

INTERIM FINANCIAL REPORT Q1 2014

1 May 2014



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.

These statements are not guarantees of future performance and involve certain risks and uncertainties. Therefore, actual future results and trends may differ materially from what is forecast in this annual report due to a variety of factors, including, but not limited to, changes in temperature and precipitation levels; the development in oil, gas, electricity, coal, CO₂, currency and interest rate markets; changes in legislation, regulation or standards; renegotiation of contracts; changes in the competitive environment in DONG Energy's markets; and security of supply.

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.

Q1 2014 highlights

Financials

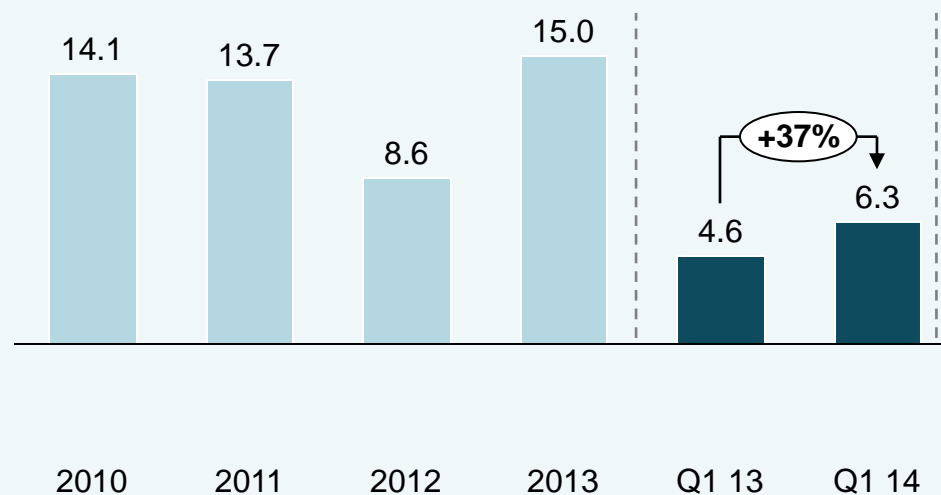


Satisfactory Q1 14 results

Highlights Q1 14

- EBITDA of DKK 6.3bn (up 37% y/y)
- Equity injection and sale of stake in London Array
- Low net debt level after equity injection and divestment of stake in Array
- FFO¹/Adjusted net debt of 44% (23% in 2013)
- ROCE¹ of 2.0% (7.8% excl. writedowns)

Group EBITDA (DKKbn)



Note (1): Last 12 months

Equity injection and Board composition

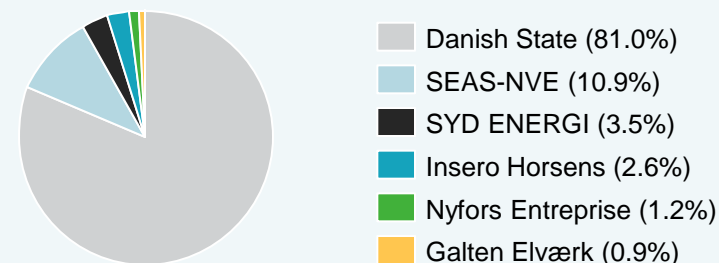
Equity injection

- Equity injection of DKK 13bn completed on 20 February 2014 at an extraordinary General Meeting
- DKK 11bn from new investors and DKK 2bn from existing minority shareholders

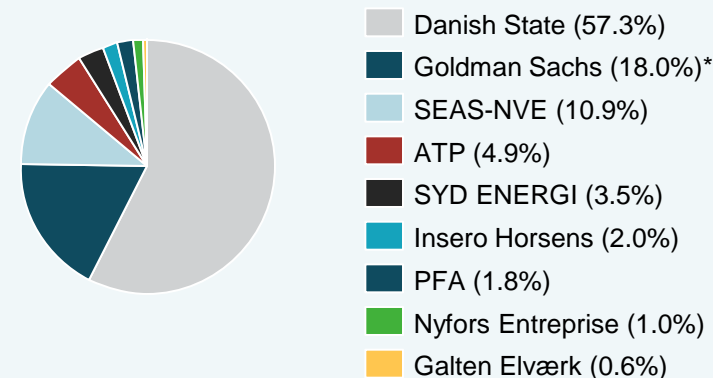
Changes to the Board of Directors

- Thomas Thune Andersen to be elected as new Chairman (Benny D. Loft currently serves as interim Chairman)
- Jørn P. Jensen elected as Deputy Chairman on AGM 12 March 2014 (Jakob Brogaard stepped down)
- Martin Hintze (representing funds managed by Goldman Sachs) and Claus Wiinblad (representing ATP) appointed as Board members on AGM 12 March 2014

OWNERSHIP PRE EQUITY INJECTION



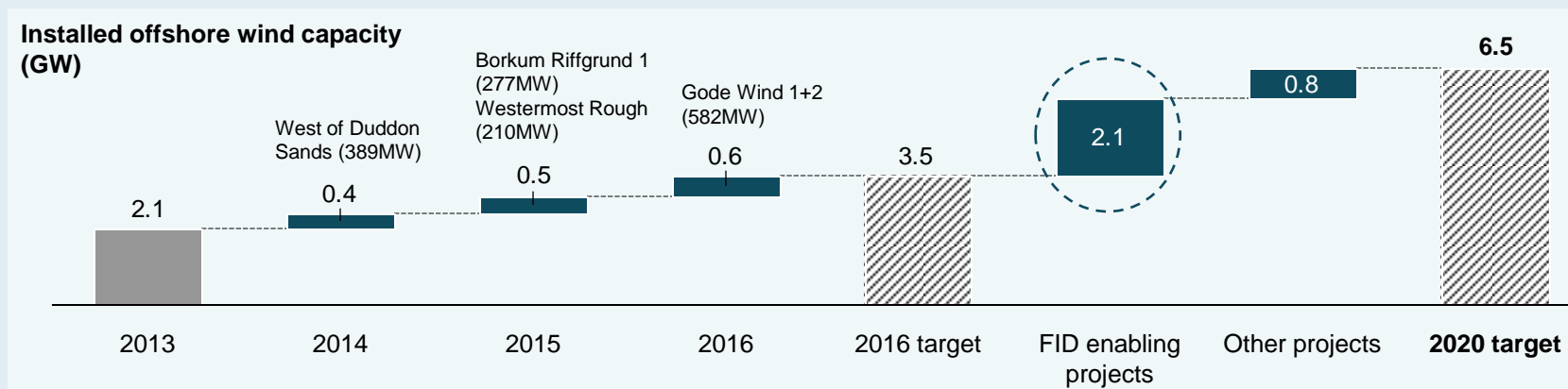
OWNERSHIP POST EQUITY INJECTION



* Funds managed by Goldman Sachs

Three UK wind projects awarded CfD contracts

- DONG Energy has in April 2014 been awarded FID enabling CfD contracts for three UK projects
- The projects are the Walney Extension (660MW), Burbo Bank Extension (258MW) and Hornsea (1,200MW)
- Contracts for Difference (CfD) is the successor to the current ROC regime and guarantees generators to receive a fixed price for the first 15 years of production
- The awards are a testimony of DONG Energy's competence and commitment to offshore wind
- With the three FID enabling projects (2.1GW in total), DONG Energy has to a large extent secured the pipeline for reaching the 6.5GW target in 2020
- Final implementation of the FID contracts is subject to State Aid approval from the European Commission
- DONG Energy has not made final investment decisions on the projects



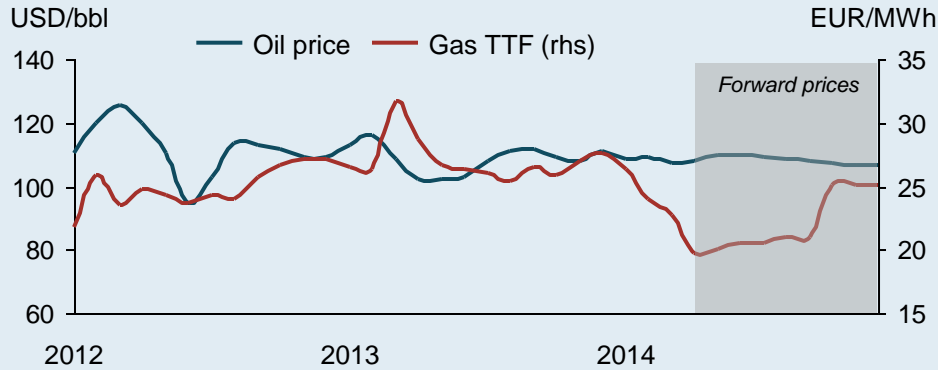
Q1 2014 highlights

Financials



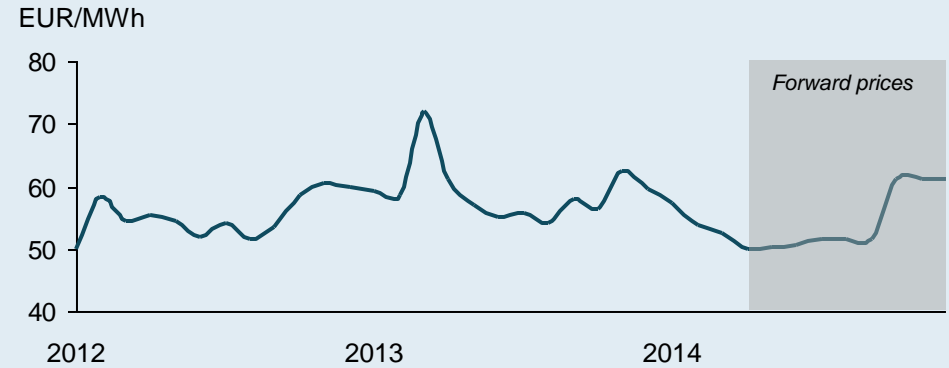
Market conditions and prices

OIL AND GAS PRICE



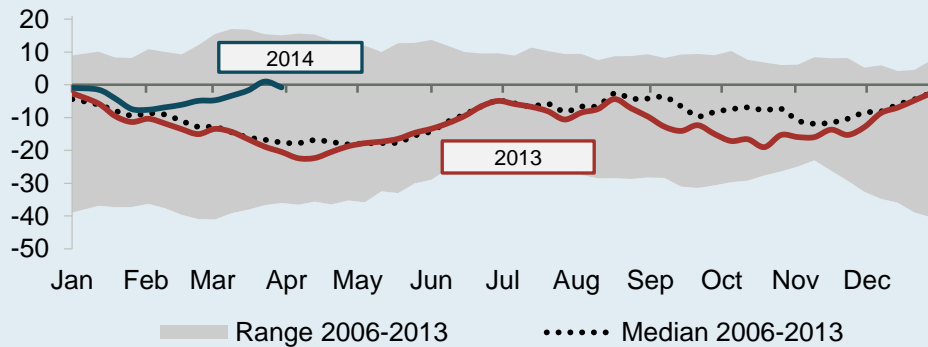
Source: Platts, Argus

UK POWER PRICE



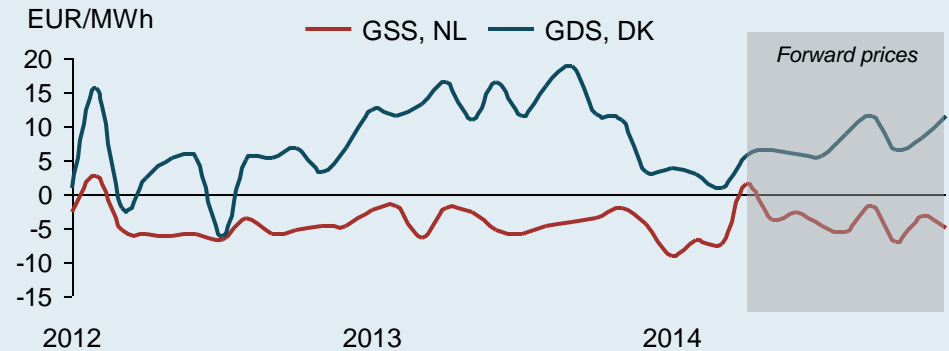
Source: LEBA

HYDRO BALANCE (TWh)



Source: SKM Market Predictor

GREEN DARK SPREAD (DK) AND SPARK SPREADS (NL)



Source: APX, Argus, Nord Pool, ECX

Financial highlights Q1 14

EBITDA – DKK 6.3bn (up 37% y/y)

- ✓ Full impact from wind farms coming on stream during 2013 and high wind energy content and availability
- ✓ Gain from sale of stake in London Array
- ✓ Higher gas production (Ormen Lange redetermination)
- ✓ Cost reductions
- ✗ Challenging market conditions for thermal production
- ✗ Limited production from Siri area

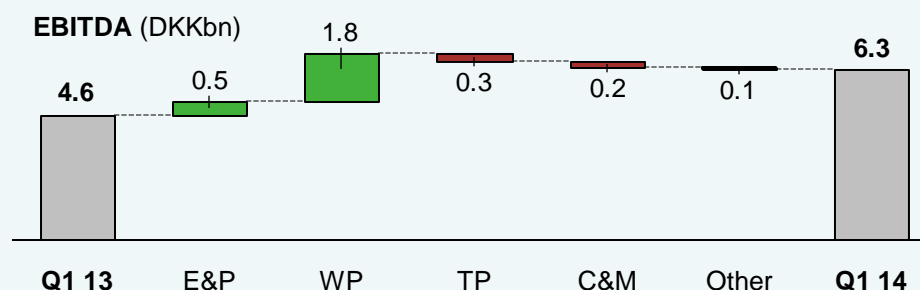
Net debt – DKK 6.4bn (DKK 25.8bn EoY 2013)

- ✓ Strong operating cash flow
- ✓ Divestments outnumbering spent capex
- ✓ Equity injection

FFO/Adjusted net debt of 44% (23% in 2013)

- ✓ Low net debt level after equity injection and divestment of stake in Array
- ✓ Strong earnings generation

Selected financials (DKKm)	Q1 14	Q1 13	2013
Revenue	20,192	23,232	73,105
EBITDA	6,334	4,627	15,004
Net financial items	-722	-639	-3,800
Net profit	1,594	474	-993
Assets	167,142	156,079	145,672
Equity	67,603	49,608	51,543
Net debt	6,362	34,537	25,803
Operating cash flow	4,519	2,233	9,729
Gross investments	-3,794	-5,138	-21,234
Net investments	2,367	-5,150	-5,902
FFO ^{1,2} /Adjusted net debt	44.4%	16.1%	23.1%
ROCE ¹	2.0%	-6.7%	0.5%
ROCE excl. oneoffs ^{1,3}	7.8%	0.7%	6.8%



Note (1): Last 12 months.

Note (2): For Q1 13, one-off non cash provisions are excluded

Note (3): Excluding one-off non-cash provisions and impairments

Exploration & Production

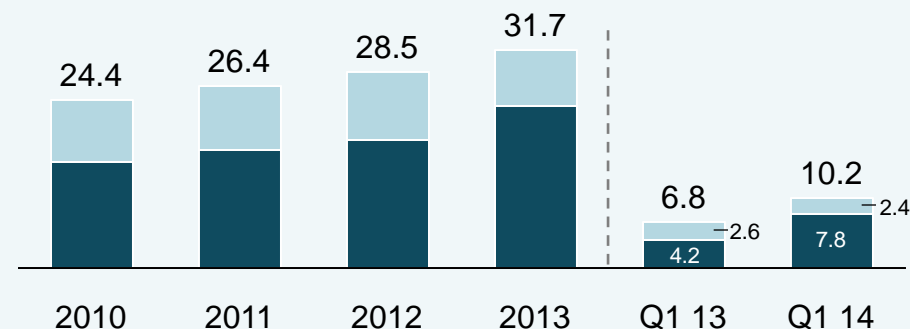
Operational highlights Q1 14

- Gas production up 86% – primarily due to the redetermination of the Ormen Lange field
- Slightly lower oil production (-8% y/y) largely due to limited production from the Siri area

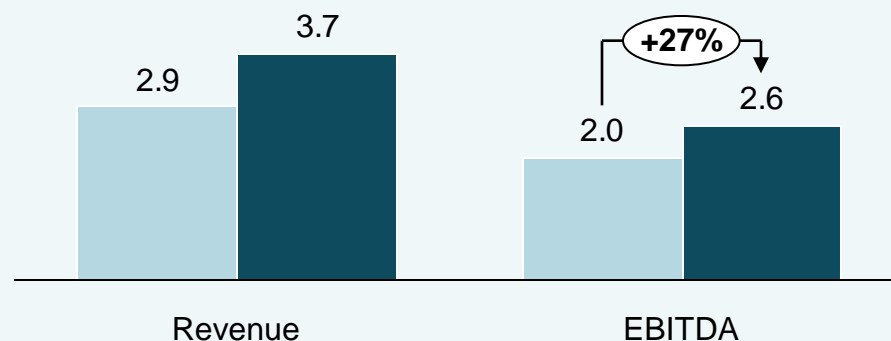
Financials highlights Q1 14 – EBITDA up 27% y/y

- ✓ Significantly higher gas production
- ✗ Lower oil production
- ✗ Gas price fully hedged, but declining gas price still impacts EBITDA as hedging is conducted post hydrocarbon and corporate tax

Oil & Gas production (mboe) ■ Oil ■ Gas



Revenue & EBITDA (DKKbn) ■ Q1 13 ■ Q1 14



Wind Power

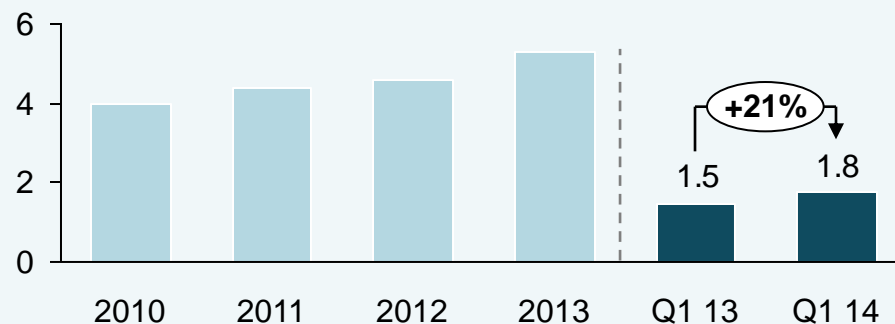
Operational highlights Q1 14

- Full quarterly impact from Anholt and London Array outnumbering lost production from divestments (Swedish hydro plant, Danish & Polish onshore wind)
- Continued high availability (96% in Q1 14) and high wind energy content
- Farm-down in Westermøst Røgh (transaction closed in April 2014)

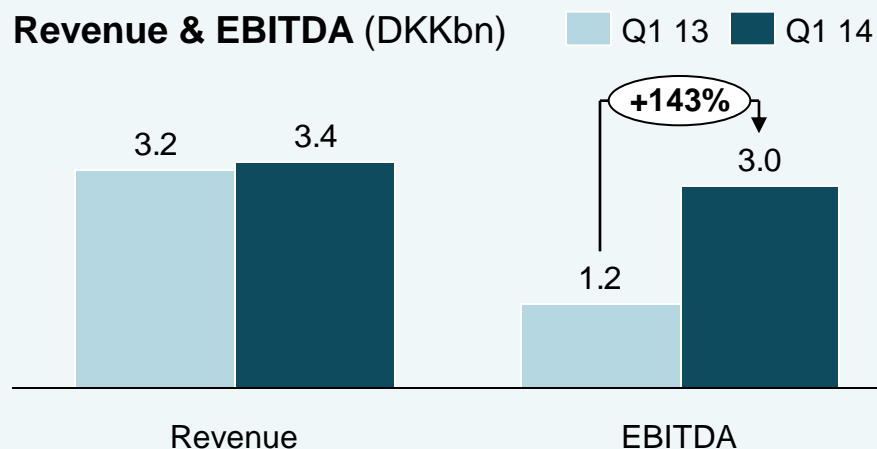
Financials highlights Q1 14 – EBITDA up 143% y/y

- ✓ Increased power production
- ✓ Gain from sale of stake in London Array
- ✗ Lower earnings contribution from construction contracts for co-investors
- ✗ Earnings dilution from divested activities

Renewable production (TWh)



Revenue & EBITDA (DKKbn)



Thermal Power

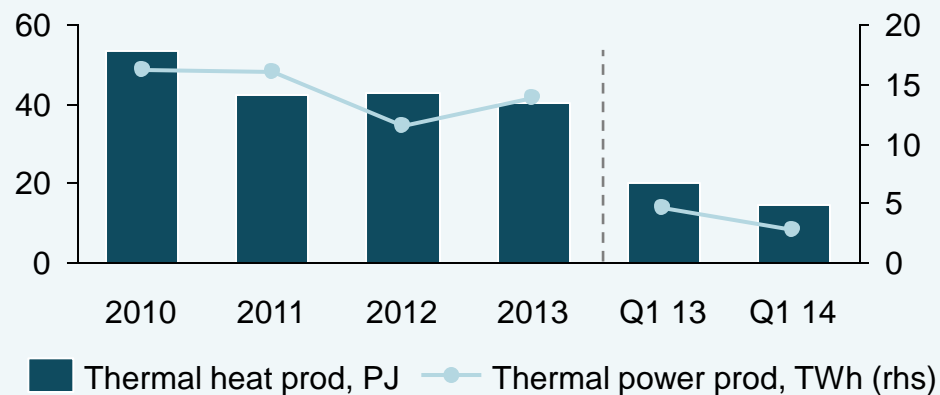
Operational highlights Q1 14

- Declining power and heat production
 - Declining power production (-41% y/y) and prices due to mild and windy weather, increasing hydro levels and rising contribution from wind production
 - Heat production negatively impacted (-27% y/y) by warm weather

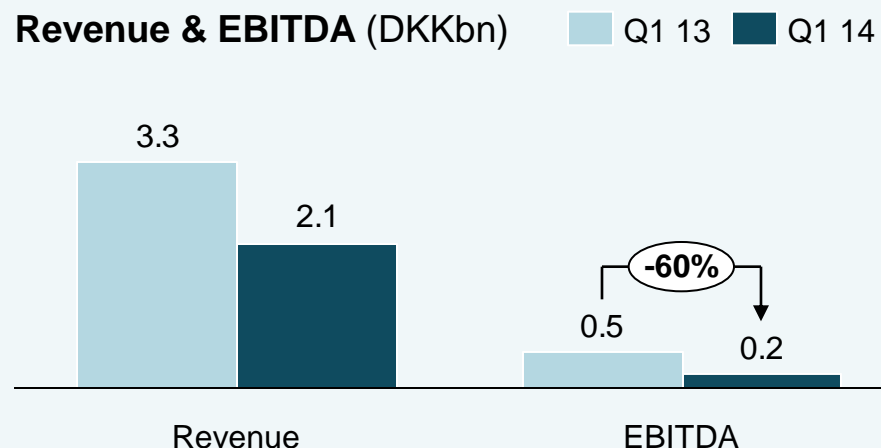
Financial highlights Q1 14 – EBITDA down 60% y/y

- ✘ Declining production and lower contribution margin from decreasing spreads (GDS and GSS)
- ✓ Lower fixed costs

Thermal heat and power production (PJ, TWh)



Revenue & EBITDA (DKKbn)



Customers & Markets

Operational highlights Q1 14

- Milder weather negatively impacting gas sales and gas distribution
- Higher power sales y/y from increased wind power production in the UK

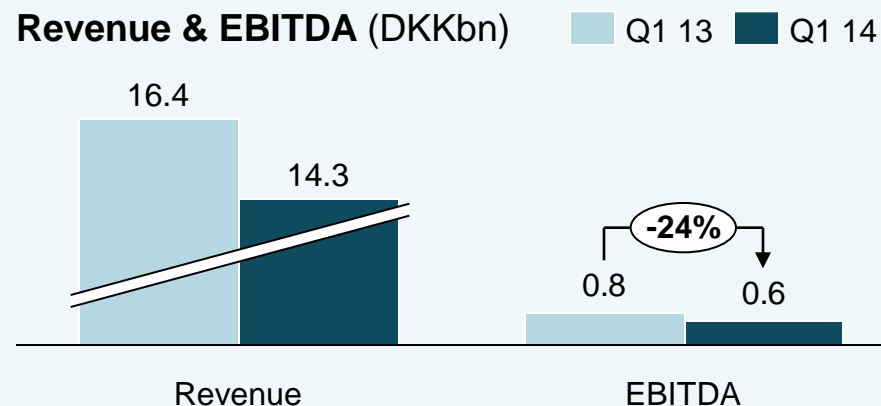
Financials highlights Q1 14 – EBITDA down 24%

- ✗ Lower gas sales
- ✗ Declining gas prices
- ✓ Lower fixed costs

Operational figures

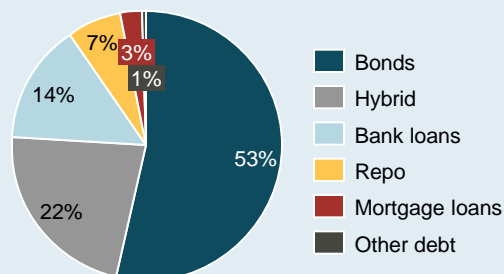
		Q1 14	Q1 13
Gas sales	TWh	33.2	39.5
Power sales	TWh	9.2	4.1
Distribution of gas	TWh	2.9	3.9
Distribution of power	TWh	2.3	2.4

Revenue & EBITDA (DKKbn)

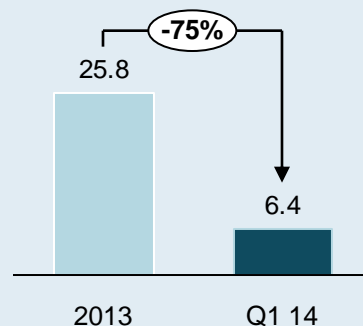


Debt overview

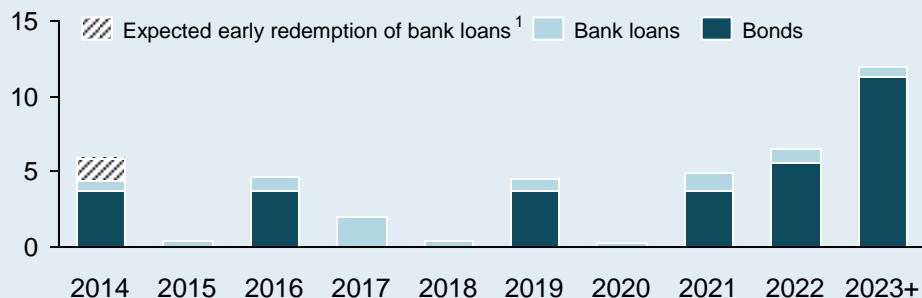
Gross debt incl. hybrids



Net debt (DKKbn)



Long term debt maturity schedule Q1 14 (DKKbn)



Note (1): Loans redeemed in April 2014

Key ratios loan portfolio¹

	Q1 14	2013
Duration	5.9	5.9
Average time to maturity (years)	10.5	10.2
Average interest rate	3.8%	3.7%

Note (1): The key ratios refer to the end of period position and exclude hybrid capital

Liquidity reserves (DKKbn)

	Q1 14	2013
Liquid assets (unrestricted) ¹	32.0	17.3
Committed borrowing facilities	17.4	17.4
Total	49.4	34.7

Note (1): Marketable securities in REPO transactions excluded (DKK 4.0bn at Q1 14)

Outlook (unchanged)

EBITDA

Around DKK 15-17bn in 2014

Net investments

Around DKK 30bn in 2014-2015

FFO/Adjusted net debt





- Around 25% in 2014
- Around 30% from 2015 and onwards



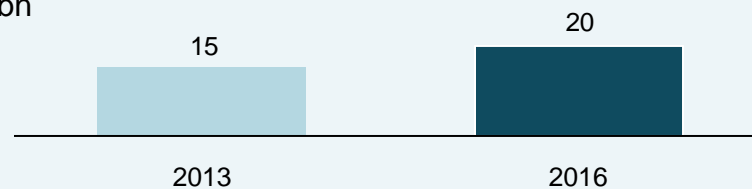
Q & A

APPENDIX

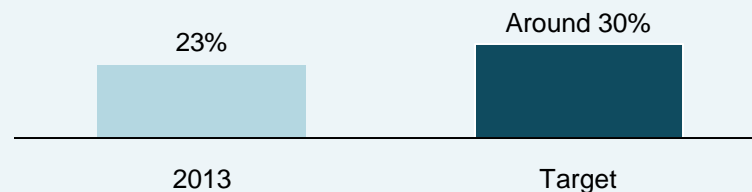
Financial targets

ROCE	2013	Target 2016	Target 2020
Group	0.5% (6.8% excl. writedown)	>10%	>12%
 E&P	-3.1% (15%)	20%	20%
 WP	4.6% (5.4%)	6-8%	12-14%
 C&M	4.8% (4.8%)	>8%	>10%
 TP	Target: Yearly operating CF of DKK 600-800m for Danish power stations		

EBITDA DKKbn



Adjusted FFO/Net debt %



Rating

Minimum rating of BBB+/Baa1

Outlook market prices

		Expectation 2014	Realised Q1 14
(average)			
Oil, Brent	USD/bbl	104	108
Gas, TTF	EUR/MWh	22	24
Gas, NBP	EUR/MWh	22	25
Electricity, Nord Pool system	EUR/MWh	27	30
Electricity, Nord Pool, DK ¹	EUR/MWh	33	29
Electricity, EEX	EUR/MWh	33	34
Electricity, UK	EUR/MWh	53	55
Coal, API 2	USD/tonne	77	78
CO ₂ , EUA	EUR/tonne	4.4	6.0
Green dark spread, DK ¹	EUR/MWh	8.8	2.5
Green spark spread, NL	EUR/MWh	(3.3)	(7.8)
USD exchange rate	DKK/USD	5.4	5.4
GBP exchange rate	DKK/GBP	9.1	9.0

Source: Platts, Argus, Nord Pool, LEBA, APX, ECX.

¹ Based on average prices in DK1 and DK2.

Investments

Investments in Q1 14

Cash flow from investing activities	-8.1bn
Purchase and sale of securities (reversal)	10.4bn
Sale of assets and companies (reversal)	-6.1bn
Gross investments	-3.8bn
Sale of assets and companies	-6.1bn
Net investments¹	2.4bn

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

Gross investments on Business Units in Q1 14

▪ E&P	DKK 1.0bn
▪ Wind Power	DKK 2.6bn
▪ Other	DKK 0.2bn
▪ Total:	DKK 3.8bn

Calculation of FFO/Adjusted net debt

	Q1 14 LTM	Q1 13 LTM	2013
EBITDA (Business Performance)¹	16.7	12.6	15.0
Reversal of recognised lease payment	0.4	0.5	0.4
Adjusted net interest expenses ²	-2.9	-1.9	-2.8
Current tax	-3.5	-3.7	-2.5
Funds From Operations (FFO)	10.8	7.6	10.0
Accounting net debt	6.4	34.5	25.8
50% of hybrid capital ³	6.6	2.2	6.6
Restricted liquid assets (excluding REPO's)	1.8	1.4	1.7
Operating leases, PV (4.5% discount rate)	4.1	3.9	3.9
Decommissioning obligations	9.2	8.3	8.8
Deferred tax on decommissioning obligations	-3.7	-3.3	-3.5
Adjusted net debt	24.3	47.1	43.4
FFO/Adjusted net debt	44.4%	16.1%	23.1%

Note (1): For LTM Q1 13, non-cash provisions of DKK 2.9 have been excluded

Note (2): Adjusted net interest expenses include ordinary net interest, capitalised interest, interest element of decommissioning obligations, 50% of hybrid coupons and interest element of operating leases

Note (3): For LTM Q1 13, 50% of hybrid capital due 3005