FINANCIALS 2012
FIRST HALF RESULTS

10 August 2012

DONG energy

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, CO_2, 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 half 2012

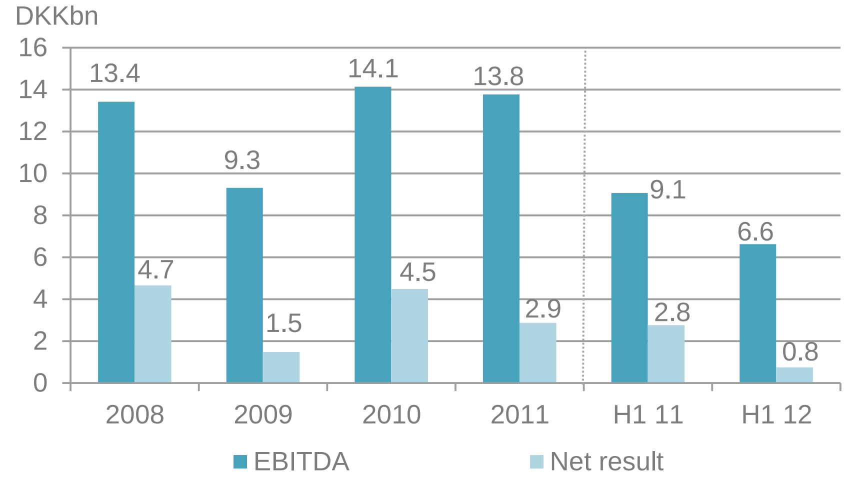
Highlights[1]

- EBITDA of DKK 6.6bn (down 27% y/y)
- Net debt of DKK 29.9bn (up 26% vs. year-end 2011)
- Adj. net debt/EBITDA at 2.8x (1.9x at FY11)
- Net result at DKK 0.8bn (DKK 2.8bn in H1 11)

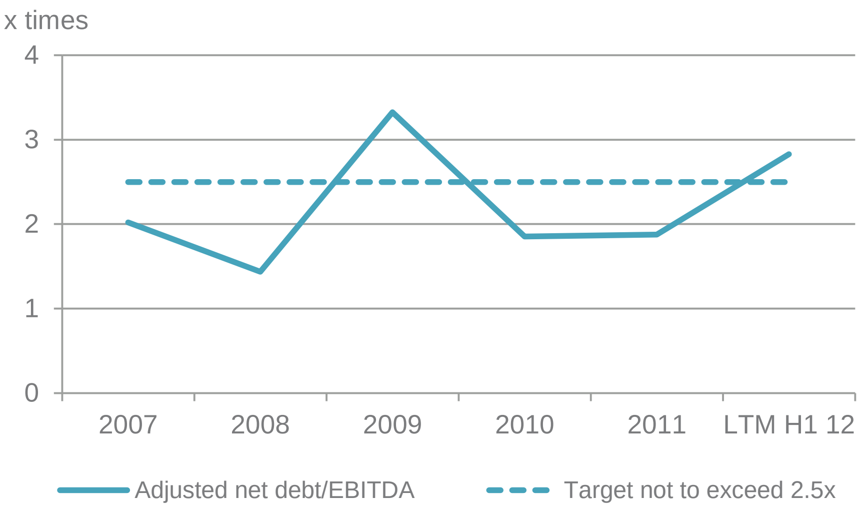
Outlook

- EBITDA 2012 expected to be around 10% lower than 2011 (new guidance)
- EBITDA 2013 expected to be significantly ahead of 2011 and 2012 (unchanged guidance)

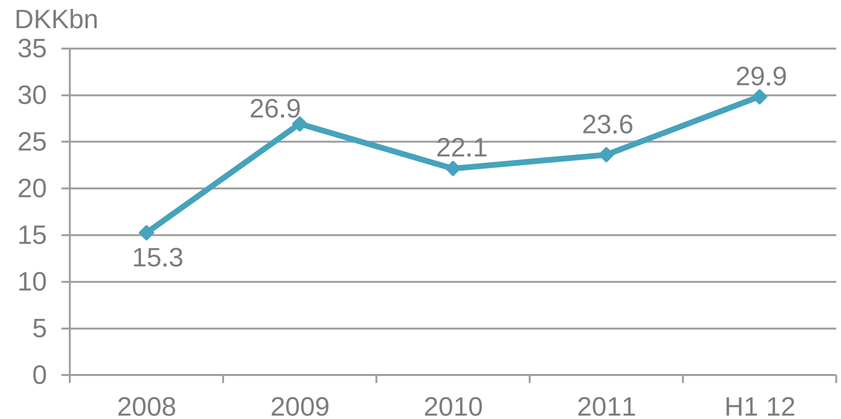
Key figures



Capital structure



Net debt



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

Recent events: New framework agreement with Siemens

DONG Energy continues to lead the offshore industry

- New framework agreement with Siemens Energy
- Supply & servicing of 300 offshore wind turbines of 6MW each
- Key element to expand offshore wind and maintain a market leading position
- The new larger turbines will reduce cost of energy through:
  - Higher energy production (6 MW capacity with 154 meter rotor vs. 3.6MW capacity with 120 meter rotor)
  - Reduced installation costs (e.g. fewer foundations)
  - Reduced maintenance costs (e.g. scale advantages & direct drive turbine)
- The turbines will be installed at selected offshore wind projects in the UK during 2014-2017
- No investment decisions have been made for the intended wind projects comprised by this agreement. In the event of cancellation of these projects, DONG Energy will pay a cancellation fee to Siemens Energy

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Significant new assets on stream in 2012 and 2013

Wind Power

Lincs – UK wind
- 270MW offshore wind
- DONG Energy's share: 25%
- First power expected H2 12

London Array – UK wind
- 630MW offshore wind
- DONG Energy's share: 50%
- First power expected H2 12

Walney 2 – UK wind
- 184MW offshore wind
- DONG Energy's share: 50.1%
- Full operation since Apr. 2012

Anholt – DK wind
- 400MW offshore wind
- DONG Energy's share: 50%
- First power expected H2 12

E&P

Marulk – NO gas
- DONG Energy's share: 30%
- Prod. started Apr. 2012

South Arne phase 3 – DK gas
- DONG Energy's share: 34.4%
- Prod. expected in 2013

Oselvar – NO oil & gas
- DONG Energy's share: 55%
- Prod. started Apr. 2012

2012 → 2013

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Agenda

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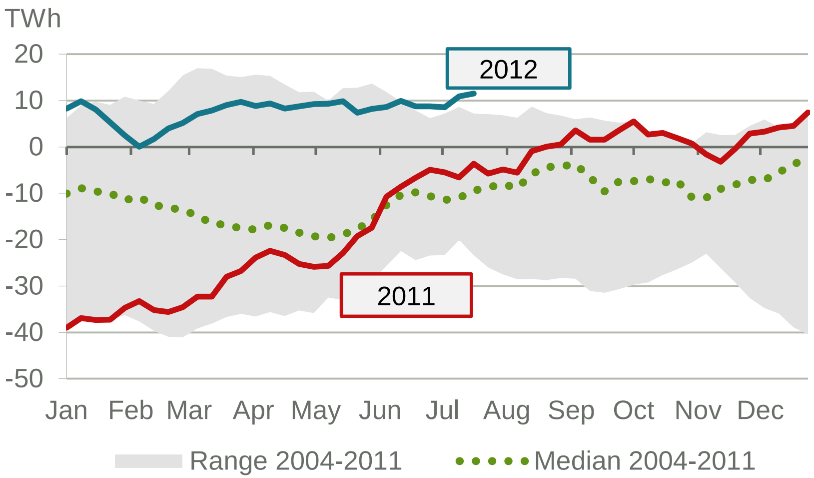
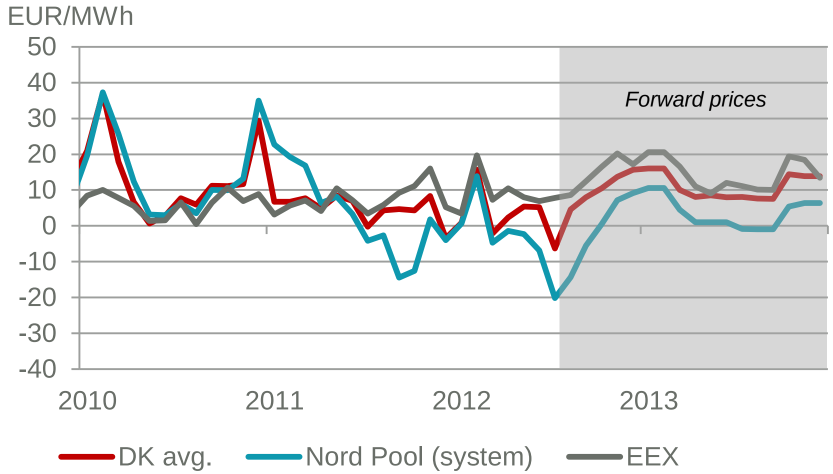
Market prices

Hydro balance



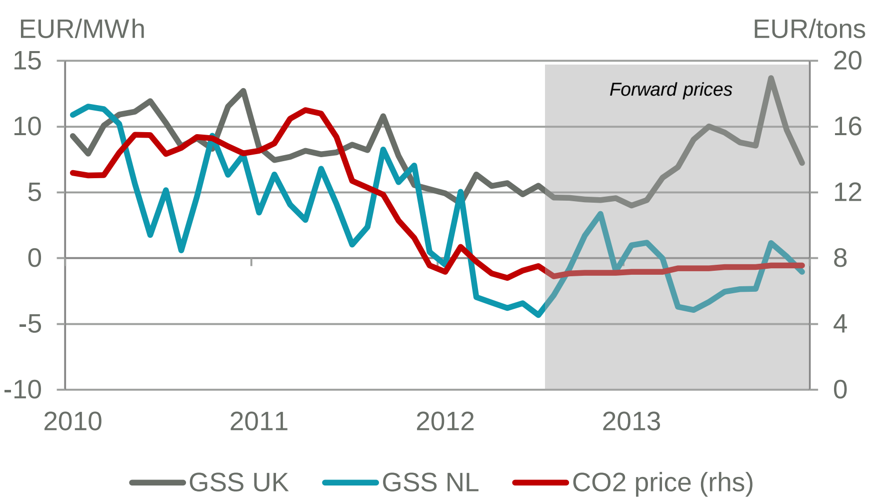
Source: Syspower

Green Dark Spread (monthly average)



Source: Argus, Nord Pool, EEX, ECX

Green Spark Spread & CO_2 price (monthly average)



Source: LEBA, APX, Argus, ECX

Gas/Oil Spread: Gas hub price – Oil indexed gas price

Source: BAFA

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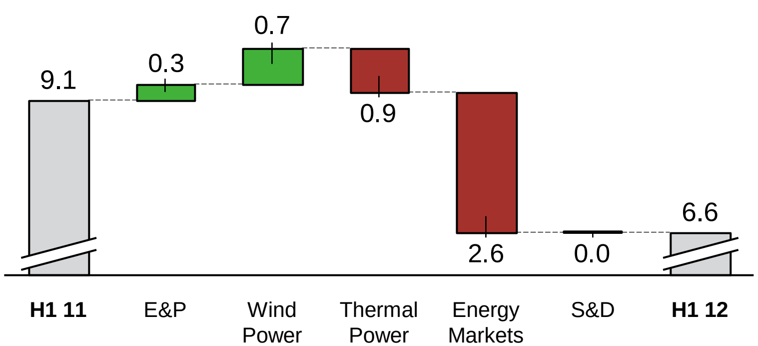
Selected Financial Figures

Business Performance

DKK million	H1 12	H1 11	2011
Revenue	35,304	29,342	56,842
EBITDA	6,630	9,073	13,770
Financial items, net	-603	-538	-282
Profit after tax	755	2,771	2,882
Assets	165,315	140,496	154,073
Equity incl. hybrid	56,088	51,023	57,740
Net debt	29,850	23,592	23,615
FFO	5,594	6,498	11,706
CFO	2,596	6,327	12,624
Adjusted net debt[1]/EBITDA[2]	2.8x	1.7x	1.9x
FFO[2]/Net debt	36%	54%	50%

Note (1): Net 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** decreased to DKK 6.6bn (down 27% y/y)
  - ✓ Higher oil & gas prices and higher production
  - ✓ Increased production from new wind farms
  - × Lower thermal production and lower green dark & spark spreads due to milder weather and high hydro levels
  - × One off gain on gas contracts renegotiations in H1 11 (DKK 1bn) not repeated in H1 12
  - × Increased costs of DKK 0.5bn related to Siri repair
  - × Increased oil/gas spread impacting gas portfolio through timelag in contracts (despite a high hedging ratio)
  - × Higher fixed costs within Wind Power due to increased activities
- **CFO** declining from rising working capital
- **Net result** impacted by impairment charges on gas-fired power stations totalling DKK 2.0bn
- **Net debt** at DKK 29.9bn (up 26% vs. Q4 11)

Explanation of selected items in H1 12

Net Working Capital (NWC)

Negative impact from NWC of DKK 3.0bn reflects:

- Reduction of accounts payables
- At Q4 11 accounts payables stood at a relatively high level
- Increase in receivables from green certificates (ROC's) from wind farms in the UK. The ROC's are monetised once a year in July
- Increase in receivables from constructing partners' 50% share of Anholt offshore wind farm (difference in timing of costs and partners' milestone payments)

Writedown of gas-fired power stations

The total writedown of DKK 2.0bn reflects:

- Challenging market situation for gas-fired power stations with very low Green Spark Spreads
- DONG Energy's expectation of continued low Green Spark Spreads in the coming years

▪ The challenging market situation partly reflects the unfavourable position for gas-fired power stations in the merit order versus coal-fired power stations

▪ Very low CO_2 prices and relatively low coal prices have meant that coal-fired power stations are setting the price and as a consequence gas-fired power stations are only producing during a limited amount of hours

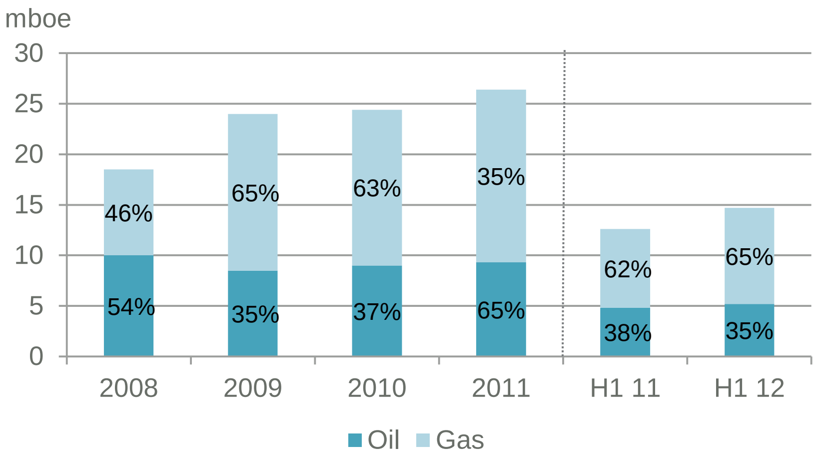
Exploration & Production

Higher prices and production

Share of group EBITDA

52%

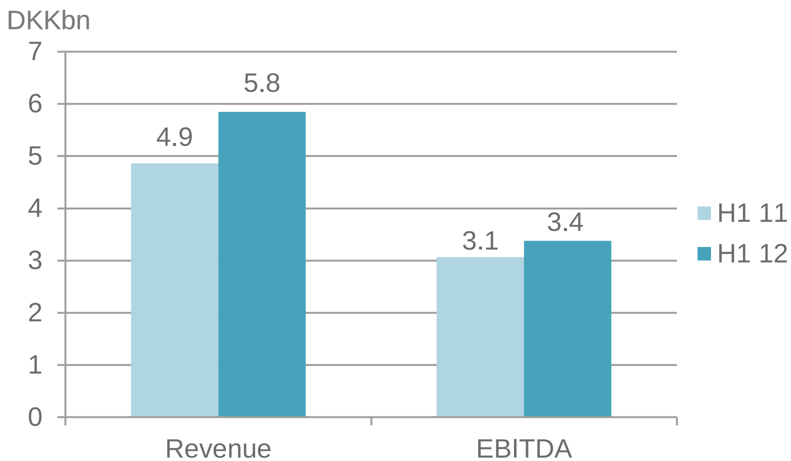
Operational figures



Operational highlights

- Marulk started production in April 2012
- Oselvar started production in April 2012
- Siri repair expected to be extended into 2014 – cost estimate remains unchanged and production from Siri is foreseen to be unaffected during the repair

Financial development



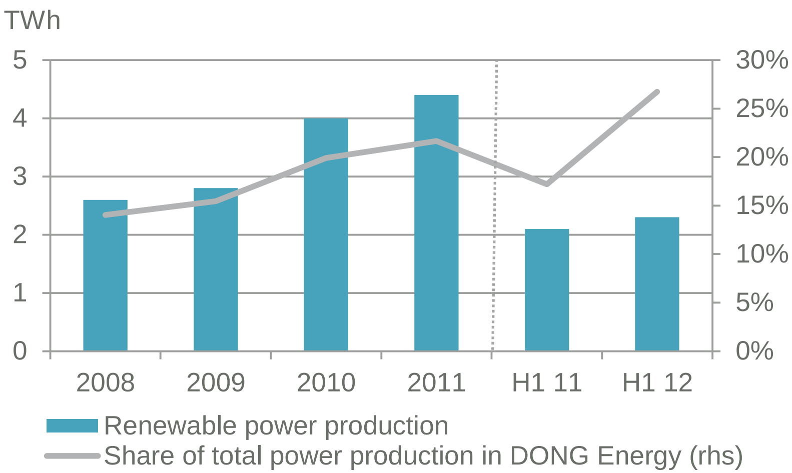
Financial highlights

- EBITDA up 10% to DKK 3.4bn
  - ✓ Higher production (up 17% y/y)
  - ✓ Higher oil & gas prices
  - × Costs related to Siri repair of DKK 0.6bn vs. DKK 0.1bn in H1 11

Wind Power
Contribution from new assets

Share of group EBITDA
23%

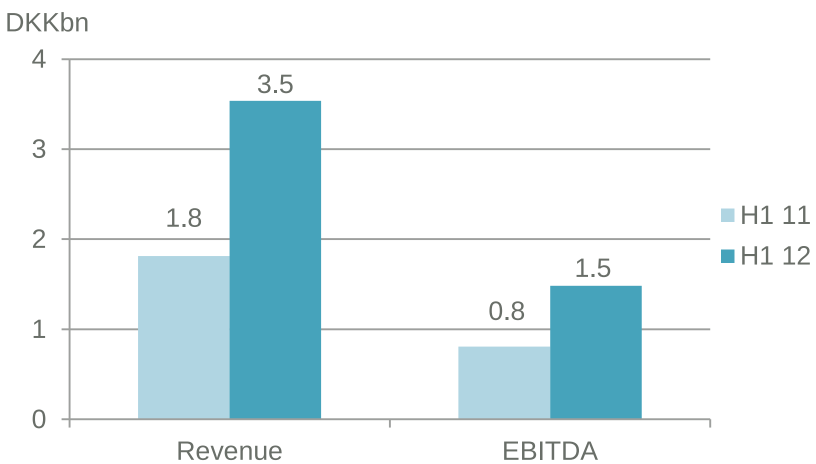
Operational figures



Operational highlights

- Above 25% of power production from renewables
- Walney 2 went into full operation in April 2012
- In H2 12 first power is expected from:
  - Lincs (full commercial operation expected H1 13)
  - London Array (full commercial operation expected H1 13)
  - Anholt (full commercial operation expected H1 13)
- Framework agreement with Siemens for supply & service of 300 offshore wind turbines of 6MW each

Financial development



Financial highlights

- EBITDA up 84% to DKK 1.5bn
  - ✓ Higher production (up 10% y/y)
  - ✓ Revenue recognised from construction agreement with partners on Anholt and Borkum Riffgrund 1 wind farms
  - × Higher costs due to higher operating activity and building up of the business area
- Two-thirds of Wind Power's total revenue stemming from fixed price revenue (and equivalent)

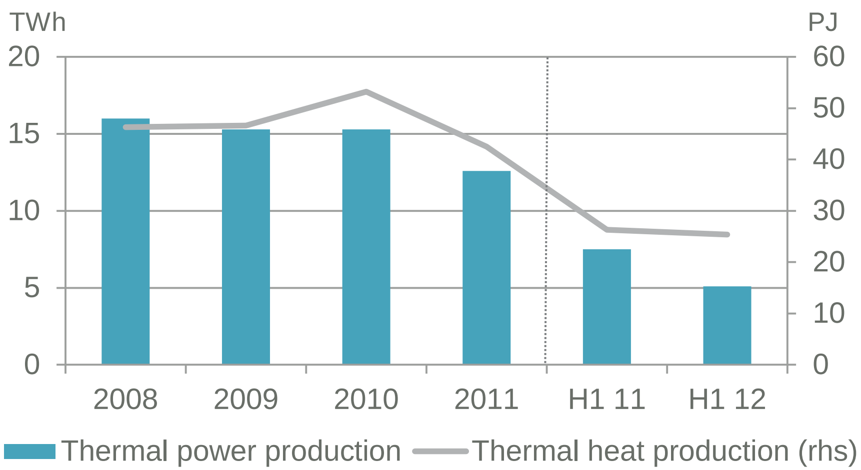
Thermal Power

Lower production and lower GDS

Share of group EBITDA

12%

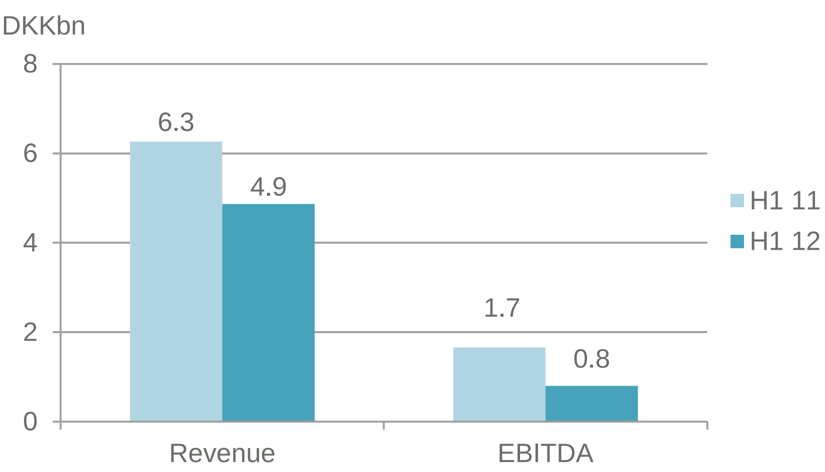
Operational figures



Operational highlights

- Refurbishment of Studstrup coal-fired power station – increases lifetime and enables the station to be converted to firing with biomass
- Lower thermal production from milder weather and higher hydro levels

Financial development



Financial highlights

- EBITDA down 52% to DKK 0.8bn
  - Milder weather and higher hydro levels
    - Lower power production (-32% y/y)
    - Lower heat production (-3% y/y)
    - Falling Green Dark Spread
- Impairment charges on gas-fired power stations totalling DKK 2.0bn

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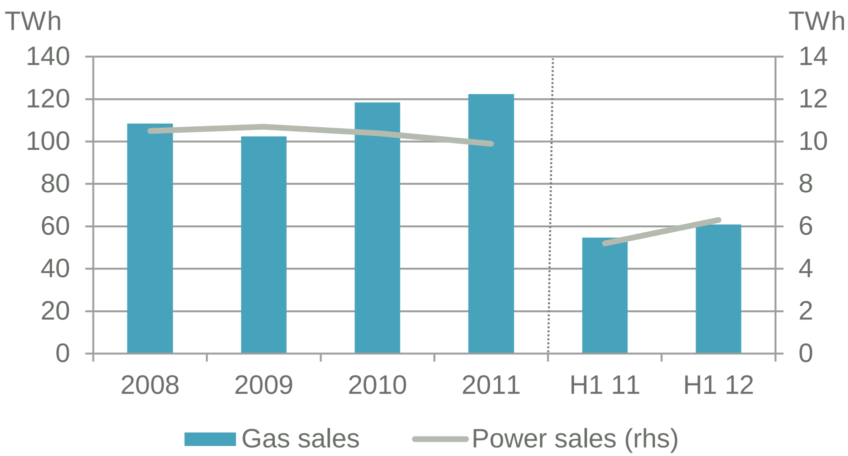
Energy Markets
Lower earnings from gas sales

Share of group EBITDA
-4%

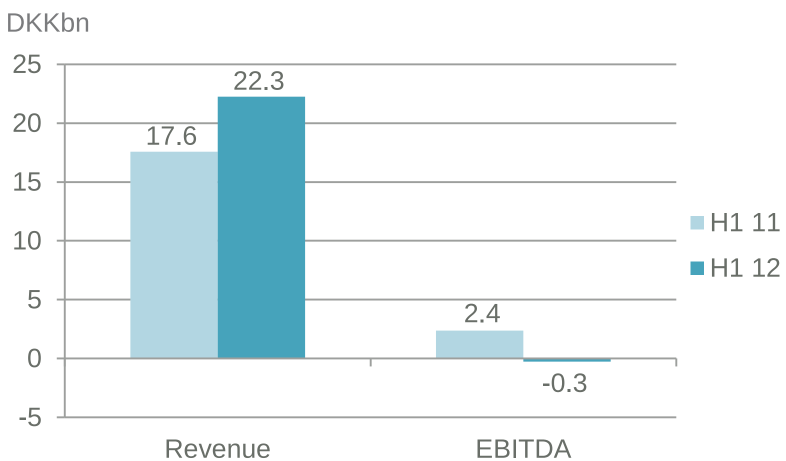
Operational figures



Status on gas business

- Renegotiations ongoing with gas suppliers – DONG Energy expects to obtain similar terms as other large gas purchasers. Though delays are expected in concluding these contracts
- As expected, negative impact from reduced volumes from legacy gas purchase contracts

Financial development



Financial highlights

- EBITDA at DKK -0.3bn vs. DKK 2.4bn in H1 11
  - One off gain on gas contracts renegotiations in H1 11 (DKK 1bn) not repeated in H1 12
  - Low Green Spark Spreads materialising in negative EBITDA contribution from gas-fired power stations (Severn and Enecogen)
  - Increased oil/gas spread impacting gas portfolio through timelag in contracts (despite a high hedging ratio)

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Sales & Distribution
Stable earnings

Share of group EBITDA
17%

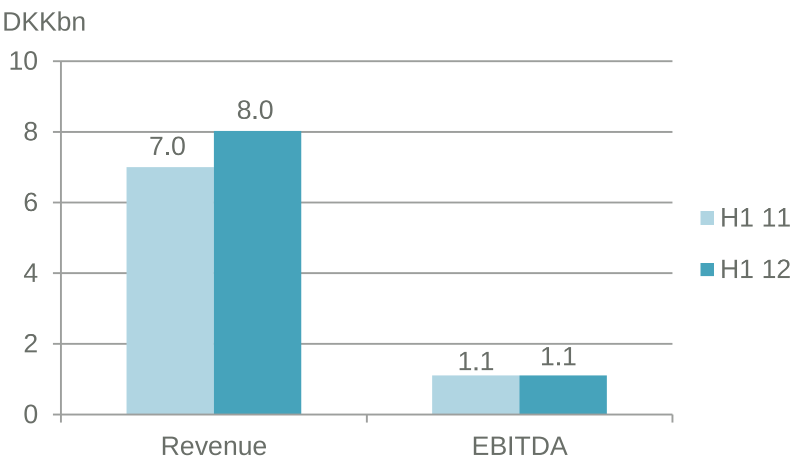
Operational figures

		H1 12	H1 11
Gas sales	TWh	15.3	11.4
Distribution of gas	TWh	5.1	5.9
Power sales	TWh	3.8	3.9
Distribution of power	TWh	4.4	4.5
Transport of oil	Mbbl	34	36

Operational highlights

- Rising gas sales (up 34% y/y) primarily due to the acquisition of Shell Gas Direct, which was completed in May 2012
- Falling distribution of gas from milder weather

Financial development



Financial highlights

- EBITDA stable at DKK 1.1bn
  - ✓ Higher tariffs for power distribution
  - ✓ Lower cost level
  - × Lower margins on gas sales

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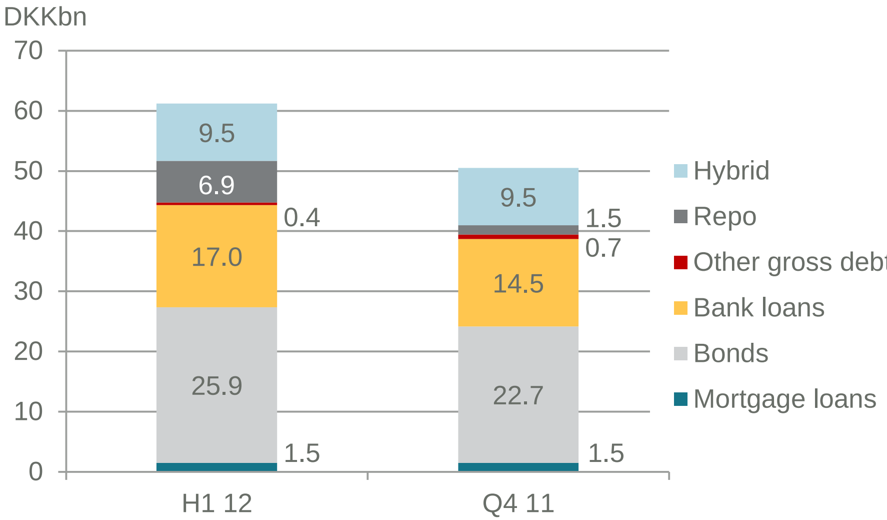
Debt overview

Gross interest-bearing debt and hybrid capital



Net debt: **29.9bn** **23.6bn**

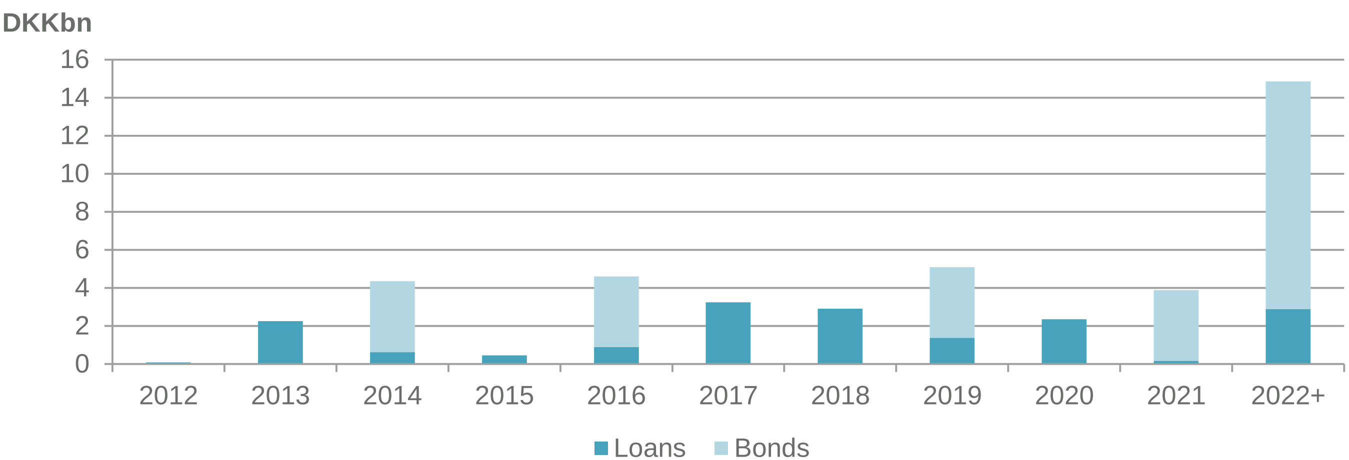
Key ratios loan portfolio (incl. hybrid capital)

	H1 12	**Q4 11**
Share of fixed rate[1]	95%	92%
Duration (years)[2]	9.3	7.7
Average time to maturity (years)[3]	11.4	9.4
Average interest rate[3]	4.0%	4.1%

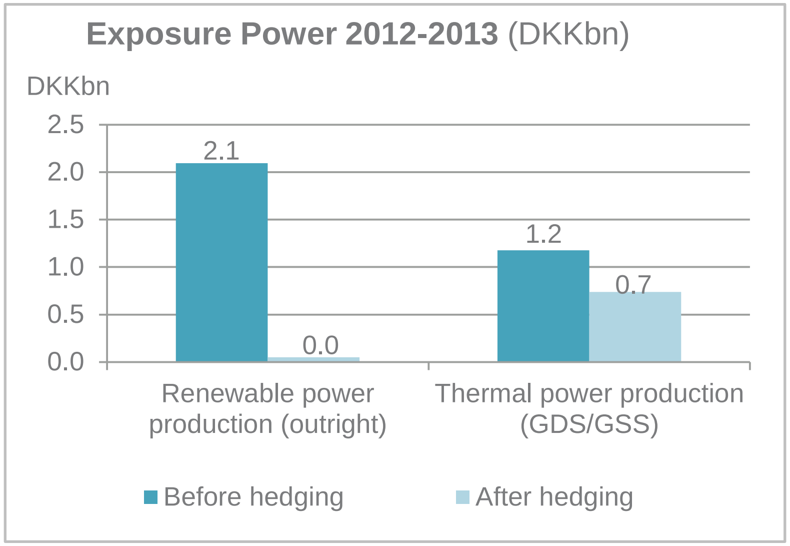
Note (1): Weighted average of loans until matured
Note (2): Weighted average of loans and liquid assets
Note (3): Calculated excluding hybrid capital

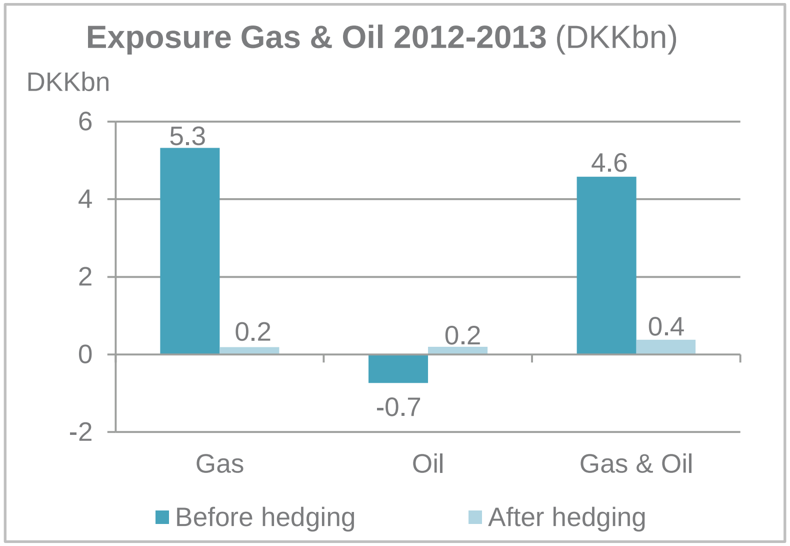
Liquidity reserves (DKKbn)	**H1 12**	**Q4 11**
Liquid assets (unrestricted)	10.4	9.7
Committed borrowing facilities	12.6	13.4
Total	**23.0**	**23.1**

Long term debt maturity schedule at June 30, 2012



Hedging – Limited energy price exposure





Accounting impact

- Despite high hedging ratio, timelag can still give a moderate accounting impact
- Oil indexed gas contracts are priced on oil prices up to 6 months back in time
- Hedging this means the hedge expires at the time of the oil exposure – up to 6 months earlier than the delivery of the gas
- This can result in a timelag for both EBITDA and cash flows
- The impact is significantly smaller than timelag in earlier years (e.g. 2009) as the timelag in contracts today are markedly shorter

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Agenda

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Outlook

EBITDA outlook (new guidance)

EBITDA in 2012 is expected to be around 10% lower than EBITDA in 2011

The new guidance reflects changed expectations for Energy Markets due to a series of factors:

- Very low Green Spark Spreads
- Higher infrastructure costs for gas – primarily German transmission tariffs
- Lower seasonality in gas prices reducing the possibilities of utilising gas storages
- Increased oil/gas spread
- Uncertainty regarding timing of renegotiation of gas contracts

Net investment outlook (unchanged since Q1 12)

Outlook

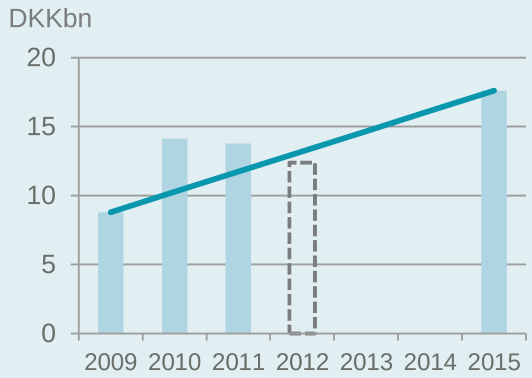
- Around DKK 45bn for 2011-2013

Targets

EBITDA target

Target to:

Double EBITDA from 2009 to 2015 (double to DKK 17.6bn)



- **EBITDA in 2013 still expected to be significantly above 2011 and 2012**
  - ✓ Full year effect from Walney, London Array and Lincs
  - ✓ Full year effect from Oselvar and Marulk
  - ✓ Positive impact from start up of Anholt and the oil & gas field Syd Arne phase 3
  - × Tough market situation incorporated into the expectation

Capital structure targets

Targets

- Adjusted net debt up to 2.5 times EBITDA
  - Due to reduced expectations for EBITDA and the upped expectations to net investments (revised upwards in Q1 12), Adjusted net debt/EBITDA in 2012 is expected to be above the target of 2.5x
  - In 2013, the ratio is again expected to be below the target of 2.5x
- Minimum rating of BBB+/Baa1

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Q&A

For further information please visit our website

dongenergy.com/EN/Investor/

Outlook Market Prices

(average)		Current estimate, 2012 (rest of year)	Estimate, annual report 2011, 9 March 2012	Actual, 6M 2012
Oil, Brent	USD/bbl	97	105	113
Gas, TTF	EUR/MWh	25	23	24
Gas, NBP	EUR/MWh	25	23	24
Electricity, Nord Pool system	EUR/MWh	31	37	33
Electricity, Nord Pool, DK[1]	EUR/MWh	41	46	38
Electricity, EEX	EUR/MWh	44	52	43
Electricity, UK	EUR/MWh	54	53	54
Coal, API 2	USD/tonne	88	112	95
CO_2, EUA	EUR/tonne	6.8	7.1	7.5
Green dark spread, DK[1]	EUR/MWh	8.7	8.2	4.6
Green spark spread, UK	EUR/MWh	2.7	4.6	5.2
Green spark spread, NL	EUR/MWh	(3.9)	2.5	(1.5)
USD exchange rate	DKK/USD	5.9	5.7	5.7

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

[1] Based on average prices in DK1 and DK2.

Business Performance – H1 12

- In H1 12, the difference between Business Performance and IFRS amounted to DKK 0.6bn

Business Performance EBITDA	**DKK 6.6bn**
Adjustments	**DKK 0.6bn**
MtM of financial and physical hedging contracts relating to other periods	*DKK 0.2bn*
Deferred losses/gains relating to financial and physical hedging contracts where the hedged production or trading is recognised in the reporting period	*DKK -0.8bn*
IFRS EBITDA	**DKK 6.0bn**

Dividend, Funding and Rating

Long term capital structure target

- Maintain a minimum rating of BBB+ / Baa1
- Adjusted net interest-bearing debt (1) up to 2.5 times EBITDA

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

Dividend policy

- The payout policy stipulates a distribution of DKK 7.75 per share in 2011. The annual dividend is to increase by DKK 0.25 per share (DKK 73m) in the subsequent years.
- The payout ratio(2) may however not exceed 60% and not to be below 40% of net profit after tax

- The dividend for 2011, paid in 2012, was DKK 1.5bn (DKK 2.2bn)

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 2012*	*June 2012*

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

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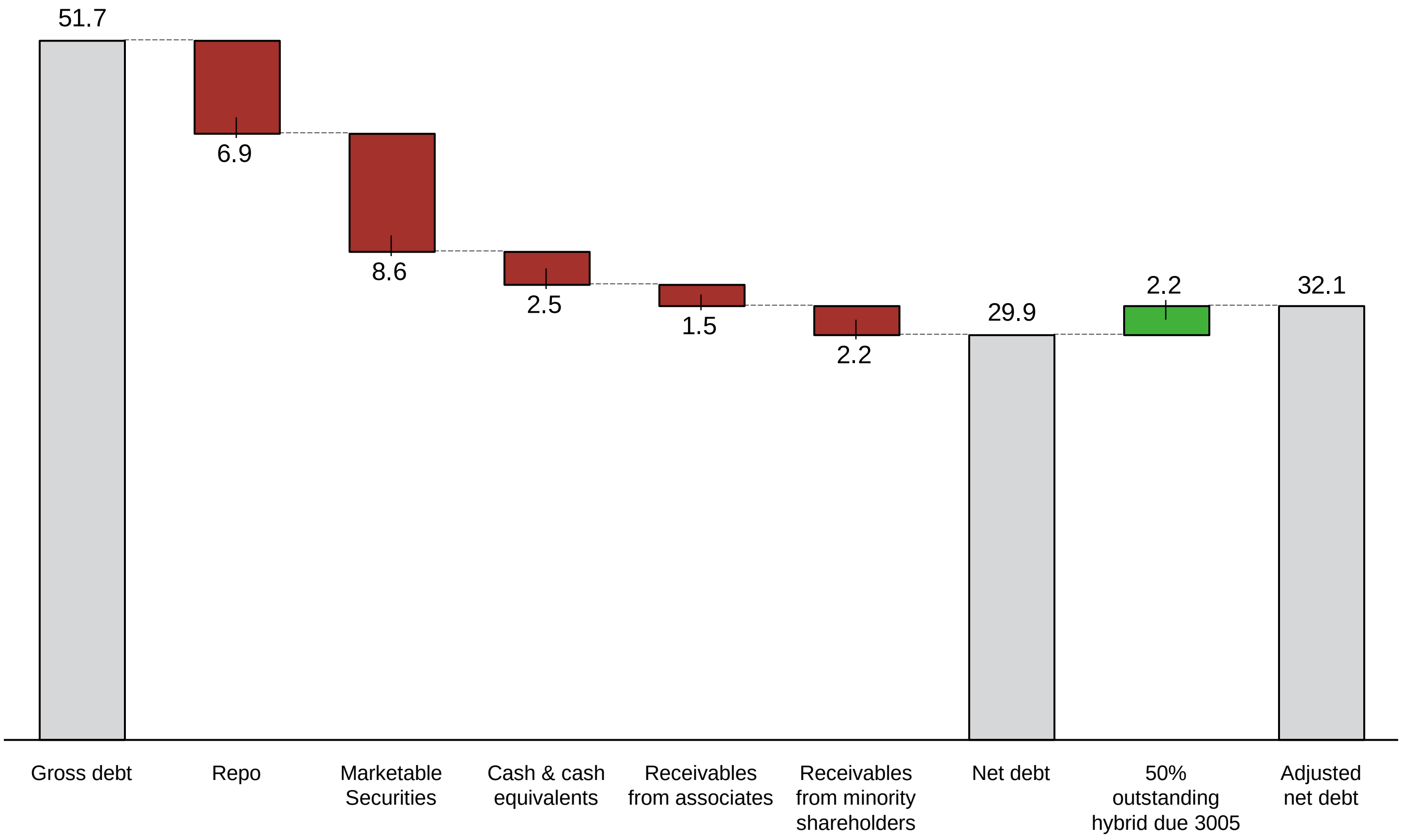
Net debt calculation H1 12



Investments

Investments in H1 12

Cash flow from investing activities	**-12.1bn**
Purchase of securities (add back)	5.6bn
Transactions with non-controlling interest	-0.0bn
Loans to jointly controlled entities (add back)	0.1bn
Other	-0.1bn
Net Investments[1]	**-6.5bn**
Sale of assets and companies	-2.9bn
Transactions with non-controlling interest	0.0bn
Other	0.1bn
Gross investments	**-9.3bn**

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 H1 12

Wind activities:	**DKK 6.4bn**
▪ London Array:	DKK 2.3bn
▪ Walney	DKK 1.5bn
▪ Anholt	DKK 0.8bn
▪ Lincs:	DKK 0.4bn
▪ CT Offshore	DKK 0.2bn
▪ Borkum Riffgrund 1	DKK 0.1bn
Gas and oil fields:	**DKK 2.3bn**
▪ Oselvar:	DKK 0.7bn
▪ Laggan-Tormore	DKK 0.5bn
▪ South Arne phase 3	DKK 0.3bn
▪ Ormen Lange:	DKK 0.3bn
▪ Marulk:	DKK 0.3bn
Other:	**DKK 0.6bn**

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Larger decided construction projects

Larger projects with production start in 2012-2015							
Project	**Type of project**	**Country**	**MW (1)**	**Commercial operation date(2)**	**Own share of project**	**Announced capex (3)**	**Spent capex (4)**
Sea Installer 1	Installation vessel	n.a.	n.a.	2012	51%	USD 70m	USD 51m
London Array(5)	Offshore wind farm	UK	315MW	2013	50%	DKK 8.2bn	DKK 6.2bn
Anholt	Offshore wind farm	DK	200MW	2013	50%	DKK 5bn	DKK 2.3bn
Lincs(5)	Offshore wind farm	UK	67.5MW	2013	25%	DKK 1.5bn	DKK 1.0bn
Syd Arne phase 3	Oil/gas field	DK	n.a.	2013	36.8%	DKK 2.7bn(6)	DKK 0.8bn
Laggan-Tormore	Oil/gas field	UK	n.a.	2014	20%	DKK 4.3bn	DKK 1.9bn
Borkum Riffgrund 1	Offshore wind farm	DE	139MW	2014	50%	EUR 0.6bn	DKK 0.3bn
West of Duddon Sands(5)	Offshore wind farm	UK	194.5MW	2014	50%	DKK 5.7bn	DKK 0.4bn
Sea Installer 2	Installation vessel	n.a.	n.a.	2014	51%	DKK 0.9bn	DKK 0.2bn
Hejre	Oil/gas field & Terminal	DK	n.a.	2015	60%	DKK 9.2bn	DKK 0.3bn

Note (1): DONG Energy's share of MW.
Note (2): Commercial Operation Date (COD). First power may occur up to one year prior to COD.
Note (3): DONG Energy's share of capex (at prevailing exchange rates on announcement date)
Note (4): DONG Energy's share of capex as at 30 June 2012 (at exchange rates as of 30 June 2012)
Note (5): Expected proceeds from sale of transmission assets subtracted from capex
Note (6): Additional capex following acquistion of Noreco's share in South Arne field is added (DKK 0.2bn)

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