

FINANCIALS 2011 9 MONTHS RESULTS

7 November 2011



Disclaimer

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.

Agenda



- **DONG Energy highlights**
- Financials
- Outlook
- Appendix

Highlights first 9 months 2011

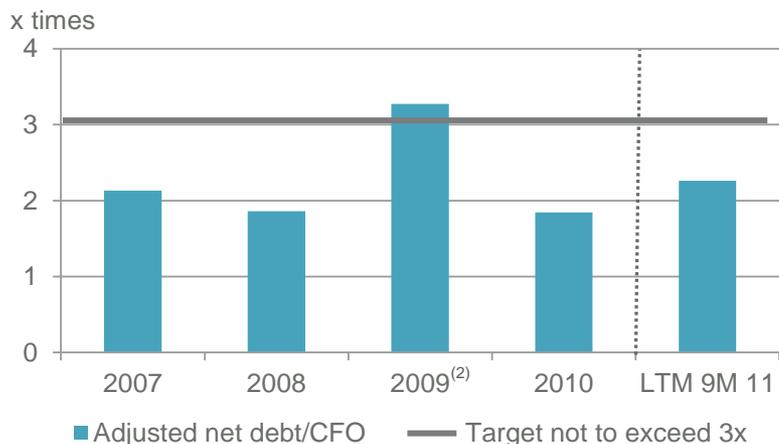
Highlights¹

- EBITDA of DKK 11.7bn (up 10% y/y)
- CFO of DKK 8.6bn (down 12% y/y)
- Net debt of DKK 27.3bn (DKK 22.1 at Q4 10)
- Adjusted net debt to CFO at 2.3x (1.8x in 2010)
- Net result unchanged at DKK 3.5bn

Unchanged outlook

- EBITDA for 2011 expected to be in line with 2010

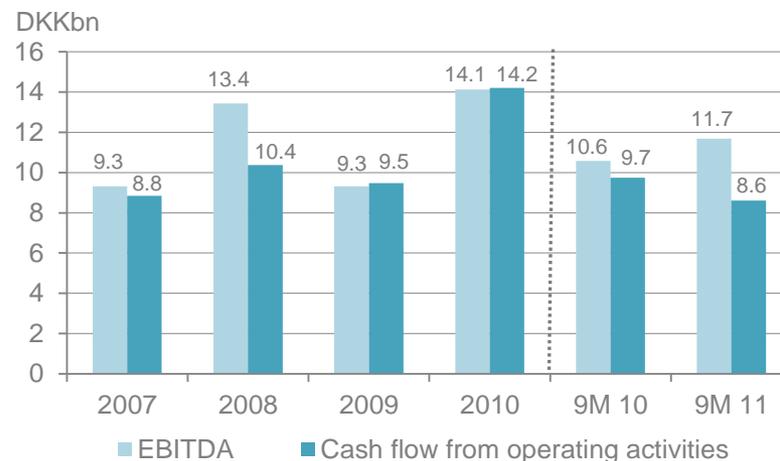
Capital structure



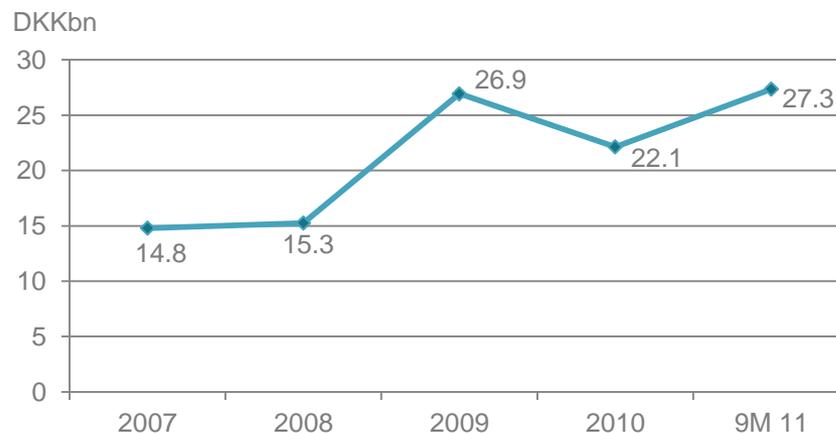
(1): Unless otherwise stated all financial figures refer to Business Performance result

(2): In 2009, the target was around 3x

Key figures



Net debt



Q3 11 key event: Divestment of share in Gunfleet Sands

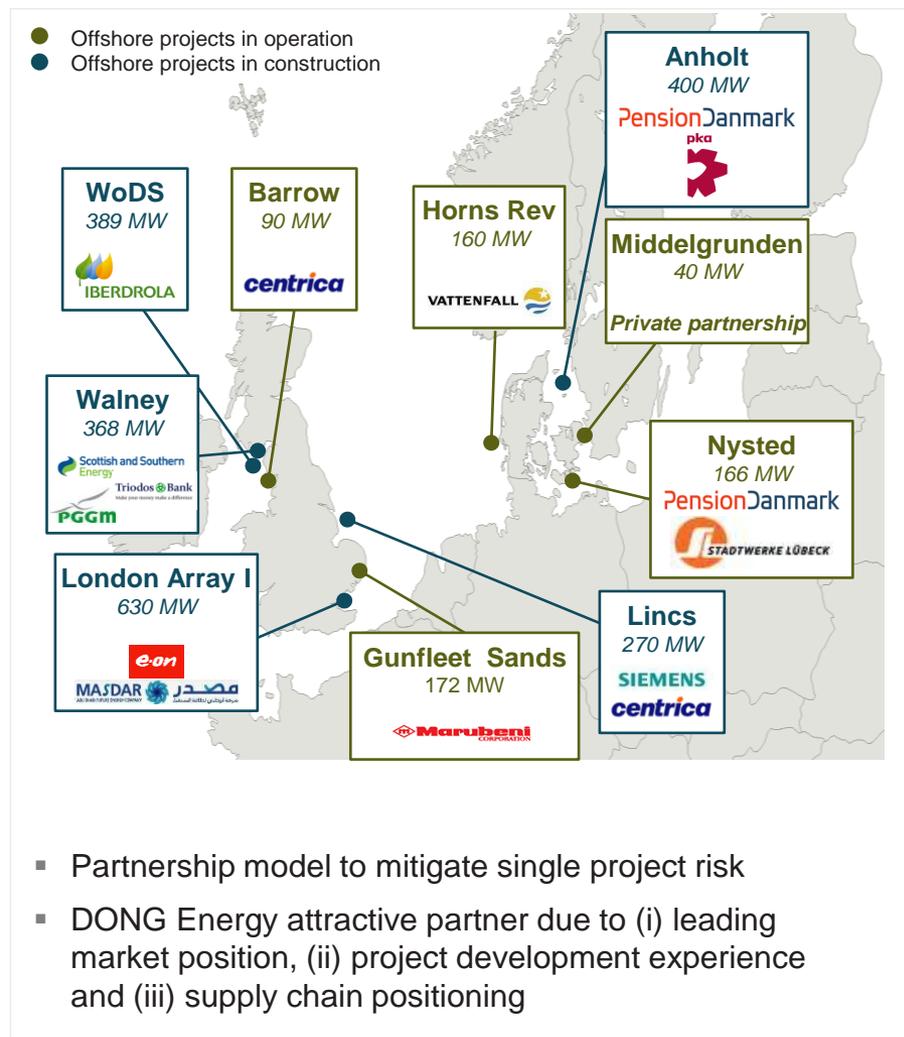
Divestment of 49.9% of the Gunfleet Sands offshore wind farm to Marubeni Corporation

Key terms of the divestment

Buyer	Marubeni Corporation
Share sold	49.9%
Sales price	GBP 200m

Additional terms of the agreement

- DONG Energy will provide O&M services to Gunfleet Sands under a long-term agreement
- Long-term purchase agreement for the power production and green certificates for Marubeni's share of the wind farm

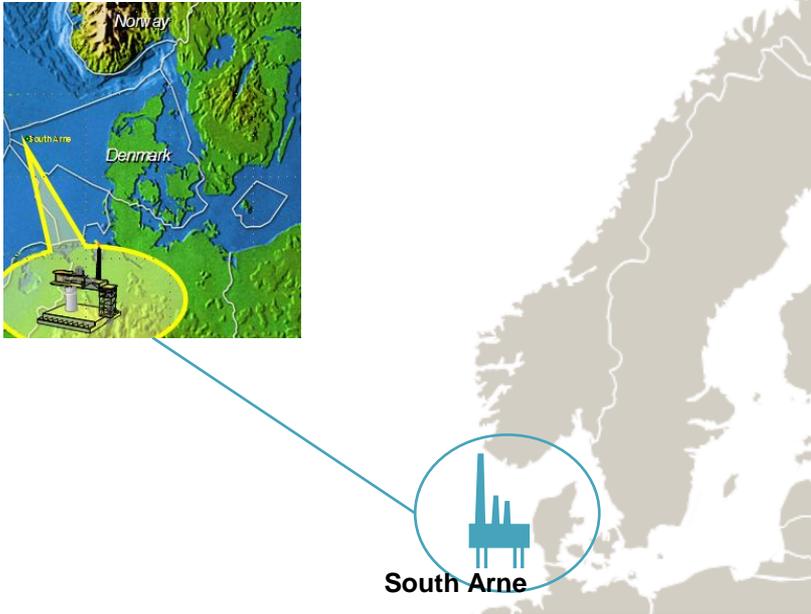


Key events after Q3 11: Increasing the share in South Arne field

- Acquisition of 2.4% share of the South Arne Oil & Gas field from Noreco
- Increases DONG Energy's ownership interest in the field to 36.8%
- Simultaneously, DONG Energy will – proportionally to its ownership – increase capex in the ongoing development of the South Arne field (approx. DKK 0.2bn of additional capex)
- Ongoing development in South Arne underlines the still persisting potential in the Danish North Sea (15m boe of commercial reserves expected from the South Arne development – DONG Energy's share)

Key terms of the acquisition

Seller	Noreco
Share acquired	2.4%
Price	DKK 0.4bn



The image contains two maps. The top-left map is a 3D topographic view of the North Sea region, showing the coastlines of Norway and Denmark. A yellow circle highlights the South Arne field, with a yellow arrow pointing to a detailed 3D illustration of an offshore oil and gas platform. The bottom-right map is a 2D outline map of the North Sea region, with a blue circle highlighting the South Arne field location. A blue line connects the two maps, indicating the zoomed-in view.

Key facts about the South Arne field

Location	Danish North Sea
Start of operation	1999
Production	8.2m boe in 2010 (100% of the field)
Partners	Hess (operator): 61.5% Danoil: 1.7%

Key events after Q3 11: Acquisition of Shell Gas Direct

- DONG Energy has agreed to acquire 100% of the downstream B2B gas sales company Shell Gas Direct
- Establishes a fully integrated market position in the UK
- Opportunities to capture synergies across the value chain – increasing robustness
- Opportunities to establish cross sales of power

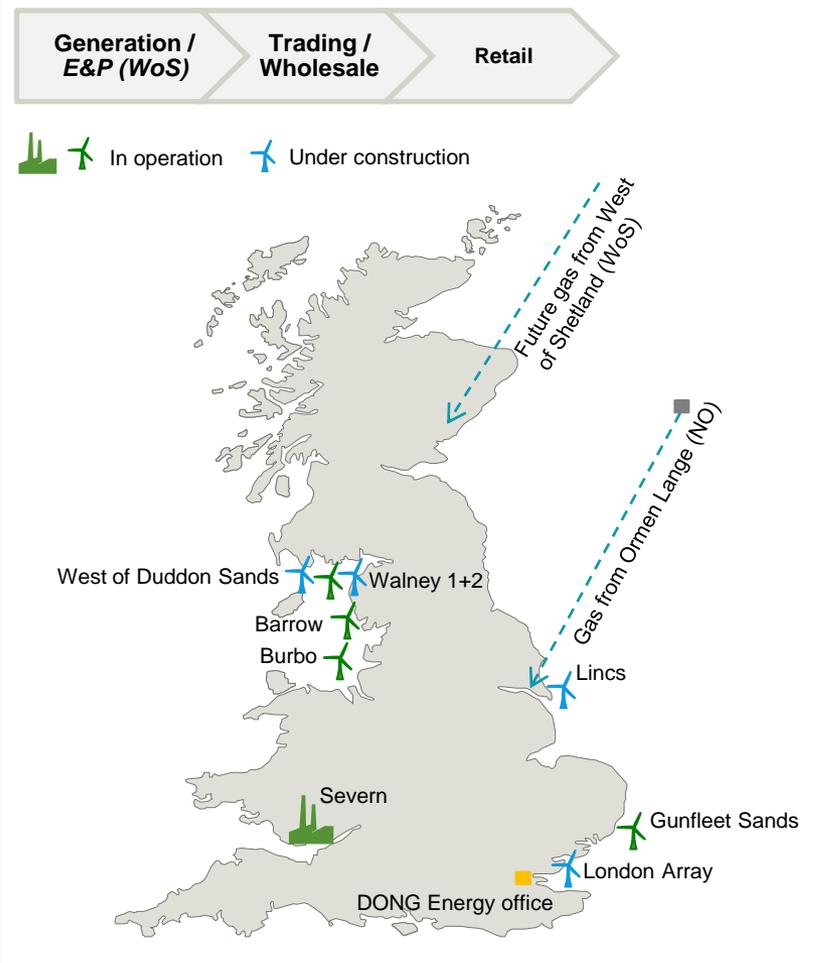
Key terms of the acquisition

Seller	Shell UK Limited
Price	GBP 30m (DKK 260m)
Completion	Subject to regulatory approval

Key facts about Shell Gas Direct

- Founded in 1989
- Revenue of GBP 514m (2010)
- Market share of 11% within the Industrial & Commercial segment in the UK (#3 in UK)
- Volumes of 2.5 bcm gas annually
- 110 employees

DONG Energy's portfolio in the UK



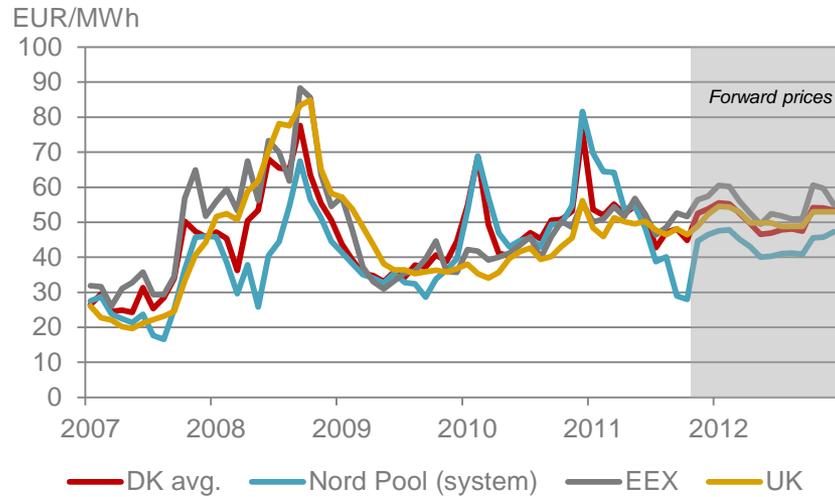
Agenda



- DONG Energy highlights
- **Financials**
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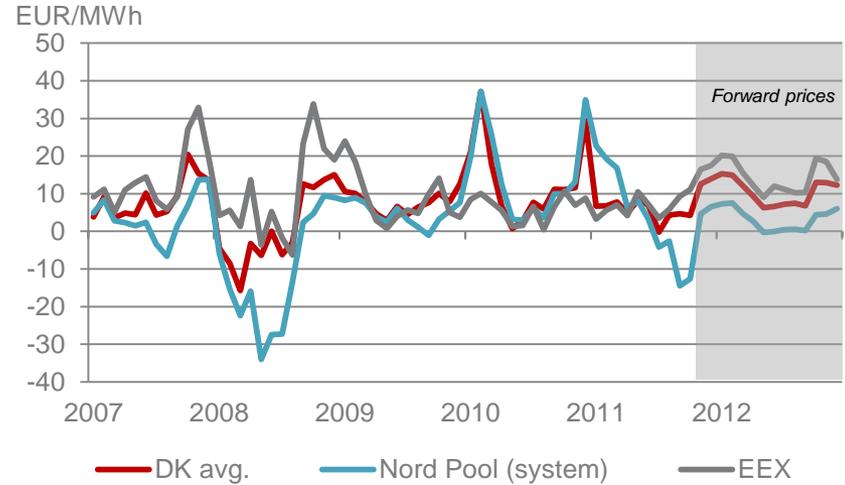
Market prices

Power prices (monthly average)



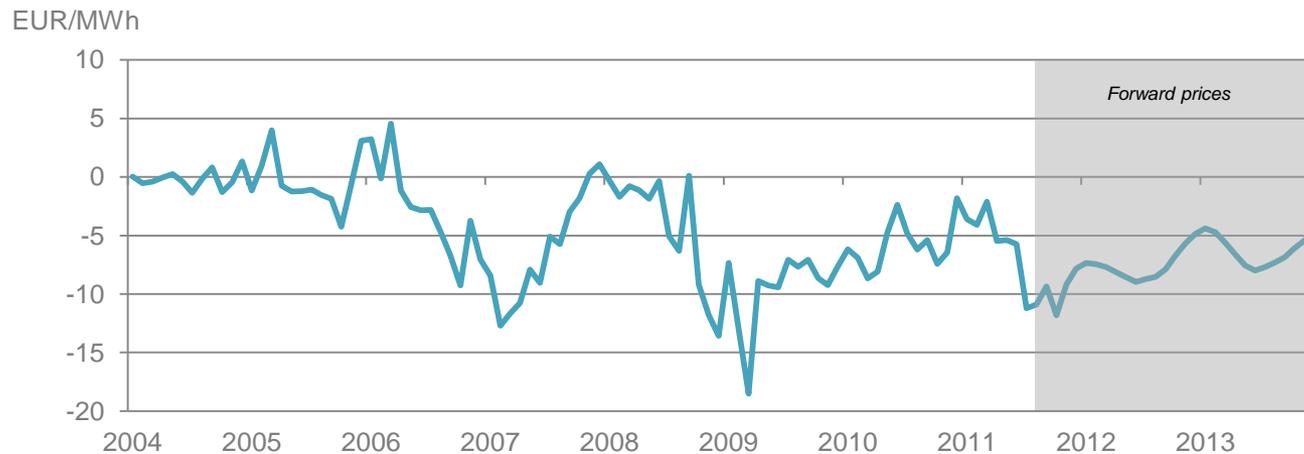
Source: Argus, Heron, Nord Pool

Green Dark Spread (monthly average)



Source: Argus, Nord Pool

Gas/Oil Spread: Gas hub price - Oil indexed gas price (EUT)



Source: Platts and Argus

Selected Financial Figures

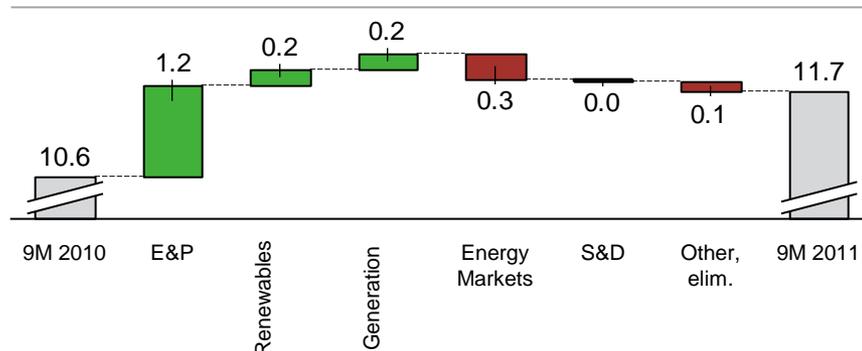
Business Performance

DKK million	9M 11	9M 10	FY 2010
Revenue	40,985	39,048	54,616
EBITDA	11,685	10,583	14,136
Financial items, net	-95	-1,008	-1,595
Profit after tax	3,531	3,506	4,498
Assets	142,418	126,224	137,339
Equity incl. hybrid	52,152	46,871	51,308
Net working capital	3,359	2,771	2,466
Net debt	27,348	27,617	22,139
FFO	8,834	8,188	12,330
CFO	8,604	9,747	14,214
Adjusted net debt ¹ /CFO ²	2.3x	3.5x	1.8x
FFO ² /Net debt	47%	35%	56%

Note (1): Net interest-bearing debt plus 50% of outstanding hybrid capital due 3005 and 0% of hybrid capital due 3010

Note (2): Last 12 months

EBITDA development (DKKbn)



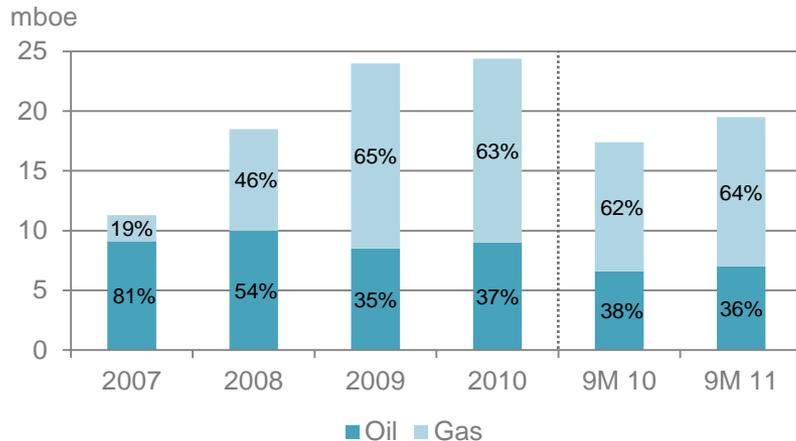
- **EBITDA** increased to DKK 11.7bn (up 10% y/y)
 - ✓ Higher energy prices
 - ✓ Renegotiation of gas contracts
 - ✓ Higher oil and gas production
 - ✗ Lower margin on gas sales
 - ✗ Higher fixed costs due to increased activities
- **Net financials items** declining to DKK 0.1bn
 - ✓ Conversion of part of loan portfolio from fixed to floating
 - ✓ Positive MV adjustment to marketable securities and certain FX adjustments
- **Cash flow from operations** at DKK 8.6bn (down 12% y/y)
 - ✗ Higher paid taxes in Norway
 - ✗ Rising working capital from increased activities and higher value of gas and coal inventories (working capital was unusually low in 2010)
- **Net debt** at DKK 27.3bn (up 24% vs. year end 2010)
- **Strong credit metrics maintained**
 - Adjusted net debt to CFO at 2.3x (1.8x in 2010)

Exploration & Production

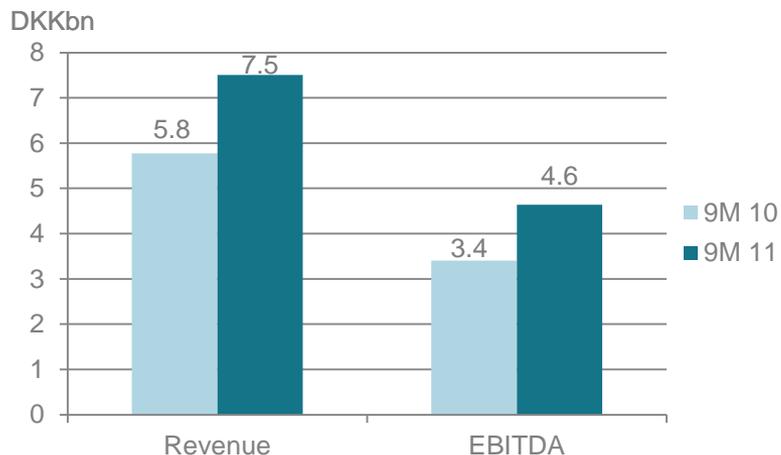
Higher oil and gas prices



Operational figures



Financial development



Highlights

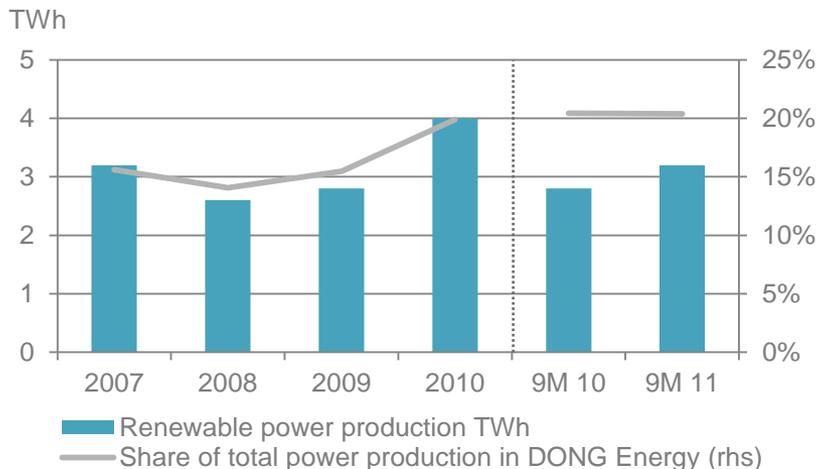
- EBITDA increased 34% to DKK 4.6bn
 - ✓ Rising oil and gas prices
 - ✓ Increased oil and gas production (up 12% y/y)
 - ✗ Negative impact from oil hedging (due to rising oil prices)
 - ✗ Higher exploration costs
- Siri repair progressing according to plan (to be finalised in 2012)

Renewables

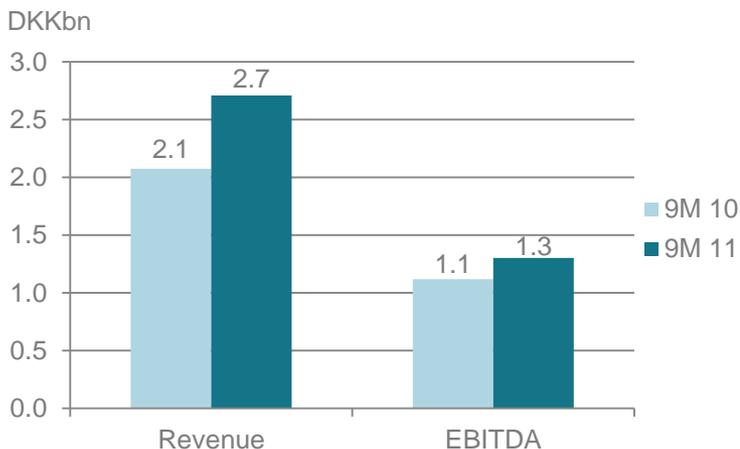
Contribution from new assets



Operational figures



Financial development



Highlights

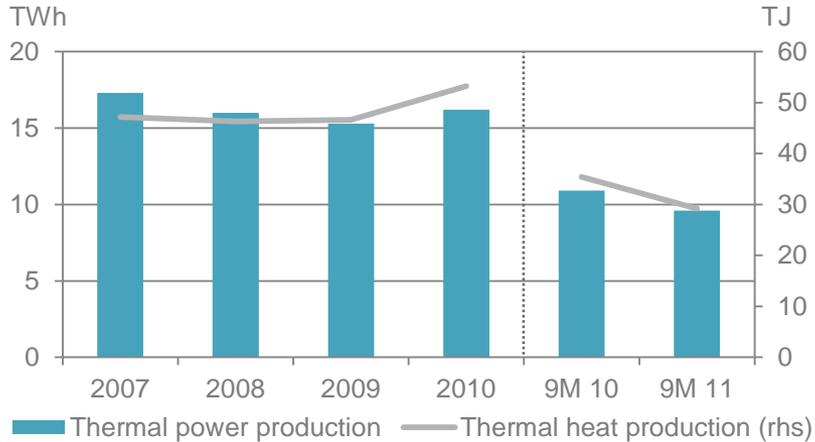
- EBITDA increased 16% to DKK 1.3bn
 - ✓ Higher production (up 13% y/y) and higher average settlement price
 - ✗ Increased costs to expand offshore pipeline
 - ✗ Higher costs related to increased operations
- Divestment of stake in Norwegian Nordkraft Vind (DKK 138m)
- Since start of Q3 11, transmission assets for Gunfleet Sands, Barrow and Walney 1 have been sold to regulator (OFTO) for total sum of GBP 189m

Generation

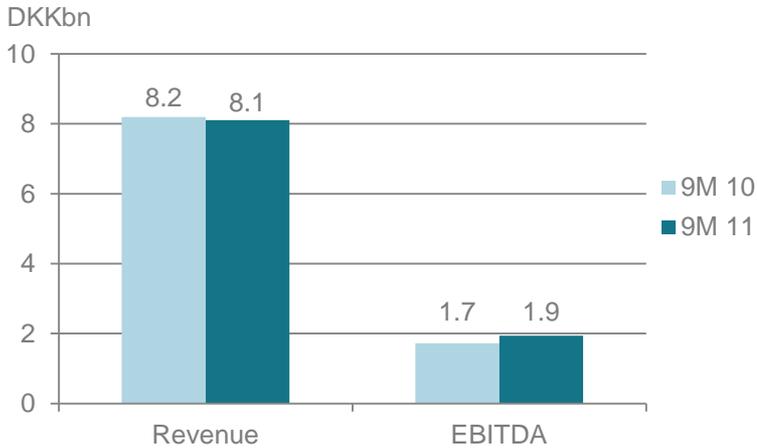
Solid earnings, slightly above 9M 10



Operational figures



Financial development



Highlights

- EBITDA increased 13% to DKK 1.9bn
 - ✓ Positive impact from new gas-fired power stations (Severn and Mongstad)
 - ✗ Weather not as cold as winter 2010
 - Lower power and heat production
 - Lower Green Dark Spread
- Severn outage from breakdown in July 2010. Of the two impaired units, one is back in production and the other is expected to be back in production in H1 12

Energy Markets

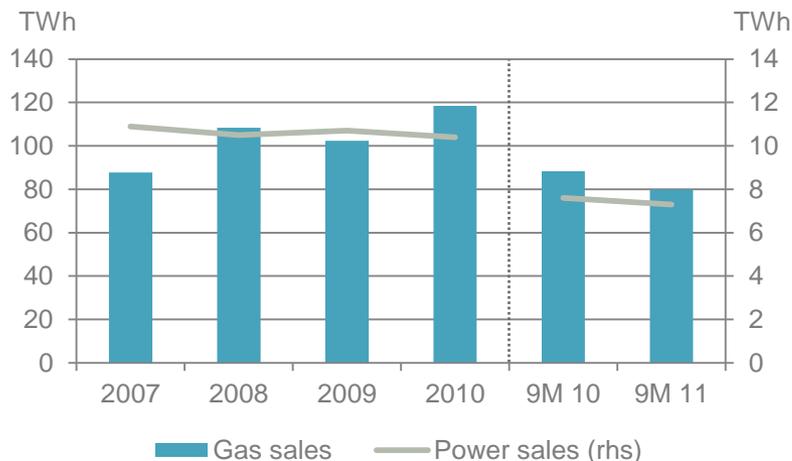
Lower earnings from gas sales



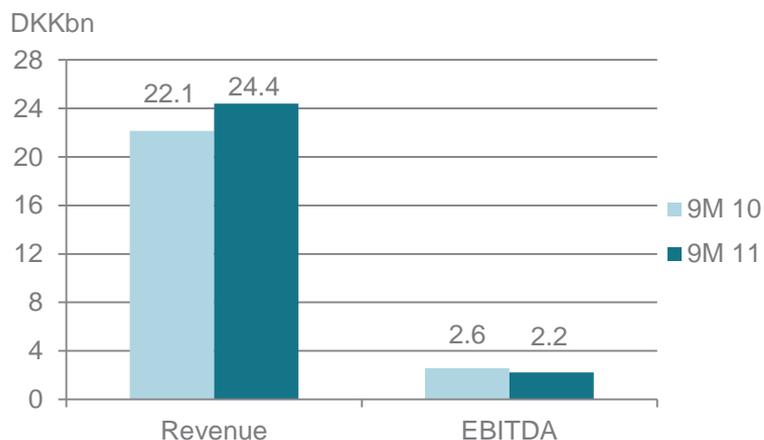
Share of group EBITDA

19%

Operational figures



Financial development



Gas sourcing

- Going forward, DONG Energy's gas sourcing will be increasingly diversified through:
 - Own gas production
 - L-T purchase contracts with international suppliers
 - LNG supply agreement
 - Residual purchases on gas hubs
- This creates robustness and security of supply – however with a negative impact on profitability

Highlights

- EBITDA decreased 13% to DKK 2.2bn
 - ✓ Positive effect from renegotiation of gas contracts
 - ✗ Lower contribution margin on fixed price and oil indexed gas sales
 - ✗ Lower gas sales vs. 9M 10, which was characterised by extraordinary cold weather in Q1 10

Sales & Distribution

Stable earnings

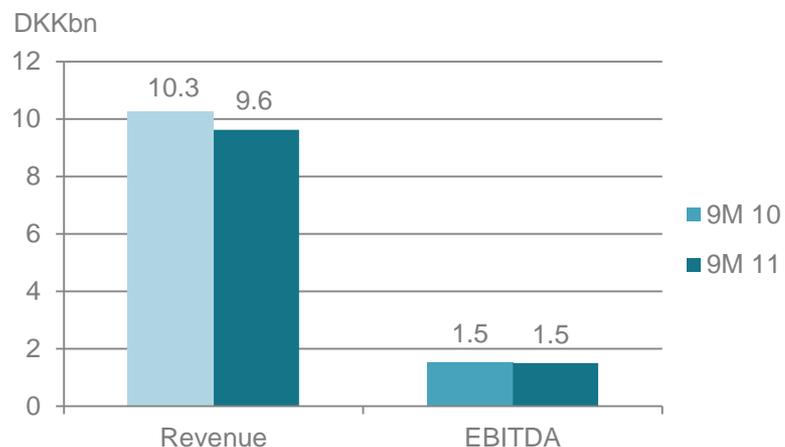
Operational figures

		9M 11	9M 10
Gas sales	TWh	14.3	17.2
Distribution of gas	TWh	7.2	7.6
Power sales	TWh	5.6	6.0
Distribution of power	TWh	6.5	6.7
Transport of oil	Mbbl	55	51

Share of group EBITDA
13%



Financial development

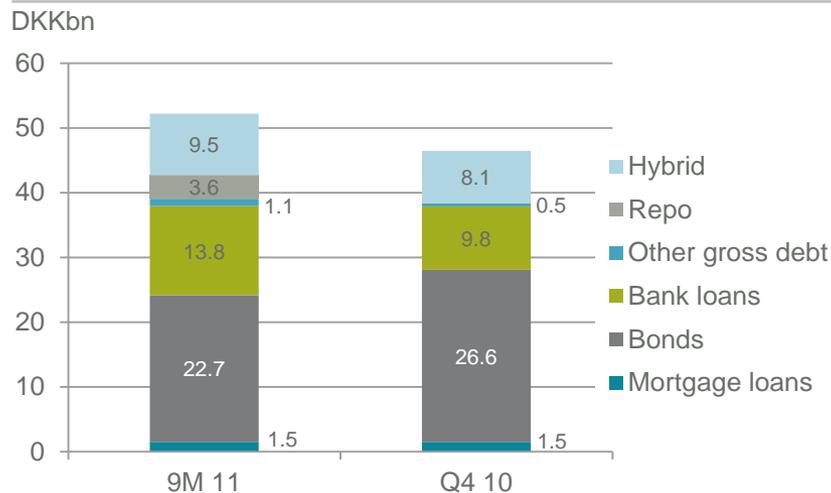


Highlights

- EBITDA of DKK 1.5bn in line with 9M 11
- ✓ Positive impact from lower cost level
- ✗ Reduced gas sales from increased competition on the Danish market

Debt overview

Gross interest-bearing debt (incl. hybrid capital)



Net debt: 27.3bn

22.1bn

Key ratios gross loan portfolio (incl. hybrid capital)

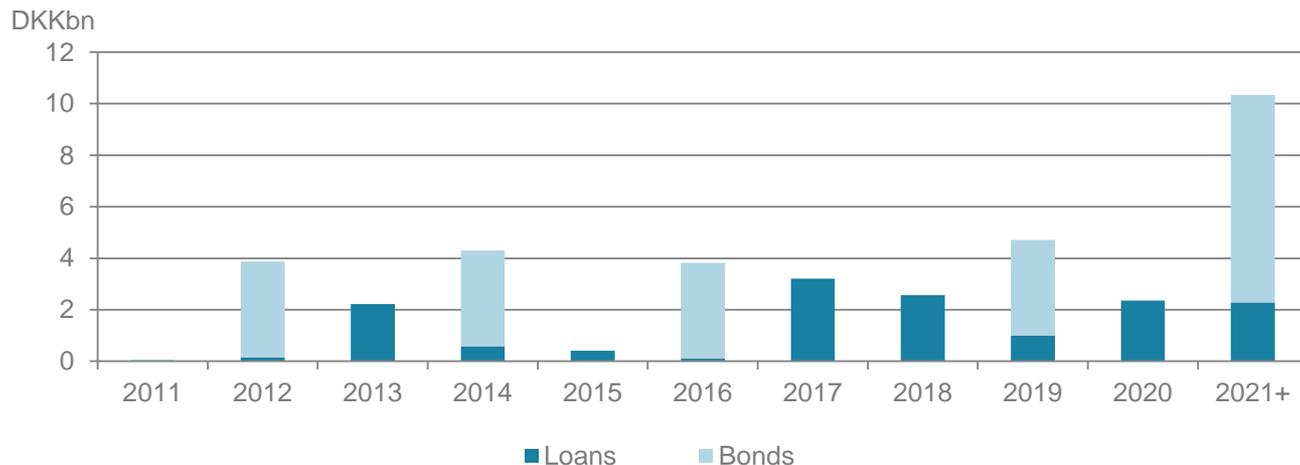
	9M 11	9M 10
Share of fixed rate ¹	88%	79%
Duration (years)	7.0	5.7
Average time to maturity (years) ²	9.6	9.2
Average interest rate ²	3.9%	4.7%

Note (1): Weighted average of loans until matured

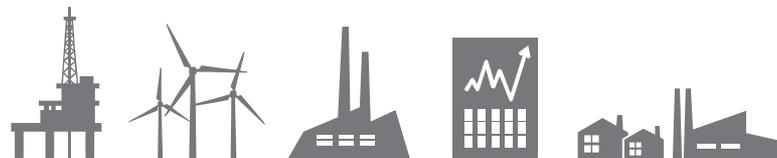
Note (2): Calculated excluding hybrid capital

Liquidity reserves (DKKbn)	9M 11	9M 10
Liquid assets	6.9	9.6
Committed borrowing facilities	14.4	12.2
Total	21.3	21.8

Long term debt maturity schedule at September 30, 2011 (excluding hybrid capital)



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Unchanged Outlook and Targets

EBITDA

Outlook

EBITDA in 2011 is expected to be in line with 2010

Target

Double EBITDA from 2009 to 2015 (i.e. double to DKK 17.7bn)

Net investments

Outlook

DKK 40bn for 2011-2013

Capital Structure

Target

Adjusted net debt not to exceed three times cash flow from operations

Minimum rating of BBB+/Baa1



Q&A



For further information please visit our website

dongenergy.com/EN/Investor/

Outlook Market Prices

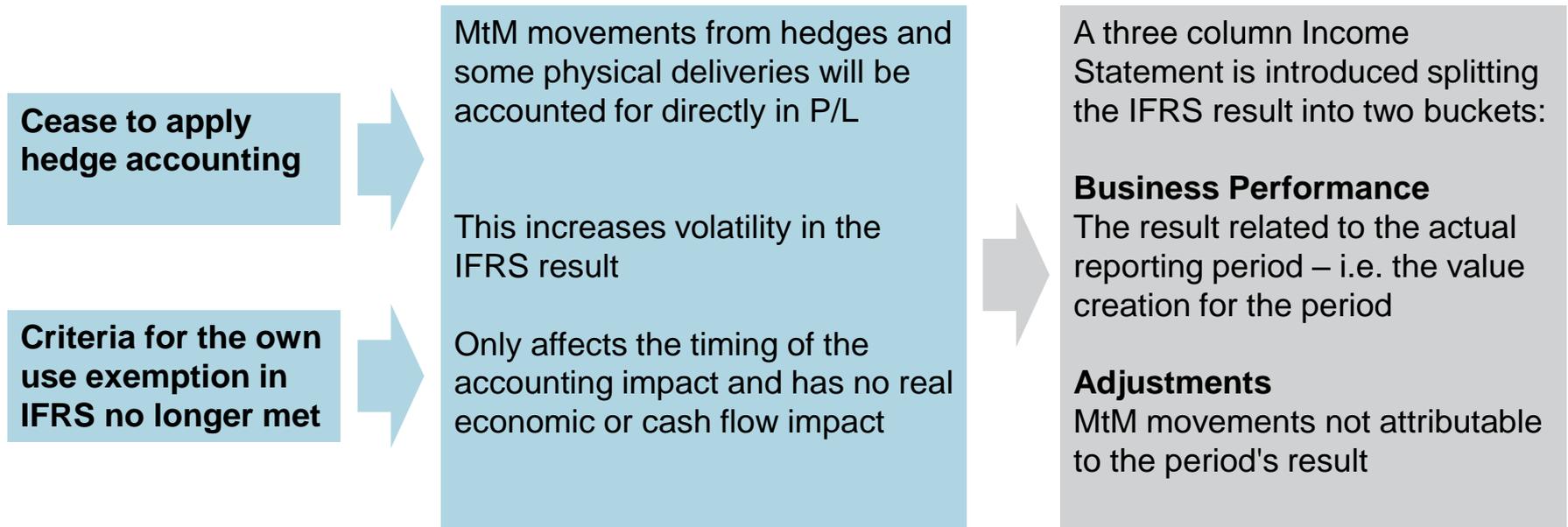
Commodity prices

Selected market prices	Current assumption 2011 (rest of year)	Assumption 2011, Annual Report 2010	Realised 9M 2011
Oil, Brent (USD/bbl)	112	95	112
Gas, TTF (EUR/MWh)	24	24	23
Power, Nord Pool system (EUR/MWh)	47	55	51
Power, Nord Pool DK (avg.) (EUR/MWh)	53	53	51
Power, UK (EUR/MWh)	58	59	56
Coal, API 2 (USD/t)	125	122	124
CO ₂ emissions allowances (EUR/t)	13	14	15
Green Dark Spread, DK (avg.) (EUR/MWh)	10	7	6
GBP (DKK/GBP)	8.3	8.7	8.6
US Dollar, (DKK/USD)	5.2	5.6	5.3



Business Performance – three column Income Statement

Purpose: Increase transparency and better reflect the underlying actual performance



Implemented as of 1 January 2011

- The new presentation of the Income Statement is in full compliance with IFRS presentation rules
- As the new presentation follows IFRS presentation rules it is audited by external auditors in line with the rest of the financial report

Business Performance – the methodology

The Business Performance result shows the result related to the current reporting period excluding effects from MtM movements not attributable to the period's result

$$\text{Realised value}_{\text{in period}} + \text{Market value}_{\text{end of period}} - \text{Market value}_{\text{start of period}} = \text{IFRS}$$

Value concerning
the period's result

Closing market
value concerning
future periods

Opening market
value concerning the
period's result and
future periods

	Business Performance		Adjustments		IFRS
Revenue					
Production costs					
Gross Profit	Realised result for the period	+	Mark to Market (MtM) adjustments not attributable to the period's result	=	Result incl. MtM adjustments not attributable to the period's result
...					
Profit for the year					

Business Performance – 9M 2011

- In 9M 2011, the difference between Business Performance and IFRS amounted to DKK 2.1bn
- The difference was primarily related to two effects:

Criteria for the own use exemption in IFRS no longer met



Initial recognition of certain physical fixed-price electricity and gas contracts

Cease to apply hedge accounting



MtM of financial and physical hedging contracts relating to other periods

Business Performance EBITDA	DKK 11.7bn
Adjustments	DKK -2.1bn
<i>Initial recognition of certain fixed-price physical electricity and gas contracts</i>	<i>DKK -1.8bn</i>
<i>MtM of financial and physical hedging contracts relating to other periods</i>	<i>DKK -0.2bn</i>
<i>Deferred losses/gains relating to financial and physical hedging contracts where the hedged production or trading is recognised in the reporting period</i>	<i>DKK 0.0bn</i>
IFRS EBITDA	DKK 9.6bn

Dividend, Funding and Rating

Long term capital structure target

- Maintain a minimum rating of BBB+ / Baa1
- Adjusted net interest-bearing debt ⁽¹⁾ not to exceed three times cash flows from operating activities

Dividend policy

- The payout ratio⁽²⁾ is not to exceed 60% and not to be below 40% of net profit after tax
 - Distributed DKK 7.5 per share in 2011. The annual dividend is to increase by DKK 0.25 per share (DKK 73m) in the subsequent years.
- 
- The dividend for 2010, paid in 2011, was DKK 7.5 per share (DKK 2.2bn)

Note (1): Net interest-bearing debt plus 50% of outstanding hybrid capital due 3005 and 0% of hybrid capital due 3010

Note (2): The payout ratio is calculated less coupon after tax to holders of hybrid capital and minority interests' share of profit for the year

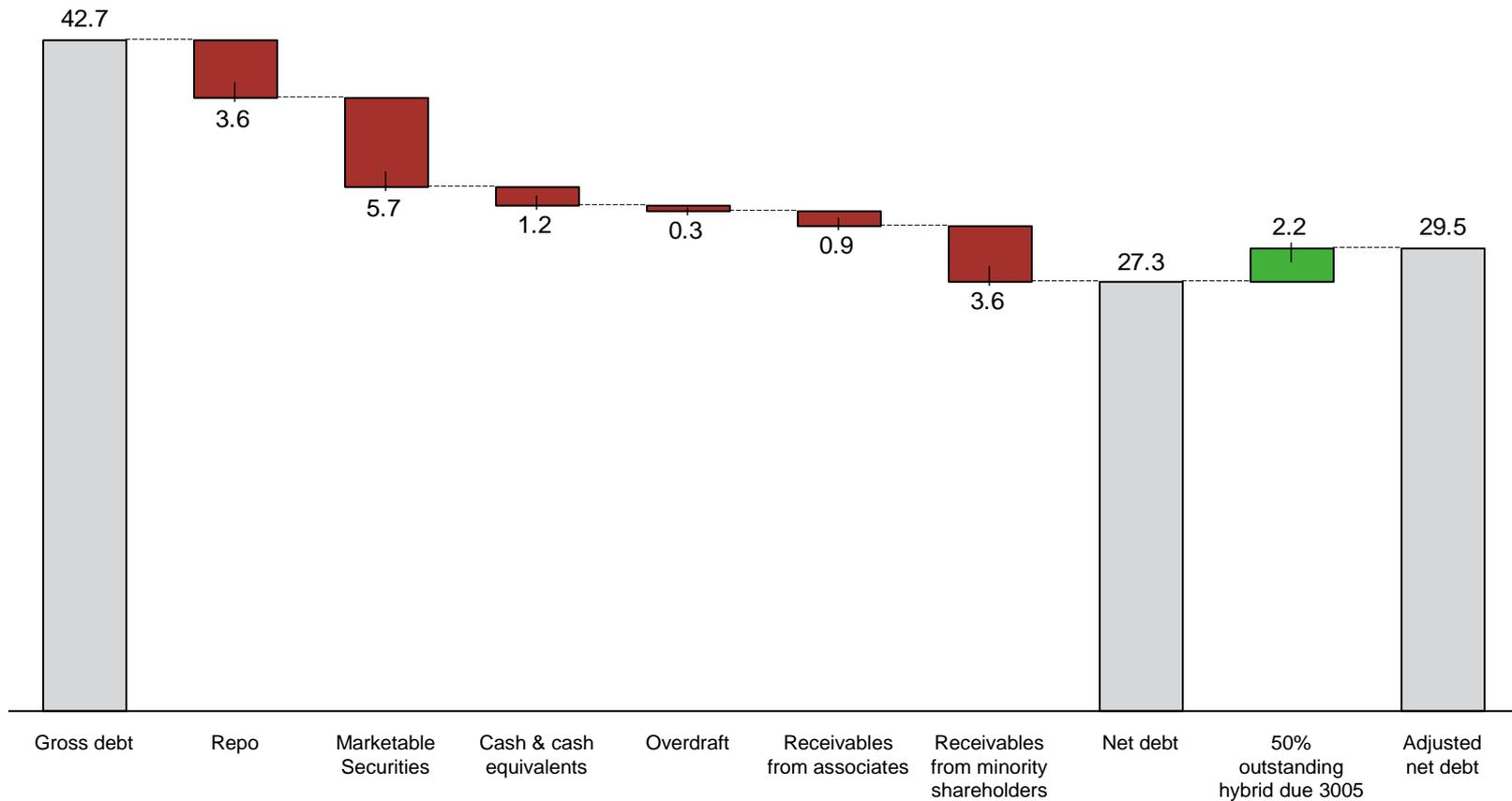
Funding strategy and Debt Programmes

- External funding primarily to be carried out through parent company – to avoid structural subordination
- EMTN programme with a total amount of EUR 5bn

Credit ratings

	Standard & Poor's	Moody's
Corporate	A-	Baa1
Senior bonds	A-	Baa1
Hybrid capital	BBB and BB+	Baa3
Outlook	Stable	Stable
Last Update	June 2011	Nov 2010

Net debt calculation end 9M 2011



Investments

Investments in 9M 2011

Cash flow from investing activities	-15.0bn
Purchase of securities (add back)	1.7bn
Transactions with non-controlling interests	0.3bn
Loans to jointly controlled entities (add back)	0.4bn
Net investments¹	-12.6bn
Sale of assets and companies	-0.8bn
Transactions with non-controlling interests	-0.3bn
Gross investments	-13.7bn

Note (1): Net investments are defined as the effect on DONG Energy's net debt from investments and acquisitions and disposals of enterprises

Main gross investments in 9M 2011

Wind activities:	DKK 8.4bn
▪ Walney	DKK 4,3bn
▪ London Array:	DKK 2.4bn
▪ Lincs:	DKK 0.6bn
▪ Anholt	DKK 0.4bn
Gas and oil fields:	DKK 3.9bn
▪ Laggan-Tormore	DKK 0.7bn
▪ Oselvar:	DKK 0.7bn
▪ Trym:	DKK 0.4bn
▪ Ormen Lange:	DKK 0.4bn
Thermal activities:	DKK 0.5bn
▪ Enecogen	DKK 0.3bn
Other:	DKK 0.9bn

Larger decided construction projects

Larger projects with commercial production start in 2011-2014								
Project	Type of project	Country	MW ⁽¹⁾	Commercial start		Own share of project	Announced capex ⁽²⁾	Spent capex ⁽³⁾
Trym	Oil/gas field	NO	n.a.	2011	✓	50%	DKK 1.2bn	DKK 1.2bn
Walney 1+2 ⁽⁴⁾	Offshore wind farm	UK	184MW	2011 ⁽⁵⁾	✓	50.1%	DKK 4.2bn	DKK 3.4bn
Enecogen	Gas fired power station	NL	435MW	2011		50%	DKK 2.5bn	DKK 2.2bn
Oselvar	Oil/Gas field	NO	n.a.	2012		55%	DKK 2.3bn	DKK 1.5n
Lincs ⁽⁴⁾	Offshore wind farm	UK	67.5MW	2012		25%	DKK 1.5bn	DKK 0.3bn
London Array ⁽⁴⁾	Offshore wind farm	UK	315MW	2012		50%	DKK 8.2bn	DKK 3.2bn
Marulk	Oil/gas field	NO	n.a.	2012		30%	DKK 1.1bn	DKK 0.5bn
Sea Installer	Installation vessel	n.a.	n.a.	2012		50%	USD 70m	USD 51m
Syd Arne phase 3	Oil/gas field	DK	n.a.	2013		36.8%	DKK 2.7bn ⁽⁶⁾	DKK 0.2bn
Anholt	Offshore wind farm	DK	200MW	2013		50%	DKK 5bn	DKK 0.6bn
Laggan-Tormore	Oil/gas field	UK	n.a.	2014		20%	DKK 4.3bn	DKK 1.1bn
Borkum Riffgrund 1	Offshore wind farm	DE	320MW	2014		100%	EUR 1.25bn	DKK 0.2bn
West of Duddon Sands ⁽⁴⁾	Offshore wind farm	UK	194.5MW	2014		50%	DKK 7bn	DKK 0.2bn

Note (1): DONG Energy's share of MW.

Note (2): DONG Energy's share of capex

Note (3): DONG Energy's share of capex as at 30 September 2011

Note (4): Expected proceeds from sale of transmission assets subtracted from capex

Note (5): Walney 1 is fully operating as at 30 September 2011. For Walney 2, first power has been transmitted to UK national grid at 1 Nov. 2011

Note (6): Additional capex following acquisition of Noreco's share in South Arne field is added (DKK 0.2bn)

✓ : The project is in operation