

A low-angle photograph of a wind turbine against a clear blue sky. The sun is positioned behind the turbine's hub, creating a bright lens flare effect. The turbine's tower and three blades are visible, extending from the bottom right towards the top left.

FINANCIALS 2010

First quarter results

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 quarter 2010

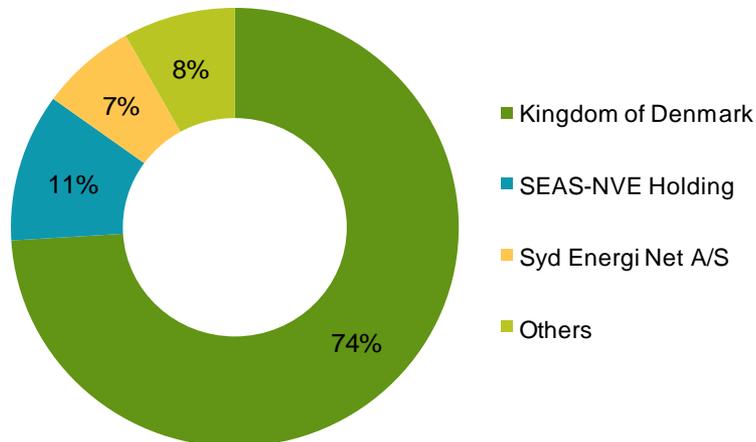
Key financials

- Increased earnings due to rising power prices following the cold weather
- Positive effect from timing differences
- EBITDA up 64% y/y to DKK 4.3bn
- Cash flow from operations increased 13% y/y to DKK 3.9bn
- Outlook for significantly higher EBITDA in 2010 compared to 2009 is maintained.
- The economic crisis still affects the demand for gas and power

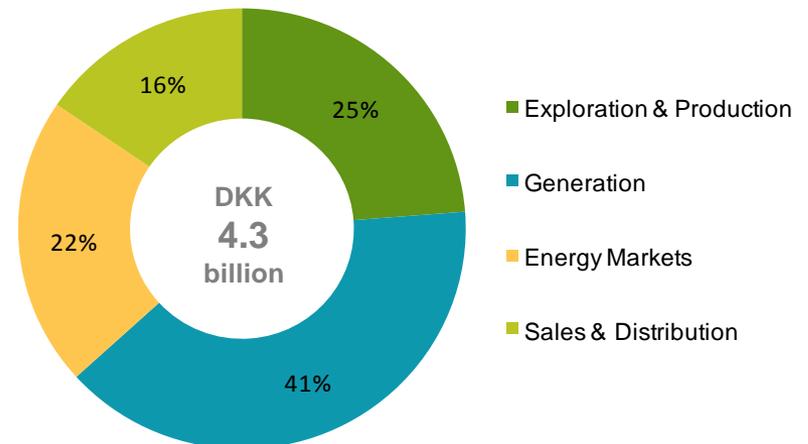
Key figures



Ownership



EBITDA per business segment



Anholt offshore wind farm

Tender for Anholt offshore wind farm

- In April 2010, DONG Energy submitted a binding tender to the Danish Energy Agency for the concession to build Anholt offshore wind farm
- If the concession is awarded to DONG Energy, the total investment is expected to represent up to DKK 10 billion
- DONG Energy is the sole bidder for Anholt



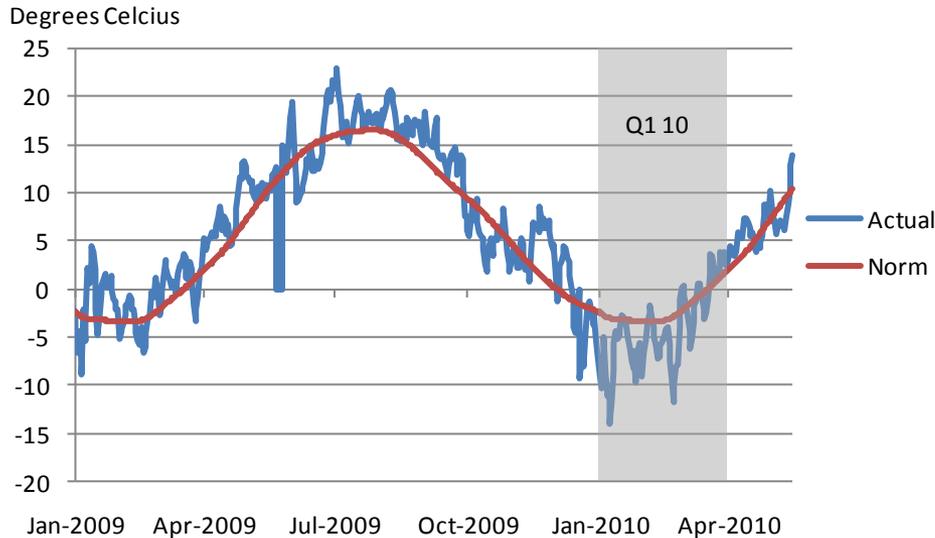
Facts about the Anholt offshore wind farm

- Anholt Offshore Wind Farm is to be erected near the island of Anholt in Kattegat – roughly 15-20km from the shore
- The capacity of the farm is 400MW and will be able to supply power corresponding to the annual power consumption of 400,000 Danish households, or 4% of Denmark's total power consumption.
- Sea depths: 14-19 meters
- Anholt is expected to supply its first power in 2012 and to be finally completed in 2013



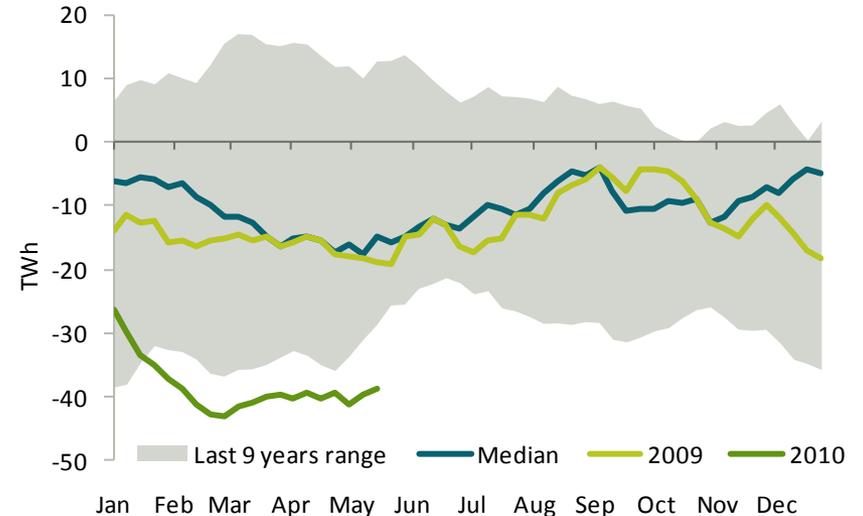
Unusual tight market situation in Q1 10

Very cold first quarter in the Nordics



Source: SKM Market Predictor

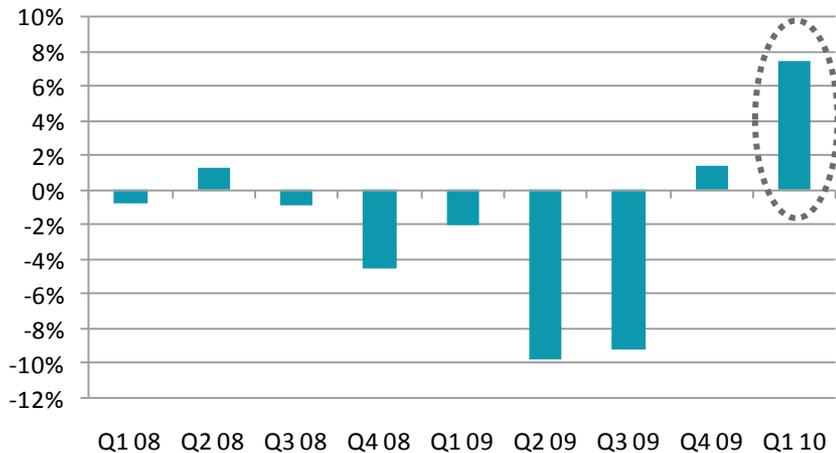
Low hydro balance in the Nordics



Source: SKM Market Predictor

Nordic power demand affected by cold weather

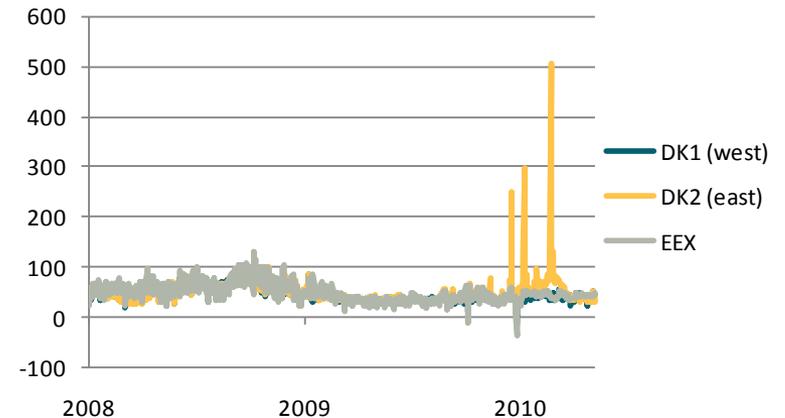
y/y change in power demand



Source: Nordpool

Cold winter and low hydro affected power prices

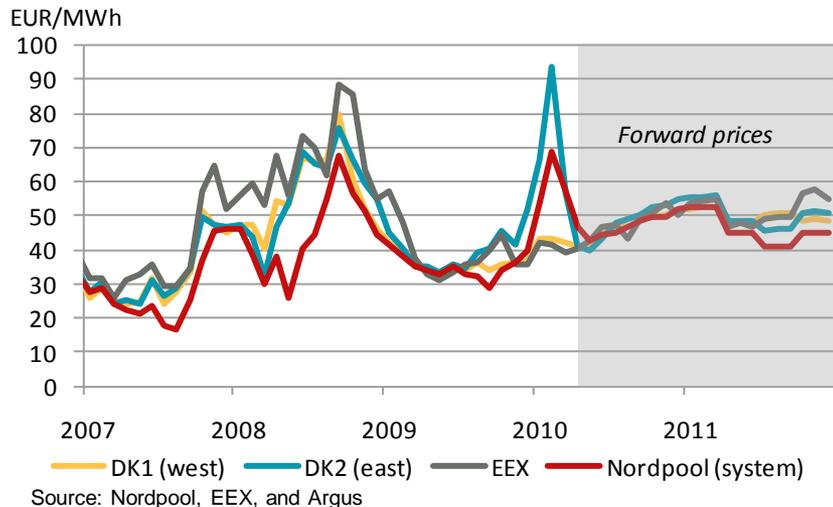
EUR/MWh



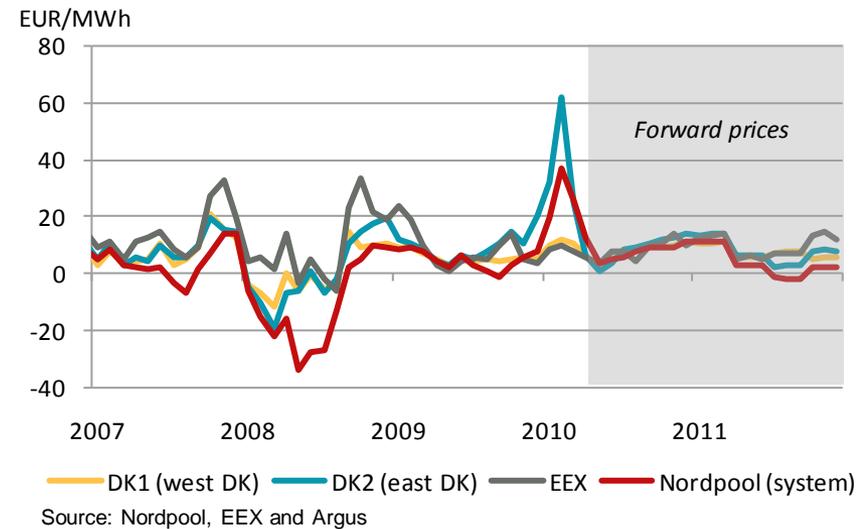
Source: Nordpool

Higher Green Dark Spreads in Q1 10

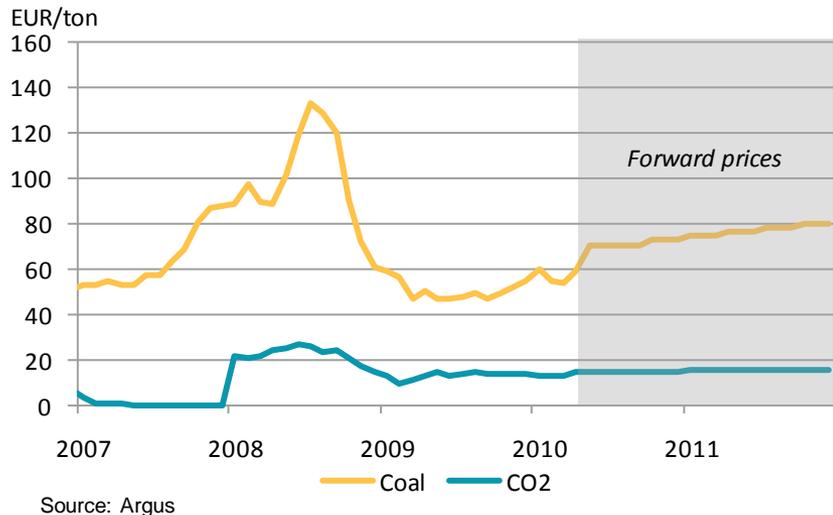
Power prices in Denmark (monthly average)



Green Dark Spread (monthly average)



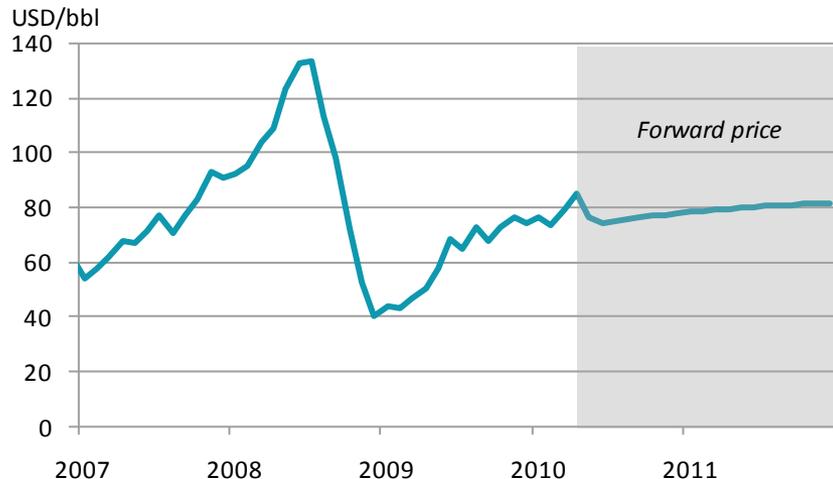
Coal prices (monthly average)



- Power prices increased relatively more than fuel and in CO₂ prices in Q1 10
- Average GDS in Denmark (DK1 + DK2):
 - Q1 10: EUR 25/MWh
 - Q1 09: EUR 9/MWh

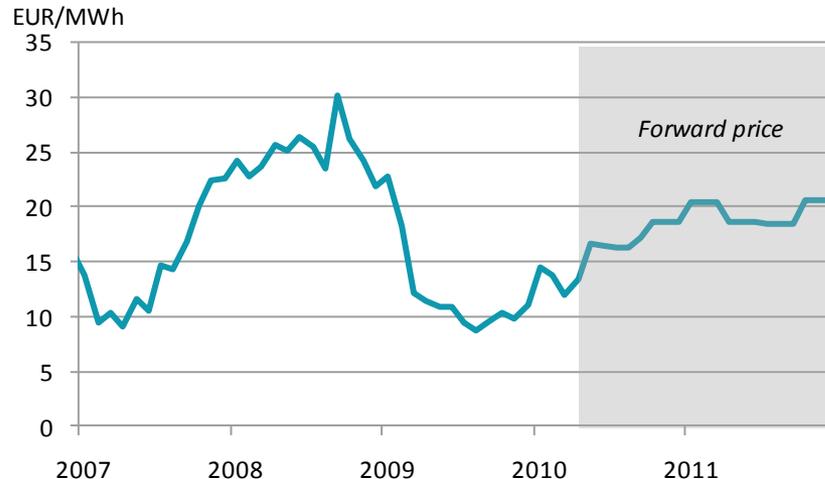
Rising oil prices and continued low gas prices

Rising oil prices (Crude oil)



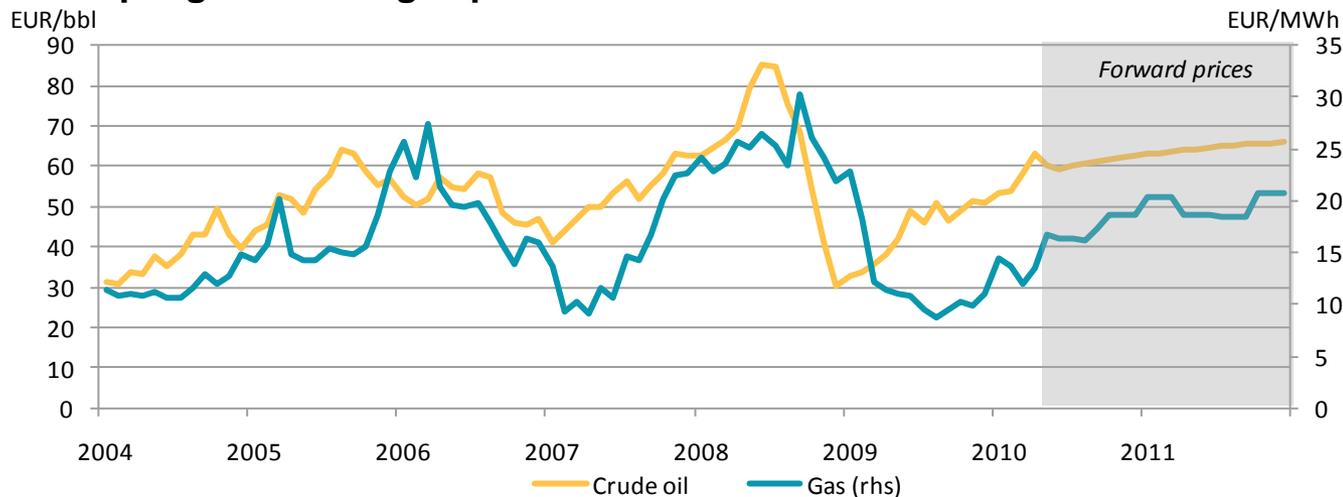
Source: Platts

Low gas prices (TTF)



Source: Argus

Decoupling of oil and gas prices



Source: Platts and Argus

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- **DONG Energy highlights**
- **Financials and operating segments**
- **Outlook**
- **Appendix**



Selected Financial Figures

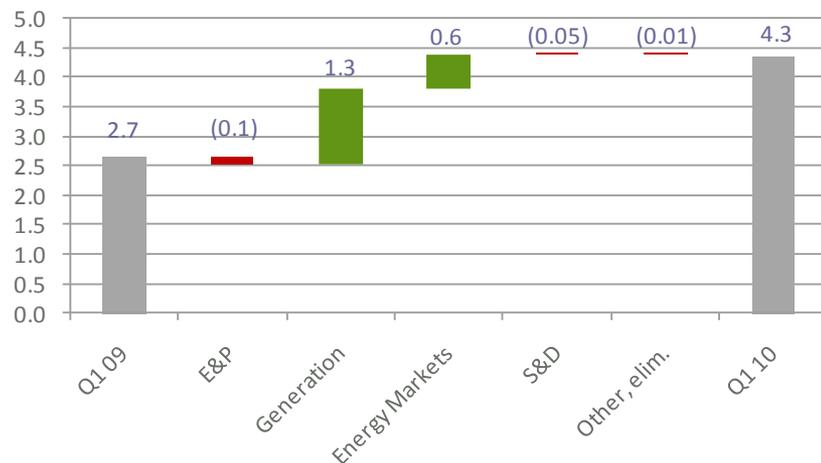
DKK million	Q1 10	Q1 09
Revenue	16,203	15,616
EBITDA	4,343	2,653
Profit after tax	2,013	718
Assets	123,116	113,454
Equity incl. hybrid capital	47,050	47,685
Net interest-bearing debt	25,410	15,918
Funds From Operation (FFO)	4,162	2,678
Cash flow operating activities (CFO)	3,941	3,488
Adjusted net debt ¹ /CFO ² (target 3x)	3.0	1.8
FFO ² /Net debt	30.2%	54.1%

Note (1): Net interest-bearing debt plus 50% of issued hybrid capital

Note (2): Last 12 months

EBITDA development

DKKbn



- **EBITDA** increased by 64% y/y due to:
 - Positive effects from timing differences in connection with changing energy prices
 - Higher green dark spreads
 - Increased production from new renewable assets
- Hedging had a negative impact of DKK 0.4bn (positive effect of DKK 0.3bn in Q109)
- **Cash flow** from operations up 13% y/y.
- Changes in Net Working Capital had a negative impact of DKK 0.2bn (positive effect of DKK 0.8bn in Q109)

Exploration & Production

Rising oil prices but continued low gas prices

Operational figures

		Q1 10	Q1 09
Oil & gas production	mboe	6.4	5.9
- Oil production	mboe	2.4	2.3
- Gas production	mboe	4.0	3.6

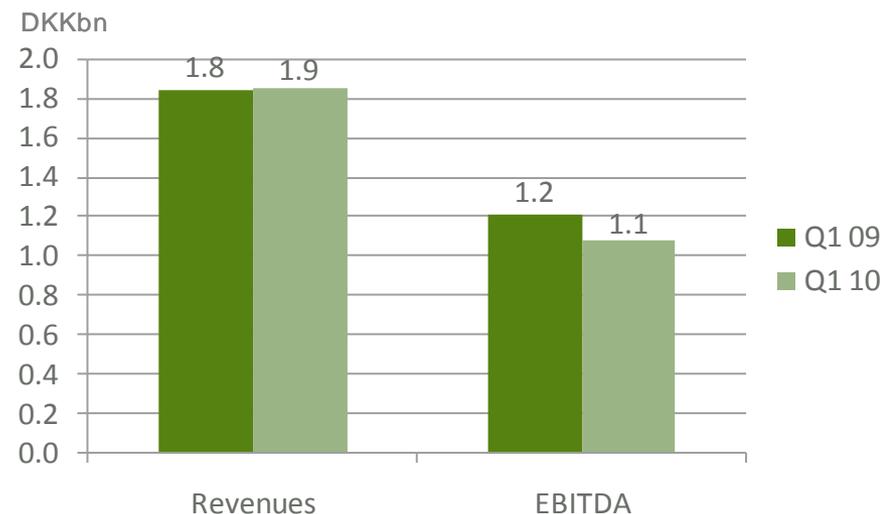
Production highlights

- Gas and oil production increased by 9% primarily due to the gas fields Ormen Lange and Alve
- Gas production constituted 63% of total production in Q1 10 compared to 61% in Q1 09

Key events

- Decision to develop the Laggan-Tormore fields
- Siri back in production
- First oil from Nini east
- Decision to carry out an appraisal drilling in the Svane field

Financial development



EBITDA down to DKK 1.1bn from DKK 1.2bn

- Positive contribution from higher production and higher oil prices
- Negative impact from lower gas prices, hedging and costs in connection with repairs at the Siri field

Generation

Significantly higher power prices

Operational figures

		Q1 10	Q1 09
Power production	GWh	6,436	5,824
- Thermal	GWh	5,399	5,173
- Renewables	GWh	1,037	651
Heat production	TJ	22,629	20,551

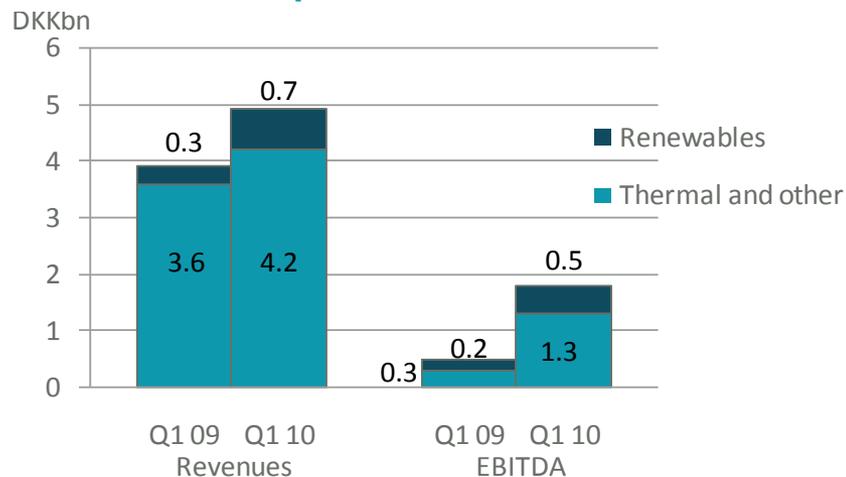
Production highlights

- Thermal production was up 4% due to higher green dark spreads
- Renewable production rose 59% from contribution from new wind farms such as Horns Rev 2 and Gunfleet Sands
- Heat production rose 10% y/y due to cold weather

Key events

- Submission of binding tender for concession to build Anholt offshore wind farm
- Finalisation of acquisition of 25% of Lincs offshore wind park

Financial development



EBITDA increased to DKK 1.8bn from DKK 0.5bn

- Higher contribution margin from thermal production due to both higher power prices and lower fuel prices
- Lower than usual maintenance work due to cold weather
- Earnings from renewables increased significantly as new wind parks came on stream

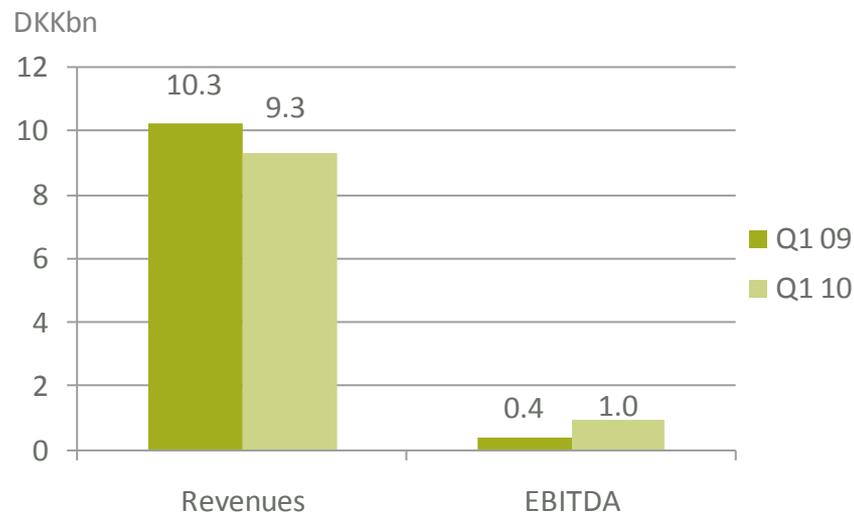
Energy Markets

Less negative time lag effects

Operational figures

		Q1 10	Q1 09
Gas sales	GWh	43,515	34,055
Power sales	GWh	2,868	2,970

Financial development



Production highlights

- Gas sales increased 28%
- Cold weather and low gas prices caused increased gas sales in Denmark including sales to own power plants
- Higher gas sales in international markets

Key events:

- Commercial agreement with Iberdrola to deliver LNG from 2011
- Closure of sale of shares in Swedegas

EBITDA increased to DKK 1.0bn from DKK 0.4bn

- The increased EBITDA primarily reflected less negative impact from timelag
- Lower gas prices had a negative impact on earnings, partly mitigated through larger sales volumes

Sales & Distribution

Stable earnings

Operational figures

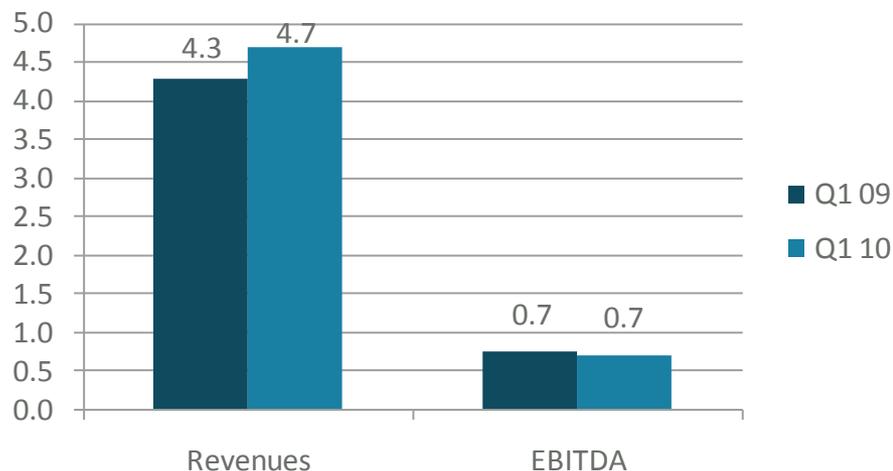
		Q1 10	Q1 09
Gas sales	GWh	9,594	7,598
Distribution of gas	GWh	4,277	3,934
Power sales	GWh	2,283	2,415
Distribution of power	GWh	2,571	2,543
Transport of oil	Mbbl	20	22

Production highlights

- Gas sales and distribution were up 26% and 9%, respectively, primarily due to the cold weather
- Power sales down 5%, while power distribution increased by 1%

Financial development

DKKbn



EBITDA stable at DKK 0.7bn

- Negative impact from lower net tariffs and higher net loss for power distribution
- Positive contribution from larger volumes of gas sold and distributed as well as higher tariffs for gas distribution

Investments

Investment in Q1 10

Cash flow from investment activities -0.0bn

Sale of securities (add back) -2.5bn

Minorities' share of investments (add back) 0.1bn

Net investments -2.4bn

(DONG Energy's share of net investments)

Disposal of enterprises (add back) -0.3bn

Minorities' share of investments -0.1bn

Gross investment -2.8bn

- *Development of wind activities* -1.0bn

- *Thermal activities* -0.8bn

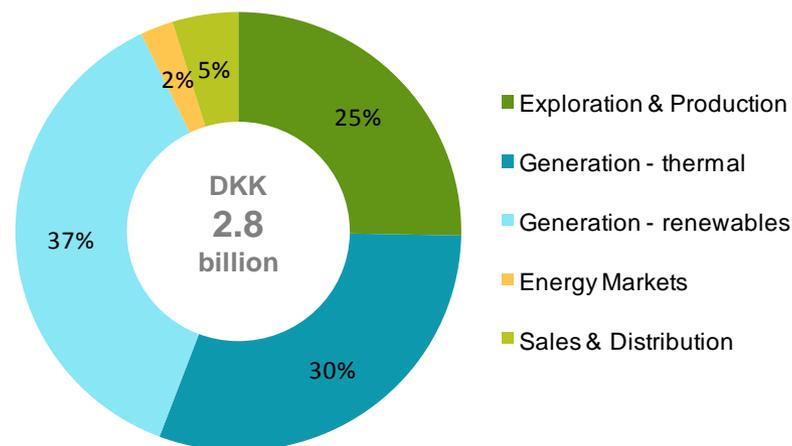
- *Development of oil and gas field* -0.7bn

- *Other* -0.3bn

Investment plans

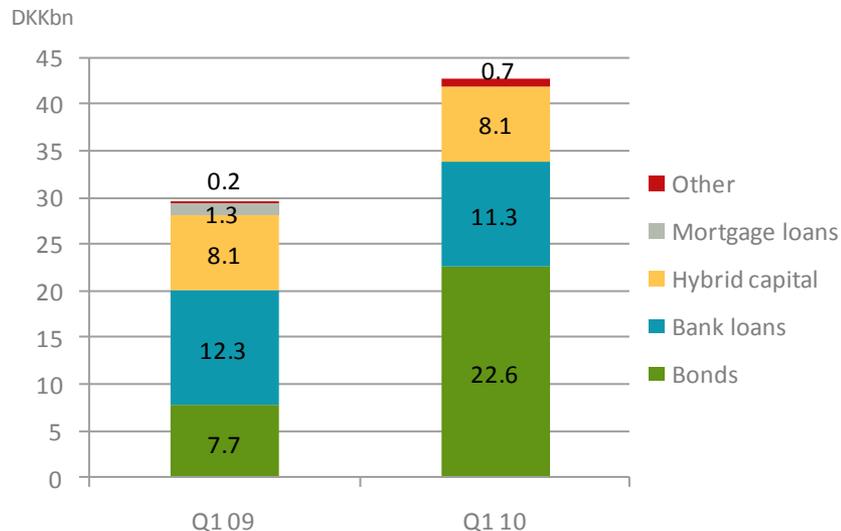
- DONG Energy's share of net investments is still expected to be (including disposals):
 - 2010: Around DKK 10bn
 - 2011: DKK 10-15bn

Gross investments on business segments Q1 10



Debt overview

Gross interest-bearing debt (incl. hybrid capital)



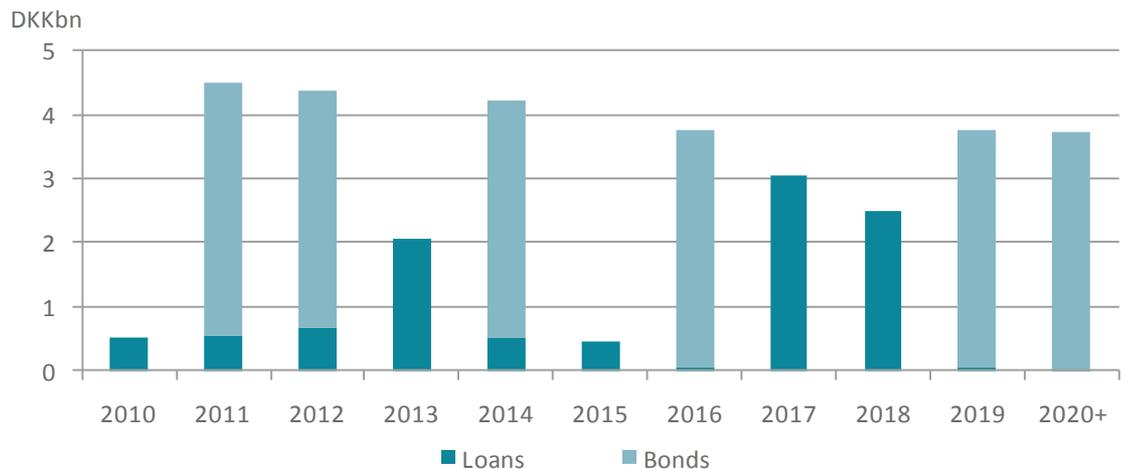
Key ratios gross loan portfolio (incl. hybrid capital)

	Q1 10 ¹	Q1 09
Share of fixed rate	94%	86%
Duration (years)	6.1	4.4
Average time to maturity (years)	8.0	5.2
Average interest rate ²	4.4%	5.2%

Note (1): Q1 10 numbers are calculated post GBP 500m bond issue settled in April 2010

Note (2): Calculated excluding hybrid capital

Long term debt maturity schedule at March 31, 2010 (excluding hybrid capital)



In April 2010, DONG Energy settled a GBP 500m senior bond issue:

- Maturity in 2040
- Coupon: 5.750%
- Spread over Gilt: 118bp

Note: Excluding hybrid capital and loans where DONG Energy holds the counterbalancing securities

Liquidity overview

Liquidity reserves – Figures

Committed facilities (DKKbn)	Q1 10	Q1 09
EUR 1.5bn RCF, due 2011 (fully undrawn)	11.2	11.2
Other undrawn committed facilities ¹	2.0	0.0
Total	13.2	11.2

Note (1): Final maturities beyond one year

Liquid assets (DKKbn)	Q1 10	Q1 09
Cash & cash equivalents	5.6	4.4
Marketable securities	1.4	0.9
Total	7.0	5.3

Total liquidity reserves (DKKbn)	20.2	16.5
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Liquidity reserves – Policy

- Target is to maintain a liquidity reserve of at least EUR 1.5bn
- This has historically been achieved through the committed syndicated RCF of EUR 1.5bn



- Going forward, the target continues to be a liquidity reserve of at least EUR 1.5bn consisting of a combination of:
 - A syndicated RCF
 - Bilateral committed facilities
 - Reserved liquid assets (cash & cash equivalents and marketable securities)
- Marketable securities are predominantly highly rated and liquid OECD State/Central Bank bonds and/or Danish mortgage bonds

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Outlook for 2010 – Commodity prices

Q1 update

- Q1 10 is in line with expectations as at the time of the outlook in the annual report 2009 – the cold weather was included in the original outlook
- Expectations for the full year 2010 are unchanged

Commodity prices

- Oil and natural gas exposure for 2010 is largely neutral
- At the end of Q1 10, 79% and 34% of expected thermal power generation in 2010 and 2011 respectively had been hedged

Market prices	Current expectation, 20 May 2010 (rest of year)	Expected in annual report 2009, 11 March 2010	Realised, 12 months 2009 (monthly average)
Oil, Brent (USD/bbl)	80	81	62
Gas, TTF (EUR/MWh)	13	14	12
Gas, NBP (EUR/MWh)	13	n/a	12
Power, Nord Pool system (EUR/MWh)	41	41	35
Power, Nord Pool DK (average) (EUR/MWh)	46	46	38
Power, EEX (EUR/MWh)	44	44	39
Coal, API 2 (USD/t)	80	87	70
CO ₂ emissions allowances (EUR/t)	13	13	13
Green dark spread, DK (average) (EUR/MWh)	14	12	8
US Dollar, (DKK/USD)	5.1	5.3	5.4



Outlook for 2010 – Earnings, investments & capital structure

<p>EBITDA</p>	<ul style="list-style-type: none"> ▪ New assets and Ormen Lange expected to contribute a further DKK 1.0bn in 2010 ▪ Due to higher energy prices, timing differences are expected to be neutral to positive compared to negative in 2009 resulting in: <ul style="list-style-type: none"> ▪ A somewhat better EBITDA for Energy Markets for 2010 ▪ FIFO accounting of coal in Generation to be neutral compared to a loss of DKK 0.7bn in 2009 ▪ Sales & Distribution expected to be somewhat lower in 2010 due to regulatory factors ▪ Cost reduction programmes expected to improve by DKK 0.5bn in 2010. Target to reach DKK 1.5bn in savings in 2011 compared to 2008 	<div style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;">  <p>Significantly improved EBITDA in 2010 compared to 2009</p> </div>				
<p>Investments</p>	<ul style="list-style-type: none"> ▪ DONG Energy's share of net investments (excluding minority shareholders) is expected unchanged at around DKK 10bn for 2010 	<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th style="border: none;">2010</th> <th style="border: none;">2011</th> </tr> </thead> <tbody> <tr> <td style="border: none;">around DKK 10bn</td> <td style="border: none;">DKK 10-15bn</td> </tr> </tbody> </table>	2010	2011	around DKK 10bn	DKK 10-15bn
2010	2011					
around DKK 10bn	DKK 10-15bn					
<p>Capital structure</p>	<ul style="list-style-type: none"> ▪ Maintain a level of adjusted net debt equal to around three times the cash flow from operations 	<div style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;"> <p>Compliance with the capital structure goal for 2010</p> </div>				

Q&A

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Capital structure, Dividend, Funding and Rating

Long term capital structure target

- Maintain a minimum rating of BBB+ / Baa1
- Adjusted net interest-bearing debt ⁽¹⁾ of around 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
 - The starting point for the 2009 dividend, to be paid in 2010, is DKK 7.25 per share (DKK 2,129mn) with an annual increase of 0.25 DKK per share (DKK 73mn) thereafter
- 
- The resulting dividend for 2009, paid in 2010, was DKK 0.5bn

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	Baa3
<i>Outlook</i>	<i>Stable</i>	<i>Stable</i>
<i>Last Update</i>	<i>May 2010</i>	<i>Oct 2009</i>

Note (1): Adjusted net interest-bearing debt determined as net interest-bearing debt plus 50% of issued hybrid capital

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

Net debt calculation Q1 10

