss) of associates and joint ventures	(192)	(33)	(176)	(4)
Adjustments to tax in respect of prior years	(34)	(6)	73	2
Effect of change in tax rate	(21)	(3)	-	-
Adjustments to tax relating to associates and joint ventures	-	-	446	11
Effective tax for the year	**(1,015)**	**(176)**	**(949)**	**(23)**

Income tax expense was DKK 1,015 million (2012: DKK 949 million) despite a loss before tax of DKK 576 million (2012: DKK 4,177 million profit).

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 for the year was also affected by non-taxable income and non-deductible expenses relating to disposals of assets and enterprises amounting to DKK 416 million (2012: DKK 13 million).

Finally income tax expense was 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.

DKK million	**2013**	2012
Income tax paid in Denmark (adjustment in respect of prior years)	-	(112)
Income tax paid outside Denmark	2,856	2,754
Total income tax paid	**2,856**	**2,642**

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 extraction (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.

7.2 Deferred tax

2013

DKK million	Balance sheet at 1 January	Foreign exchange adjustments	Additions, individual 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	225	(2)	-	12	-	83	-	318
Property, plant and equipment	10,860	(783)	80	(1,405)	83	(465)	-	8,370
Other non-current assets	117	1	48	(5)	-	(32)	-	129
Current assets	(150)	3	7	349	-	-	-	209
Decommissioning obligations	(3,339)	258	-	(480)	-	90	-	(3,471)
Other non-current liabilities	(900)	3	65	217	46	(116)	-	(685)
Current liabilities	(285)	-	-	(31)	-	8	-	(308)
Retaxation	2,911	-	-	(329)	-	181	-	2,763
Tax loss carryforwards	(2,787)	23	(51)	384	73	399	-	(1,959)
Deferred tax	**6,652**	**(497)**	**149**	**(1,288)**	**202**	**148**	**-**	**5,366**

2012								
Intangible assets	(10)	-	-	361	-	(126)	-	225
Property, plant and equipment	11,526	286	(2)	(912)	(65)	(39)	66	10,860
Other non-current assets	27	(2)	15	49	-	28	-	117
Current assets	158	17	(8)	(321)	52	(48)	-	(150)
Decommissioning obligations	(3,402)	(102)	-	149	-	16	-	(3,339)
Other non-current liabilities	96	(2)	-	(886)	26	(134)	-	(900)
Current liabilities	(125)	33	12	184	-	(392)	3	(285)
Retaxation	2,548	-	-	208	-	155	-	2,911
Tax loss carryforwards	(1,711)	1	(5)	(1,304)	-	228	4	(2,787)
Deferred tax	**9,107**	**231**	**12**	**(2,472)**	**13**	**(312)**	**73**	**6,652**

DKK million	2013	2012
Deferred tax is recognised in the balance sheet as follows:		
Deferred tax (assets)	(130)	(265)
Deferred tax (liabilities)	5,496	6,917
Deferred tax at 31 December, net	**5,366**	**6,652**

Of the deferred tax of DKK 5,366 million (2012: DKK 6,652 million), DKK 226 million (2012: DKK 0 million) falls due within twelve months.

The tax base of taxable losses includes DKK 140 million (2012: DKK 577 million) relating to unutilised deductible net finance costs.

At 31 December 2013, unrecognised deferred tax assets were DKK 11,049 million (2012: DKK 15,445 million) and related primarily to unutilised losses in hydrocarbon income in Denmark and the UK. It is considered unlikely that these losses can be utilised in the foreseeable future.

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 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 made 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 joint assets, including licence interests, is not provided for.

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's development.

7.3 Equity

SHARE CAPITAL

DKK million	2013	2012
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.

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. Equity, hybrid capital, bank loans, issued bonds and other interest-bearing debt are considered to be capital.

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, Fitch and Moody's. DONG Energy has been rated BBB+ with a negative outlook by Standard & Poor's, BBB+ with a negative outlook by Fitch and Baa1 with a stable outlook by Moody's. A new capital structure target has been introduced from 2014: Funds From Operation (FFO) to adjusted interest-bearing net debt. The long-term objective is for FFO to be around 30% of adjusted interest-bearing net debt.

Dividends

The Board of Directors will recommend that no dividend be paid for the 2013 financial year. Dividend distributions to shareholders have no tax implications for DONG Energy A/S. Dividend paid per share (DPS) of DKK 10 in 2013 for the 2012 financial year was DKK 0. (Dividend paid per share of DKK 10 in 2012 for the 2011 financial year was DKK 4.96).

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 with a total nominal value of DKK 13,428 million (EUR 1,800 million) 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 fund the Group's CAPEX.

The total hybrid capital consists of hybrid bonds due in 3005 and hybrid bonds due in 3013. Further details on the three hybrid bonds are provided in the table below.

Coupon on 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.

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 because 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.

On redemption of the hybrid capital the payment on redemption will be distributed between the liability and equity applying the same principles as used when the hybrid capital was issued. This means that the difference between the payment on redemption and the net proceeds received on issue is recognised directly in equity as the debt portion of the existing hybrid issues will be nil during the first part of the life of the hybrid capital.

On the date on which the Board of Directors decides to exercise an option to redeem the hybrid capital, the part of the hybrid capital that will be redeemed will be reclassified to liabilities. The reclassification will be made at the fair value of the hybrid capital at the date the decision is made. Interest expense and exchange adjustments following the reclassification to liabilities will be recognised in profit for the year as finance income or costs.

	Hybrid capital due in 3005	Hybrid capital due in 3013 (June)	Hybrid capital due in 3013 (July)
Carrying amount	DKK 4,411 million	DKK 5,127 million	DKK 3,698 million
Notional amount	EUR 600 million (DKK 4,476 million)	EUR 700 million (DKK 5,222 million)	EUR 500 million (DKK 3,730 million)
Issued	June 2005	June 2013	July 2013
Maturing	June 3005	June 3013	July 3013
First call date	29 June 2015	26 June 2023	8 July 2018
Interest	Coupon for the first ten years is fixed at 5.5% p.a., after which it becomes floating at 3 month EURIBOR + 3.2% points	Coupon for the first ten years is fixed at 6.25% p.a., after which it is adjusted every five years with the 5-year euro swap + 4.75% points from 2023-2043 and +5.5% points after 2043	Coupon for the first five years is fixed at 4.875% p.a., after which it is adjusted every five years with the 5-year euro swap + 3.8% points from 2018, 4.05% points from 2023 and 4.80% points from 2038
Deferral of coupon payment	Optional deferral option	Optional deferral option	Optional deferral option

7.4 Contingent assets and liabilities

Contingent assets
The Group has deferred tax assets of DKK 11.0 billion (2012: DKK 15.5 billion) that have not been recognised. Reference is made to note 7.2.

DONG Energy has advanced claims against insurance companies. 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 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). The 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 guarantees for fulfilment of obligations and liability in damages towards the Danish State or third parties incurred by DONG E&P A/S in connection with the company's participation in exploration and production licences, irrespective of whether the obligations and liability rest on DONG E&P A/S alone or jointly and severally with others. The guarantees are not capped, but cannot exceed 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 guarantees cover obligations and liability incurred or assumed by the DONG E&P Group in connection with its exploration and production activities. The guarantees are not capped and the DONG E&P Group is jointly and severally liable with the other partners for obligations and liability.

Indemnities
The Group's Danish companies are jointly and severally liable for tax on the Group's jointly taxed income, etc. Total income tax payable appears from the annual report of DONG Energy A/S, which is the administration company in relation to joint taxation. The Group's Danish companies are also jointly and severally liable for Danish withholding taxes in the form of tax on dividends, on royalty payments and on interest. Any subsequent adjustments to income taxes and withholding taxes may result in the company's liability being higher.

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 position 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 (with addition of interest), which has been determined on the basis of the Danish Competition Council's calculation of the consumers' losses.

7.5 Operating lease obligations

DKK million	2013	2012
0-1 year	698	396
1-5 years	1,545	1,118
Over 5 years	3,052	1,812
Minimum lease payments	**5,295**	**3,326**
Lease payments recognised in profit for the year	354	401

Supplementary information to operating lease obligations

DKK million	2013	2012
Present value of lease payments	3,933	2,844
Calculated interest expense on lease obligations	153	105
Internal rate of return applied	4.5%	4.5%

Assets held under operating leases comprise land and seabed relating to wind farms in the UK until 2034, gas storage facilities in Germany until 2025, a port area in Belfast in Northern Ireland until 2017, a power station site in the Netherlands until 2037, a service vessel until 2017, a construction vessel until September 2014, office premises in Gentofte until 2029 and other office premises, etc.

Lease payments relating to leasing of seabed 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.

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.

7.6 Financial instruments

CATEGORIES OF FINANCIAL INSTRUMENTS

DKK million	2013 Carrying amount	2012 Carrying amount
Financial assets at fair value through profit or loss (Derivative financial instruments)	7,806	11,013
Financial assets at fair value through profit or loss (Securities)	16,118	14,914
Financial assets used as hedging instruments	1,341	1,569
Loans and receivables	16,612	18,488
Available-for-sale financial assets	261	382
Financial liabilities measured at fair value through profit or loss	7,359	9,009
Financial liabilities used as hedging instruments	1,160	3,532
Financial liabilities measured at amortised cost	57,330	65,431

The carrying amount of the financial instruments above corresponds to the fair value, with the exception of issued bonds and bank loans, which are recognised at amortised cost. The fair value of issued bonds and bank loans is stated in note 4.1 Interest-bearing debt.

7.7 Assets and liabilities measured at fair value

FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

	2013				2012			
DKK million	Quoted prices (Level 1)	Observable inputs (Level 2)	Non-observable inputs (Level 3)	Total	Quoted prices (Level 1)	Observable inputs (Level 2)	Non-observable inputs (Level 3)	Total
Securities	16,118	-	-	16,118	14,914	-	-	14,914
Total securities	**16,118**	**-**	**-**	**16,118**	**14,914**	**-**	**-**	**14,914**
Commodities	1,804	5,415	765	7,984	1,727	9,132	839	11,698
Currency	-	1,008	-	1,008	-	612	-	612
Interest	-	155	-	155	-	272	-	272
Total derivative financial instruments	**1,804**	**6,578**	**765**	**9,147**	**1,727**	**10,016**	**839**	**12,582**
Total assets	**17,922**	**6,578**	**765**	**25,265**	**16,641**	**10,016**	**839**	**27,496**
Commodities	2,856	3,444	921	7,221	2,626	6,459	739	9,824
Currency	-	800	-	800	-	1,336	-	1,336
Interest	-	498	-	498	-	1,381	-	1,381
Total derivative financial instruments	**2,856**	**4,742**	**921**	**8,519**	**2,626**	**9,176**	**739**	**12,541**
Total liabilities	**2,856**	**4,742**	**921**	**8,519**	**2,626**	**9,176**	**739**	**12,541**

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

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 have a significant effect on fair value.

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.

7.7 Assets and liabilities measured at fair value – continued

RECONCILIATION OF FINANCIAL INSTRUMENTS BASED ON NON-OBSERVABLE INPUTS

DKK million	2013 Derivative financial instruments (assets)	2013 Derivative financial instruments (liabilities)	2012 Derivative financial instruments (assets)	2012 Derivative financial instruments (liabilities)
Fair value at 1 January	839	(739)	2,093	(960)
Gains and losses recognised in profit for the year as revenue	(278)	(112)	(1,484)	765
Issuances	-	(414)	277	(676)
Repayments	217	264	-	-
Transferred to Level 2 due to market data having become available	(13)	80	(47)	132
Fair value at 31 December	**765**	**(921)**	**839**	**(739)**
Gains/losses recognised in profit for the year relating to assets/liabilities that are still recognised in the balance sheet at 31 December	(497)	38	(1,207)	89

Valuation principles and material assumptions
In order to keep modifications of parameters, calculation models or the use of subjective estimates to a minimum, it is the Group's policy to determine fair values on the basis of external information that most accurately reflects the values of assets or liabilities.

Market values are determined by the Risk Management function, which reports to the CFO. The development in market values is monitored on a continuous basis and reported on to the Executive Board.

Valuation principles and relevant assumptions for material assets or liabilities at Level 3 can be summarised as follows:

At 31 December 2013

Fair value of derivative financial instruments	Assets DKK million	Liabilities DKK million	Valuation principle	Non-observable inputs	Range
Electricity swaps	602	444	Cash flow	Electricity prices in 2018-2020	EUR 27-51/MWh
Electricity options	6	358	Option model	Volatility from 2016 Electricity prices in 2018-2020	12%-16% EUR 27-51/MWh

7.8 Related party transactions

Related parties that have control over the Group comprise the Danish State, represented by the Danish Ministry of Finance.

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

Reference is made to note 7.13 for an overview of the Group's joint ventures and associates.

Transactions with joint ventures and associates appear from the table below. Remuneration to the Board of Directors, the Executive Board and other senior executives is disclosed in note 2.5.

	Joint ventures		Associates	
DKK million	**2013**	2012	**2013**	2012
Dividends received and capital reductions	-	-	74	30
Capital transactions, net	(41)	(294)	(29)	(328)
Trade receivables	33	248	49	-
Trade payables	(110)	(35)	(42)	(107)
Interest, net	38	52	1	23
Receivables	1,202	1,117	238	995
Payables	-	(3)	-	(5)

Related party transactions are made on arm's length terms. Intragroup transactions have been eliminated in the consolidated financial statements.

There were no other related party transactions during the year.

7.9 Auditors' fees

DKK million	**2013**	2012
Audit fees	13	13
Other assurance engagements	9	3
Tax and VAT advice	16	14
Non-audit services	26	26
Total fees to PwC	**64**	**56**

7.10 Events after the reporting period

Subscription for new shares

The Danish State represented by the Ministry of Finance, DONG Energy A/S, the Danish pension fund Arbejdsmarkedets Tillægspension (ATP), funds managed by the Merchant Banking Division of Goldman Sachs through New Energy Investment S.a.r.l. (Goldman Sachs funds) and the Danish pension fund PFA Pension Forsikringsaktieselskab (PFA) have signed a legally binding investment agreement that sets out the terms and conditions for ATP's, Goldman Sachs funds' and PFA's investment of a total of DKK 11 billion in DONG Energy A/S by subscription for new shares.

The existing minority shareholders of DONG Energy A/S have been offered to participate in the capital increase on the same terms and conditions as the new investors to allow them to maintain their current ownership shares. Four of the existing five minority shareholders have opted to participate in DONG Energy's capital increase by subscribing for new shares.

The combined capital contribution from ATP, PFA, Goldman Sachs funds and the existing minority shareholders will consequently total DKK 13 billion. Completion of the transaction will take place in connection with an extraordinary general meeting in February 2014.

Divestment of Dutch sales company

DONG Energy has signed an agreement to divest its sales company in the Netherlands, DONG Energy Sales B.V, which sells electricity and gas to residential and commercial customers and manages back-office-services to a third party. The transaction concerns the sales activities only.

The divestment is subject to certain conditions, including merger control clearance in the Netherlands.

Divestment of share in London Array 1 offshore wind farm

DONG Energy has signed an agreement to sell half of its 50 per cent share in the 630 MW offshore wind farm London Array 1 to La Caisse de dépôt et placement du Québec (La Caisse) for a total sum of GBP 644 million (approx. DKK 5.8 billion).

On completion of the transaction, La Caisse will enter into the existing joint venture with a 25 per cent ownership interest alongside DONG Energy (25 per cent), E.ON (30 per cent) and Masdar (20 per cent).

The transaction is subject to a number of customary conditions for a transaction of this nature, including transfer of project rights and operational performance of the wind farm and approval by relevant authorities. The transaction is expected to be completed in the first half of 2014.

7.11 Effect of implementation of IFRS 11

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

	Business performance			IFRS		
DKK million	2012 before adjustment	IFRS 11 adjustment	**2012 after adjustment**	2012 before adjustment	IFRS 11 adjustment	**2012 after adjustment**
Share of profit (loss) of associates and joint ventures	-	(3)	(3)	-	(3)	(3)
Operating profit before depreciation, amortisation and impairment losses (EBITDA)	8,632	7	8,639	7,159	7	7,166
Operating profit (loss) (EBIT)	(3,481)	157	(3,324)	(4,954)	157	(4,797)
Investments in associates and joint ventures	(553)	(146)	(699)	(553)	(146)	(699)
Profit (loss) before tax	(2,712)	8	(2,704)	(4,185)	8	(4,177)
Profit (loss) for the year	(4,021)	-	(4,021)	(5,126)	-	(5,126)
Other comprehensive income				170	-	170
Total comprehensive income				**(4,956)**	**-**	**(4,956)**

ASSETS

DKK million	31/12 2012 before adjustment	IFRS 11 adjustment	**31/12 2012 after adjustment**
Intangible assets	2,425	-	2,425
Property, plant and equipment	96,307	(2,387)	93,920
Share of profit (loss) of associates and joint ventures	3,055	1,404	4,459
Other non-current assets	7,508	1,550	9,058
Non-current assets	106,240	(837)	105,403
Current assets	49,011	(556)	48,455
Assets classified as held for sale	4,343	(712)	3,631
Assets	**159,594**	**(2,105)**	**157,489**

EQUITY AND LIABILITIES

Equity attributable to equity holders of DONG Energy A/S	33,421	-	33,421
Equity	50,016	-	50,016
Non-current liabilities	71,384	(1,086)	70,298
Current liabilities	38,013	(1,019)	36,994
Liabilities relating to assets classified as held for sale	181	-	181
Equity and liabilities	**159,594**	**(2,105)**	**157,489**

STATEMENT OF CASH FLOWS

DKK million	2012 before adjustment	IFRS 11 adjustment	**2012 after adjustment**
Cash flows from operating activities	7,701	190	7,891
Cash flows from investing activities	(20,004)	802	(19,202)
Cash flows from financing activities	13,026	(1,176)	11,850
Total	**723**	**(184)**	**539**

7.12 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%
Faroe Islands	F018 Naddoddur	100%
Faroe Islands	F019 Marjun	100%
Greenland	G2011/11 Qamut	26%
Greenland	G2013/40 Amaroq	18%
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%

Country	Licence	Ownership interest
Norway	PL300 Tambar East	45%
Norway	PL360 Lupin	20%
Norway	PL529 Himmelbjerget/Bønna	20%
Norway	PL613 Fafner	40%
Norway	PL624 Ve	20%
Norway	PL656 Clipper	20%
Norway	PL658 Gram	50%
Norway	PL664S Løven	30%
Norway	PL669 Ula NE	40%
Norway	PL689 Hyse	40%
Norway	PL698 Carmen	10%
Norway	PL699 Ormen Korte	10%
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	P1678 Tormore	20%
UK	P1830 Black Rock	25%
UK	P1831 Cambo South	25%
UK	P1846 Sula/Stelkur	30%
UK	P1847 Milburn	30%
UK	P1931 Neptune	50%
UK	P2014 Flett Basin	60%
UK	P2021 Jameson	50%
UK	P2022 Audacious	40%
UK	P2044 Dalwhinnie	35%
UK	P2061 Sula	30%
UK	P2067 Kookaburra	15%

7.13 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 DK 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	JO	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.	JV	Berkshire, UK	50%
Borkum Riffgrund I Holding A/S	S	Fredericia, Denmark	100%
Borkum Riffgrund I Offshore Windpark A/S GmbH & Co. oHG	JO	Norden, Germany	50%
Breeveertien II Wind Farm B.V.	S	Rotterdam, Netherlands	100%
Celtic Array Limited	JV	Berkshire, UK	50%
CT Offshore A/S	S	Odense, Denmark	67%
Den Helder Wind Farm B.V.	S	Rotterdam, Netherlands	100%
DONG Energy - Anholt Offshore A/S	S	Fredericia, Denmark	100%
DONG Energy Borkum Riffgrund I GmbH	S	Rubenow, Germany	100%
DONG Energy Borkum Riffgrund I HoldCo GmbH	S	Hamburg, Germany	100%
DONG Energy Borkum Riffgrund II GmbH	S	Hamburg, Germany	100%
DONG Energy Borkum Riffgrund West I GmbH	S	Hamburg, Germany	100%
DONG Energy Burbo (UK) Limited	S	London, UK	100%
DONG Energy Burbo Extension (UK) Ltd.	S	London, UK	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 Hydro Power Holding AB	S	Malmö, Sweden	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 Nearshore Wind ApS	S	Fredericia, Denmark	100%
DONG Energy Nysted I A/S	S	Fredericia, Denmark	86%
DONG Energy Power (Gunfleet Sands) Ltd.	S	London, UK	100%
DONG Energy Power (Participation) Ltd.	S	London, UK	100%
DONG Energy Power (UK) Ltd.	S	London, UK	100%
DONG Energy RB (UK) Ltd.	S	London, UK	100%
DONG Energy Renewables Germany GmbH	S	Hamburg, Germany	100%
DONG Energy Shell Flats (UK) Limited	S	London, UK	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 France S.A.S.	S	Paris, France	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%

7.13 Company overview – continued

Segment/company	Type[1]	Registered office	Ownership interest
Energi E2 Renewables A/S in liquidation	S	Fredericia, Denmark	100%
Eolien Maritimes de France S.A.S.	A	Paris, France	40%
First Flight Wind Limited	JV	Larne, UK	50%
Gode Wind I GmbH	S	Hamburg, Germany	100%
Gode Wind II GmbH	S	Hamburg, Germany	100%
Greenpower (Broadmeadows) Limited	JV	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%
Horns Rev I Offshore Wind Farm	JO	-	40%
Lincs Renewable Energy Holdings Limited	JV	London, UK	50%
Lincs Wind Farm Ltd.	JV	Aberdeen, UK	50%
London Array Ltd.	JO	Coventry, UK	50%
London Array Unicorporated JV	JO	-	50%
Morecambe Wind Ltd.	JO	Prenton, UK	50%
Njord Limited	A	London, UK	33%
Nysted Havmøllepark I	JO	-	50%
OFTRAC Limited	S	London, UK	100%
Ploudalmezeau - Breiz Avel 01 S.A.S.	S	Paris, France	100%
P/S New Energy Solutions	A	Copenhagen, Denmark	22%
Rhiannon Wind Farm Limited	JV	Windsor, UK	100%
Scarweather Sands Ltd.	JV	Coventry, UK	50%
Storrun Vindkraft AB	S	Uddevalla, Sweden	80%
Storrun Vindkraft Elnät AB	S	Stockholm, Sweden	100%
UMBO GmbH	S	Hamburg, Germany	100%
Walney (UK) Offshore Windfarms Ltd.	S	London, UK	50%
West of Duddon Sands	JO	-	50%
West Rijn Wind Farm B.V.	S	Rotterdam, Netherlands	100%
Westermost Rough Ltd.	S	London, UK	100%
Zephyr AS	A	Sarpsborg, Norway	33%
Thermal Power			
Carron Engineering & Construction Limited	S	London, 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 in liquidation	S	Hamburg, Germany	100%
DONG Energy Kraftwerke Greifswald Verwaltungs GmbH	S	Rubenow, Germany	100%
DONG Energy Kraftwerke Holding GmbH	S	Hamburg, Germany	100%
DONG Energy Maabjerg Energy Concept A/S	S	Fredericia, Denmark	70%
DONG Energy Netherlands B.V.	S	Rotterdam, Netherlands	100%
DONG Energy New Bio Solutions (China) A/S	S	Fredericia, Denmark	100%
DONG Energy New Bio Solutions Holding A/S	S	Fredericia, Denmark	100%
DONG Energy Power Rotterdam B.V.	S	Rotterdam, Netherlands	100%
DONG Energy SP (UK) Ltd.	S	London, UK	100%
DONG Energy Thermal Power A/S[3]	S	Fredericia, Denmark	100%
DONG Energy Waste (UK) Ltd.	S	London, UK	100%
Dublin Waste to Energy (Holdings) Limited	A	Dublin, Ireland	49%
Emineral A/S	JV	Aalborg, Denmark	50%
Enecogen V.O.F	JO	Rotterdam, Netherlands	50%
Haderslev Kraftvarmeværk A/S	S	Fredericia, Denmark	100%
Horsens Kraftvarmeværk A/S	S	Fredericia, Denmark	100%
Hovedstadsområets Geotermiske Samarbejde	JO	-	46%
I/S Ensted Transithavn	JO	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%

7.13 Company overview – continued

Segment/company	Type[1]	Registered office	Ownership interest
Pyroneer A/S	S	Fredericia, Denmark	100%
REnescience A/S	S	Fredericia, Denmark	100%
Severn Power Funding Limited	S	London, UK	100%
DONG Energy SP Holding (UK) Limited	S	London, UK	100%
Stigsnæs Vandindvinding I/S	NC	Slagelse, Denmark	64%
Vejen Kraftvarmeværk A/S	S	Fredericia, Denmark	100%
Customers & Markets			
Dansk Gasteknisk Center A/S	A	Rudersdal, Denmark	36%
DONG Energy Aktiebolag	S	Gothenburg, Sweden	100%
DONG Energy Business GmbH	S	Hamburg, Germany	100%
DONG Energy El & Gas A/S	S	Fredericia, Denmark	100%
DONG Energy Eldistribution A/S	S	Fredericia, Denmark	100%
DONG Energy Infrastructure GmbH[3]	S	Hamburg, Germany	100%
DONG Energy Kabler A/S	S	Fredericia, Denmark	100%
DONG Energy Leitung E GmbH	S	Hamburg, Germany	100%
DONG Energy Markets B.V.	S	Amsterdam, Netherlands	100%
DONG Energy Markets GmbH	S	Hamburg, Germany	100%
DONG Energy Pipelines 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 Energy Speicher E GmbH	S	Hamburg, Germany	100%
DONG Energy Speicher R GmbH	S	Hamburg, Germany	100%
DONG Gas Distribution A/S[3]	S	Fredericia, Denmark	100%
DONG Naturgas A/S[3]	S	Fredericia, Denmark	100%
DONG Offshore Gas Systems A/S	S	Fredericia, Denmark	100%
DONG Oil Pipe A/S[3]	S	Fredericia, Denmark	100%
DONG Storage A/S[3]	S	Fredericia, Denmark	100%
Etzel Kavernenbetriebsverwaltungsgesellschaft mbH	A	Hamburg, Germany	33%
Etzel Kavernenbetriebsgesellschaft mbH & Co. KG	A	Hamburg, Germany	33%
FordonsGas Sverige AB	A	Gothenburg, Sweden	50%
PowerSense A/S	A	Rudersdal, Denmark	28%
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 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, JO = joint operation, JV = joint venture, NC = non-consolidated entity.
[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.

The Group participates in hydrocarbon exploration and extraction licences, and these licences are classified as joint operations. The Group's licence participation is set out in note 7.12, to which reference is made.