

3 months 2008 results



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Certain statements in this presentation are based on the beliefs of our management as well as assumptions made by and information currently available to the management. Forward-looking statements (other than statements of historical fact) regarding our future results of operations, financial condition, cash flows, business strategy, plans and future objectives can generally be identified by terminology such as “targets”, “believes”, “expects”, “aims”, “intends”, “plans”, “seeks”, “will”, “may”, “anticipates”, “continues” or similar expressions.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this presentation including but not limited to general economic developments, changes in temperature and precipitation, changes in market prices (e.g. oil, gas, power, coal, CO₂, currency), changes in the competitive environment, developments in the financial markets and changes in legislation or case law.

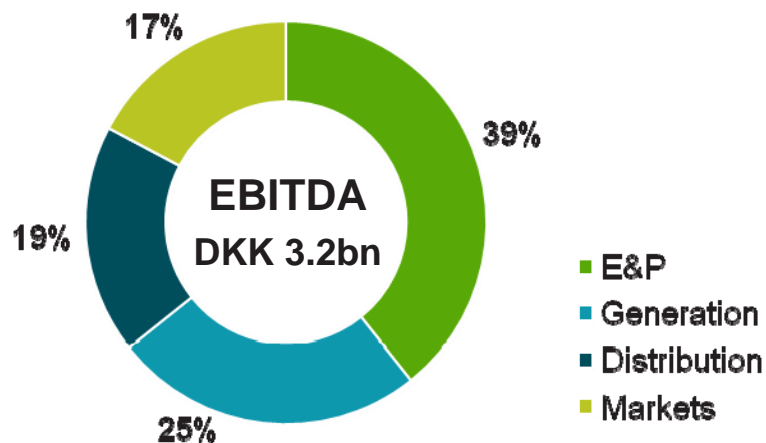
We urge you to read our annual report available on our website at www.dongenergy.com for a discussion of some of the factors that could affect our future performance and the industry in which we operate.

Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, our actual financial condition or results of operations could materially differ from that described herein as anticipated, believed, estimated or expected.

Financial highlights:

- ▶ Revenue of DKK 15.0 billion
- ▶ EBITDA of DKK 3.2 billion
- ▶ Profit after tax of DKK 1.3 billion

EBITDA per segment



Key events

- 8 January: intention to float DONG Energy on the OMX Nordic Exchange was released
- 21 January: the Danish Ministry of Finance decided to suspend the IPO process
- 8 February: investment decision on the 30 MW Swedish onshore wind farm Storrøn
- 4 March: the Danish Competition Appeals Tribunal remitted the Danish Competition Council's ruling from 20 June 2007 concerning the second half of 2006, but is of the opinion that excessive prices were charged for individual hours during the whole of 2005 and the first half of 2006
- 11 March: DONG Energy released the first full year report for the new entity and proposed a dividend of DKK 5.0 per share totaling DKK 1.5 billion, which was approved on the Annual General assembly on 24 April

EBITDA up 167% due to increased production and higher oil and gas prices

Operational figures

	Q1-08	Q1-07
Oil & gas production (MMboe)	4.4	2.7
- Oil production (MMbbl)	2.6	2.5
- Gas production (MMboe)	1.8	0.2
Transport of oil (MMbbl)	23.1	24.0

Financial development

DKK million	Q1-08	Q1-07
Revenue	1,830	1,067
EBITDA	1,262	473
EBIT	972	270
Investments	652	825

- Significant increase in production driven by Ormen Lange ramp up
 - Gas production 9 times higher than Q1 2007 and now accounts for 42% of total production (previously 9%)
 - Oil production on level with Q1 2007
- 69% of production came from Norway compared to 43% in Q1 2007
- Revenue and earnings impacted positively by increased oil and gas production and higher oil which are up by 68% quarter on quarter
- Investments primarily related to new wells on producing fields hereunder Siri and Alve



Significant drop in earnings due to lower thermal production and unfavourable production margins

Production		
	Q1-08	Q1-07
Power production (GWh)	4,878	5,836
- Thermal (GWh)	4,019	4,945
- Renewable (GWh)	859	891
Heat production (TJ)	18,052	17,873

Financial development		
DKK million	Q1-08	Q1-07
Revenue	3,342	3,699
- Renewable	404	388
EBITDA	803	1,750
- Renewable	267	238
EBIT	438	1,108
Investments	834	559

- Thermal power production down by 16% due to unfavourable developments in market prices and continued high hydro levels in the Nordic region
- Production from Iberian activities sold in 2007 were, to a large extent, compensated for by new capacity
- Load factor on wind production increased from 40% to 46%
- Thermal power impacted by lower production and less favourable hedging which was DKK 300 million in 2008 compared to DKK 900 million in 2007
- Margins on renewable production increased
- Investments relate to the gas fired power plant in Norway, offshore wind projects and general maintenance of the Danish thermal power plants



Increased earnings from regulated activities, caused by lower costs in the quarter

Operational figures

	Q1-08	Q1-07
Distribution of power (GWh)	2,536	2,517
Distribution of gas (mbbl)	308	289

- Both distributed power and distributed gas was on the same level as Q1 2007

Financial development

DKK million	Q1-08	Q1-07
Revenue	1,174	1,164
EBITDA	592	444
EBIT	371	229
Investments	285	280

- Earnings impacted positively by lower costs in the quarter
- Investments primarily relate to cable laying in North Zealand



Earnings on level with Q1 2007

Operational figures

	Q1-08	Q1-07
Power sales (GWh)	3,257	3,037
Gas sales (million m ³)	3,060	2,538

Financial development

DKK million	Q1-08	Q1-07
Revenue	10,577	6,549
EBITDA	554	499
EBIT	428	387
Investments	195	165

- Increase in power sales primarily due to sales outside Denmark
- Gas sales increased significantly due to higher sales on gas hubs and increased sales to export customers
- 69% of total gas sales was outside Denmark

- Increase in revenue following increased gas sales and higher oil and gas prices
- Earnings impacted by lower margins on gas sales as sales prices have been offset by increases in purchase prices
- Gas purchase allocation and time lag was DKK (60) million compared to DKK (160) million in Q1 2007
- Investments relate to outdoor lighting and fiber cable laying

Selected financial figures

DKK million	Q1-08	Q1-07 ⁽¹⁾	Change
Revenue	15,080	11,580	30%
EBITDA	3,186	3,102	3%
Depreciation	(1,013)	(1,177)	14%
EBIT	2,173	1,925	13%
Financial items	(135)	(180)	25%
Taxes	(799)	(517)	(55)%
Profit after tax	1,252	1,255	0%
Assets ⁽¹⁾	94,784	89,710	6%
Equity ⁽¹⁾	43,254	42,211	2%
Net interest bearing debt ⁽¹⁾	14,023	14,792	(5)%
Cash flow from operating activities	2,833	2,961	(4)%
Cash flow from investing activities	(2,114)	(1,241)	70%
EBITDA margin	21%	27%	
EBIT margin	14%	17%	
Earnings per share (DKK)	4,3	4,3	0%

- Depreciations down by 14%, primarily because depreciations in 2007 included amortization of CO₂ allocation of DKK 290 million, which is not repeated in 2008
- Financial items decreased because of a gain on exchange rate adjustments
- Increase in taxes following increased oil and gas production in Norway, where total taxation is 78%
- Increase in assets from year end 2007, primarily due to an increase in trade receivables and cash
- Net interest bearing debt is reduced by 5% in the quarter
- Cash flow from operating activities on level with Q1 2007
- Investments increased significantly, primarily in relation to renewable activities, E&P development and cable laying
- Margins down due to significantly lower margins in Generation and Markets, partly offset by increased results in E&P and Distribution

Note (1): Comparable numbers for Assets, Equity and net interest-bearing debt are from 31 December 2007

Outlook for 2008

Commodity prices

- Average price for the remainder of 2008:
 - Oil: USD 90 per barrel (changed from USD 80 per barrel)
 - Natural gas (TTF): EUR 24 per MWh
 - Power (Nord Pool): EUR 44 per MWh
 - Coal (API2): USD 129 per ton
 - CO₂ certificates: EUR 19 per ton
 - USD exchange rate: DKK 4.75 to the dollar (Changed from DKK 5.0 to the dollar)

Extraordinary items

- The sale of the 132 kV transmission grid to Energinet.dk was concluded in 2007 with final closing in 2008
- The grid was sold at a price of DKK 2.0bn and the sale is estimated to generate an accounting gain after tax of DKK 0.5 billion, which will be recognised in the income statement for 2008

Project development and research

- Costs to research and project development are expected to be DKK 750 million in FY 2008 distributed as follows:
 - Research costs of DKK 350 million relating to carbon capture and storage, bioethanol, improvement in offshore wind turbine foundations, etc.
 - Project development costs of DKK 400 million, of which DKK 250 million relate to Greifswald. The remaining relates to wind farm project and other projects in Generation
- In Q1 2008 DKK 87 million were expensed

Capex

- Net capex is expected to be approximately DKK 11 billion in 2008 of which DKK 2.1 billion was invested in Q1 2008
- The net capex figure included DKK 2 billion from the sale of the 132 kV transmission grid to Energinet.dk which was realized in Q1 2008

Interest bearing debt

- The anticipated capital expenditures will increase net interest bearing debt to approximately DKK 20 billion. Combined with expected higher interest rate on anticipated new loans, we expect to incur net financial expenses of approximately DKK 0.9 billion⁽¹⁾ in FY 2008 (changed from DKK 1 billion)

Expected EBITDA and profit after tax on level with 2007

Note (1): Excluding interest on hybrid capital