

INTERIM FINANCIAL REPORT

FIRST HALF-YEAR 2007

Revenue

18,167 DKK
million

EBITDA

4,808 DKK
million

Profit after tax

2,103 DKK
million

The Supervisory Board has today approved the interim financial report for the first half of 2007 with the following main items:

- First-half 2007 revenue was DKK 18,167 million compared with DKK 14,032 million in the first half of 2006. Second-quarter 2007 revenue was DKK 7,560 million compared with DKK 5,848 million in the second quarter of 2006
- First-half 2007 EBITDA was DKK 4,808 million compared with DKK 4,793 million in the first half of 2006. Second-quarter 2007 EBITDA was DKK 1,646 million compared with DKK 1,445 million in the second quarter of 2006
- First-half 2007 EBIT was DKK 2,458 million compared with DKK 3,808 million in the first half of 2006. Second-quarter 2007 EBIT was DKK 533 million compared with DKK 977 million in the second quarter of 2006
- First-half 2007 profit after tax was DKK 2,103 million compared with DKK 3,170 million in the first half of 2006. Profit after tax in the first half of 2007 benefited from non-recurring income of DKK 404 million versus DKK 188 million in the first half of 2006. Second-quarter 2007 profit after tax was DKK 848 million compared with DKK 1,087 million in the second quarter of 2006
- First-half 2007 operating cash inflow was DKK 5,708 million versus DKK 4,270 million in the first half of 2006. First-half 2007 investing activities absorbed DKK 10,364 million compared with DKK 8,870 million in the first half of 2006. The principal investments were the balance of DKK 6,675 million payable to the City of Copenhagen for the acquisition of KE Holding, the acquisition of ConocoPhillips' activities in Denmark, further investments in the Ormen Lange project, underground installation of power cables in North Zealand, international wind power activities, partly offset by the disposal of the gas storage facility near LI. Torup and property in Copenhagen
- The full-year outlook for EBITDA is DKK 7.9-8.3 billion and the outlook for profit after tax is DKK 2.2-2.6 billion

Interim financial report – first half-year 2007

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CONSOLIDATED FINANCIAL HIGHLIGHTS

	1 half-year 2007	1 half-year 2006	Q2 2007	Q2 2006	2006
DKK million		(Unaudited)	(Unaudited)	(Unaudited)	
Revenue	18,167	14,032	7,560	5,848	35,914
EBITDA¹	4,808	4,793	1,646	1,445	8,950
EBITDA margin (%)	26	34	22	25	25
EBIT	2,458	3,808	533	977	5,691
EBIT margin (operating margin) (%)	14	27	7	17	16
Financial items, net	(249)	(139)	(69)	(9)	(592)
Profit for the period	2,103	3,170	848	1,087	5,039
Free cash flow to equity (with acquisitions) ²	(4,656)	(4,600)	(6,376)	(2,157)	360
Free cash flow to equity (without acquisitions) ³	2,277	4,689	389	2,821	14,302
EBITDA restated to reflect special hydrocarbon tax ⁴	4,930	4,619	1,767	1,356	8,727
Assets	94,680	72,836	94,680	72,836	106,154
Additions to property, plant and equipment	5,797	1,283	4,169	827	5,281
Interest-bearing assets ⁵	5,440	7,329	5,440	7,329	9,981
Interest-bearing debt ⁶	23,592	19,017	23,592	19,017	27,760
Net interest-bearing debt	18,152	11,688	18,152	11,688	17,779
Equity (incl. hybrid capital)	41,896	39,302	41,896	39,302	42,390
Capital employed ⁷	59,666	51,327	59,666	51,327	59,359
Financial gearing ⁸	0.43	0.30	0.43	0.30	0.42

Note 1 : Earnings before interest, tax, depreciation and amortisation

Note 2 : Cash flows from operating activities and investing activities

Note 3 : Cash flows from operating activities and investing activities, excluding cash flows from acquisitions/disposals of enterprises. The purchase price for ConocoPhillips' activities in Denmark is recognised as an acquisition

Note 4 : EBITDA restated to reflect the special hydrocarbon taxes that follow from the Group's oil and gas exploration and production

Note 5 : Interest-bearing assets include bank overdrafts

Note 6 : Interest-bearing debt is exclusive of bank overdrafts

Note 7 : Equity +/- losses/gains in respect of hedging instruments on equity + net interest-bearing debt

Note 8 : Net interest-bearing debt divided by equity

CONSOLIDATED RESULTS AND OUTLOOK

The electricity activities from the City of Copenhagen and the Municipality of Frederiksberg featured as subsidiaries in DONG Energy's consolidated financial statements from 1 May 2006. Elsam, Energi E2 and Nesa featured as subsidiaries in the consolidated financial statements from 1 July 2006. However, profit shares from Elsam, Energi E2 and Nesa were included in income from associates for parts of or the whole of the first half of 2006.

FIRST-HALF CONSOLIDATED RESULTS

Revenue

First-half 2007 revenue was DKK 18,167 million compared with DKK 14,032 million in the first half of 2006. Excluding acquired electricity companies, revenue was down DKK 3,626 million, due mainly to lower oil production and gas sales than in the first half of 2006. Oil production fell by 2.3 million boe (barrels of oil equivalent) to 5.1 million boe, mainly reflecting a natural decline in production from mature fields and postponement of production due primarily to testing of new drilling technology. Natural gas sales fell by 1,120 million m³ to 3,431 million m³. The first half of 2007 was characterised by mild weather in Denmark and Europe, and the resulting fall in demand led to an oversupply of gas and consequently lower gas prices on gas hubs. Large wholesale customers reduced their purchases from DONG Energy and probably instead bought gas on gas hubs. At the same time, DONG Energy significantly reduced its sales on the TTF gas hub. The TTF hub gas price averaged EUR 10.8/MWh versus EUR 22.6/MWh in the first half of 2006, down 52%.

The lower oil prices and the lower USD exchange rate compared with the first half of 2006 also reduced revenue. The oil price (Brent) averaged USD 63.3/bbl in the first half of 2007 versus USD 65.8/bbl in the first half of 2006, down 4%. The USD exchange rate was 8% lower, on average, than in the first half of 2006.

Generation's revenue reflected the very low electricity prices compared with the first half of 2006, driven by the strong hydrobalance in the Norwegian and Swedish water reservoirs. The lower electricity prices led to lower production.

Operating profit

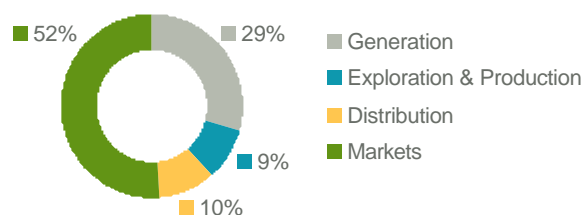
EBITDA was DKK 4,808 million compared with DKK 4,793 million in the first half of 2006. First-half 2007 EBITDA from the acquired electricity companies was DKK 3,006 million compared with DKK 79 million in the first half of 2006.

In the first half of 2006, EBITDA benefited from non-recurring income of DKK 177 million, relating primarily to the disposal of assets.

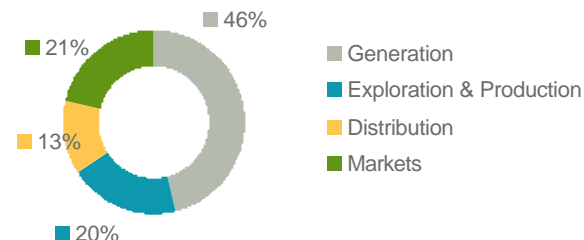
Excluding acquired electricity companies and non-recurring items, EBITDA was down DKK 2,736 million, due mainly to the DKK 3,626 million decline in revenue, which was partly offset by lower costs for natural gas purchases as a result of the decline in sales. EBITDA was also adversely affected by a number of other factors:

- increased exploration costs in Exploration & Production as a result of the expensing of an exploration well on licence PL329 (Cygnum) and the appraisal well on licence PL301 (Mime/Krabbe);
- purchases of gas under purchase contracts with relatively less favourable price indexing than in 2006. DONG Energy buys gas under several types of contracts with different price indexing. The purchases under the

Breakdown of revenue 6 months



Breakdown of EBIT 6 months



individual contracts are made within the gas year, which runs from 1 October to 30 September, but there is some flexibility as to the contracts from which purchases can be made in the individual months of the gas year. Accordingly, the allocation of gas purchases may have a positive effect in some quarters/calendar years, and a negative effect in others. In the first half of 2007, the allocation had a negative effect of approx. DKK 60 million;

- negative time lag effect. The time lag effect arises as a result of the price of oil and the USD exchange rate featuring with different time lags in DONG Energy's main natural gas purchase and sales contracts. Oil price changes consequently impact on selling prices relatively quickly, whereas purchase prices are adjusted with a time lag effect of up to 17 months. The impact of falling prices on the time lag effect depressed EBITDA by approx. DKK 210 million in the first half of 2007;
- increased costs as a result of preparations for the coming IPO.

First-half 2007 EBIT was down DKK 1,350 million despite the DKK 15 million increase in EBITDA. Depreciation in the acquired companies was up DKK 1,554 million. Excluding this, depreciation was down DKK 189 million, due primarily to lower depreciation in Exploration & Production as a result of the lower production in the first half of 2007.

The integration of the acquired companies and the realisation of synergies are proceeding to plan. The migration of electricity customers from KE to DONG Energy's IT systems has been successfully completed. The establishment of a single, standardised IT infrastructure platform for the entire Group and a new ERP system for Generation is also proceeding to plan. Significant synergies have already been realised within purchasing.

Financial items

Financial items amounted to DKK 249 million versus DKK 139 million in the first half of 2006, including interest expense of DKK 311 million net compared with DKK 126 million in the first half of 2006. Interest expense increased as a result of an increase in average interest-bearing debt in the first half of 2007 due to the acquisitions of Elsam, Energi E2, Nesa and the electricity activities from the City of Copenhagen and the Municipality of Frederiksberg in mid-2006. Net interest-bearing debt averaged DKK 17.0 billion compared with DKK 3.6 billion in the first half of 2006. The interest rate element of decommissioning costs increased to DKK 71 million from DKK 26 million in the first half of 2006, reflecting the addition of decommissioning obligations from the acquired companies.

Financial items	1 half-year 2007	1 half-year 2006	Difference
		(Unaudited)	(Unaudited)
DKK million			
Interest income (expense), net	(311)	(126)	(185)
Interest element of abandonment costs	(71)	(26)	(45)
Dividends on equity investments	0	4	(4)
Other	133	9	124
Financial items, net	(249)	(139)	(110)

Income tax

First-half income tax expense was DKK 146 million compared with DKK 1,186 million in the first half of 2006. Corrected for the fact that associates are recognised after tax, tax-free non-recurring items and the DKK 372 million non-recurring effect of the reduction of the Danish tax rate from 28% in 2006 to 25% in 2007, the tax rate was 23% in the first half of 2007 and 34% in the first half of 2006. The tax rate was less than 25% in the first half of 2007 because the hydrocarbon tax rules in Norway led to a low tax rate due to tax deductions relating to capital expenditure in Norway.

Profit after tax

First-half 2007 profit after tax was DKK 2,103 million compared with DKK 3,170 million in the first half of 2006. First-half 2007 profit benefited from non-recurring income of DKK 404 million, DKK 372 million of which related to the reduction of the tax rate and DKK 32 million to a subsequent adjustment of the profit on the disposal of the gas storage facility near LI. Torup in 2006. First-half 2006 profit after tax included non-recurring items of DKK 188 million (DKK 200 million before tax).

Excluding non-recurring items, profit was DKK 1,283 million down on the first half of 2006, primarily reflecting the DKK 1,173 million reduction in EBIT before non-recurring items, higher financial expenses due to higher net interest bearing debt, and a fall in profit shares from associates (mainly from acquired electricity companies) in the first half of 2006.

Cash flows

First-half 2007 operating cash inflow was DKK 5,708 million compared with DKK 4,270 million in the first half of 2006. The increase primarily reflected slightly higher EBITDA, a DKK 1,013 million reduction in funds tied up in working capital in the first half of 2007 compared with a DKK 798 million increase in the first half of 2006, and lower tax payments (in the first half of 2007, tax came to a net reimbursement of DKK 64 million). The reduction in funds tied up in working capital in the first half of 2007 was due primarily to inventory reductions and a decrease in trade receivables as a result of the decline in revenue, while the increase in funds tied up in working capital in the first half of 2006 related mainly to a reduction in trade payables.

However, the increase was partly offset by higher interest expense, and a DKK 225 million EBITDA adjustment, compared with DKK 621 million in the first half of 2006, primarily relating to the expensing of previously incurred drilling costs in the first half of 2007 and the reversal of value adjustments of unrealised hedging instruments in the first half of 2006.

First-half 2007 investing activities absorbed DKK 10,364 million compared with DKK 8,870 million in the first half of 2006. The principal investments were the balance payable to the City of Copenhagen for the acquisition of KE Holding (outflow of DKK 6,675 million), the acquisition of ConocoPhillips' activities in Denmark (outflow of DKK 1,748 million), further investments in the Ormen Lange project (outflow of DKK 384 million), development of oil and gas fields and infrastructure (outflow of DKK 1,175 million), underground installation of power cables in North Zealand (outflow of DKK 269 million), international wind power activities (outflow of DKK 1,273 million), partly offset by the disposal of the gas storage facility near Ll. Torup (inflow of DKK 1,490 million), property in Copenhagen (inflow of DKK 363 million) and the final payment from Vattenfall relating to the acquisition of activities from Elsam and Energi E2 (inflow of DKK 140 million). Investing activities in the first half of 2006 related primarily to the acquisition of the electricity activities in the City of Copenhagen and the Municipality of Frederiksberg, a further 39% of the shares in Elsam, 30% of the shares in Energi E2 and investment in the Ormen Lange and Langed projects.

Equity

Equity stood at DKK 41,896 million at 30 June 2007 versus DKK 42,390 million at the end of 2006. The reduction reflected the fact that the dividends paid to the shareholders and the holders of hybrid capital exceeded profit for the period.

Balance sheet

The balance sheet total was DKK 94,680 million at 30 June 2007 compared with DKK 106,154 million at the end of 2006. The reduction primarily reflected a reduction in gross debt and cash, and a reduction in the gross items relating to financial hedging instruments.

Net interest-bearing debt was DKK 18,152 million at 30 June 2007 compared with DKK 17,779 million at the end of 2006.

SECOND-QUARTER CONSOLIDATED RESULTS

Revenue

Second-quarter 2007 revenue was DKK 7,560 million compared with DKK 5,848 million in the second quarter of 2006. Excluding acquired electricity companies, revenue was down DKK 1,423 million, due mainly to lower oil production and gas sales. Oil production was 1.0 million boe (barrels of oil equivalent) down on the second quarter of 2006, reflecting the fact that large parts of production come from mature fields, where production is naturally diminishing, and the postponement of production due primarily to testing of new drilling technology.

Gas sales were 761 million m³ down on the second quarter of 2006, mainly due to the mild weather, which resulted in lower demand for gas and led to reduced gas hub prices. The lower hub prices led to falling sales to large wholesale customers and reduced sales on the Dutch gas hub (TTF). The TTF gas price for the quarter averaged EUR 10.4/MWh, down 48% on 2006.

Furthermore, the oil price (Brent) and the USD exchange rate were 1% and 7% down, on average, on the second quarter of 2006.

Operating profit

Second-quarter 2007 EBITDA was DKK 1,646 million compared with DKK 1,445 million in the second quarter of 2006. Second-quarter 2007 EBITDA from the acquired electricity companies was DKK 865 million compared with DKK 79 million in the second quarter of 2006.

Excluding acquired electricity companies, EBITDA was down DKK 585 million. The fall reflected the DKK 1,423 million decline in revenue, higher exploration costs following the expensing of appraisal wells on the PL301 licence (Mime/Krabbe), more costly gas purchases as a result of purchases under purchase contracts with relatively less favourable price indexing than in 2006. These adverse effects were partly offset by lower costs for natural gas purchases due to lower gas volumes sold.

Second-quarter 2007 EBIT was down DKK 444 million despite the DKK 201 million increase in EBITDA. Depreciation in the acquired companies was up DKK 702 million. Excluding this, depreciation was down DKK 57 million, due primarily to lower depreciation in Exploration & Production as a result of the lower production in the second quarter of 2007.

Financial items

Second-quarter 2007 financial items amounted to a net charge of DKK 69 million versus DKK 9 million in the second quarter of 2006, including interest expense of DKK 137 million net compared with DKK 102 million in the second quarter of 2006. Interest expense benefited from a DKK 20 million interest reimbursement related to the sale of the LI. Torup gas storage facility, but increased as a result of higher average net interest-bearing debt relating to the acquisitions of Elsam, Energi E2, Nesa and the electricity activities from the City of Copenhagen and the Municipality of Frederiksberg in mid-2006. Net interest-bearing debt averaged DKK 17.1 billion in the second quarter of 2007 compared with DKK 8.0 billion in the second quarter of 2006.

Financial items	Q2 2007	Q2 2006	Difference
DKK million	(Unaudited)	(Unaudited)	(Unaudited)
Interest income (expense), net	(137)	(102)	(35)
Interest element of abandonment costs	(45)	(13)	(32)
Dividends on equity investments	0	4	(4)
Other	113	102	11
Financial items, net	(69)	(9)	(60)

Income tax

Tax on profit for the second quarter of 2007 was income of DKK 371 million compared with a DKK 362 million tax charge in the second quarter of 2006. The reduction of the Danish tax rate from 28% in 2006 to 25% in 2007 had a non-recurring effect of DKK 372 million in the quarter relating to a reduction in deferred tax. Corrected for the fact that associates are recognised after tax, tax-free non-recurring items, and the non-recurring effect relating to the reduction in the tax rate, the tax rate for the second quarter of 2007 was 0% compared with 37% in the second quarter of 2006. The tax rate was less than 25% in the second quarter of 2007 because the hydrocarbon tax rules in Norway led to a very low tax rate due to tax deductions relating to capital expenditure in Norway.

Profit after tax

Second-quarter 2007 profit after tax was DKK 848 million compared with DKK 1,087 million in the second quarter of 2006. The second quarter of 2007 featured non-recurring items of DKK 404 million compared with DKK 23 million in the second quarter of 2006.

Excluding non-recurring items, second-quarter 2007 profit was DKK 620 million down on the second quarter of 2006, primarily reflecting the lower EBIT of DKK 444 million, a reduction in profit shares from associates (primarily from acquired electricity companies) in the second quarter of 2007, and higher financial expenses.

Cash flows

Operating cash inflow for the period was DKK 2,747 million compared with DKK 1,989 million in the second quarter of 2006. The increase primarily reflected higher EBITDA and a positive net effect from working capital changes and other EBITDA adjustments. However, the increase was partly offset by higher interest expense.

Investing activities absorbed DKK 9,123 million compared with DKK 4,146 million in the second quarter of 2006. The principal investments were the balance payable to the City of Copenhagen for the acquisition of KE Holding (outflow of DKK 6,675 million), the balance payable for the acquisition of ConocoPhillips' activities in Denmark (outflow of DKK 1,580 million), further investments in the Ormen Lange project (outflow of DKK 193 million), development of oil and gas fields and infrastructure (outflow of DKK 709 million), underground installation of power cables in North Zealand (outflow of DKK 146 million), international wind power activities (outflow of DKK 892 million), partly offset by the disposal of the LI. Torup gas storage facility (inflow of DKK 1,490 million). Investing activities in the second quarter of 2006 related primarily to the acquisition of the electricity activities in the City of Copenhagen and the Municipality of Frederiksberg, a further 21% of the shares in Elsam, 30% of the shares in Energi E2 and investment in the Ormen Lange and Langed projects.

OUTLOOK FOR 2007

Assumptions for 2007 outlook

DONG Energy's financial results are affected by developments in a number of commodity prices, including oil, gas, power, coal and CO₂ Certificates, as well as exchange rate movements, in particular the U.S. Dollar. Specifically, the forecast for the remainder of the year is based on the following assumptions (average prices for the remainder of the year):

- Crude oil: \$70 per barrel;
- TTF gas hub price: 13.7 EUR per MWh;
- Power (Nord Pool - System price): €30 per MWh;
- CO₂ Certificates: close to €0 per ton; and
- USD exchange rate: DKK 5.5 to the U.S. Dollar.

The market price of coal for the remainder of 2007 only has a small impact on results of operations as nearly all of the coal anticipated to be used in 2007 has already been purchased.

It is expected that it will be more advantageous to buy the relatively more costly gas under DONG Energy's natural gas purchase contract portfolio with DUC in 2007, which is estimated to have a negative effect on EBITDA of approximately DKK 0,2 billion in 2007. In addition changes in oil prices are reflected with different time lags in a number of DONG Energy's natural gas purchase and sales contracts. This time lag effect can have a significant influence on the results. In 2007 the time lag is estimated to have a negative impact of DKK 0,1 billion on our EBITDA.

Results from the power generation activities will be negatively affected by the one-off amortization in full of DKK 1.1 billion relating to the CO₂ Certificates for 2007 which had been allocated to Elsam and Energi E2. This is a non cash accounting effect.

The impact of the reduction in the Danish income tax rate from 28% to 25 % has improved the forecasted result compared with 2006. The one-off positive effect from the reduction of the net deferred tax liability amounted to DKK 372 million. This is a non cash accounting effect.

Outlook for 2007

Based on the commodity price and currency exchange rate and other assumptions outlined above, EBITDA for 2007 is expected to be in the range of DKK 7.9 - 8.3 billion and profit after tax for 2007 is expected to be in the range of DKK 2.2 -2.6 billion.

EVENTS AFTER THE BALANCE SHEET DATE

■ Renewable assets in Spain and Portugal sold to E.ON

On 7 August, DONG Energy entered into an agreement to sell Energi E2 Renovables Ibericas S.L. (E2-I) to E.ON for EUR 722 million (enterprise value). The disposal is in accordance with DONG Energy's strategic focus on Northern Europe.

E2-I has wind, hydro and biomass generation facilities in operation in Spain and Portugal with net installed capacity of approx. 260 MW, as well as further wind power projects. At 31 December 2006, the E2-I group had total consolidated net interest-bearing debt of approx. EUR 110 million (excluding debt to affiliated companies).

The activities in Spain and Portugal are included at 30 June 2007 in the items "assets held for sale" and "liabilities relating to assets held for sale". The transaction is not expected to give rise to any material gains or losses.

Forward-looking statements

The interim financial report contains forward-looking statements, which include projections of financial performance in 2007. 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 report due to a variety of factors, including, but not limited to, the development in the oil, gas, electricity, coal, CO₂, currency and interest rate markets; changes in legislation, regulation or standards; changes in the competitive situation in DONG Energy's markets; security of supply; and integration of acquired activities.

DONG ENERGY'S SEGMENTS

GENERATION

Financial highlights, Generation	1 half-year 2007	1 half-year 2006	Q2 2007	Q2 2006
DKK million		(Unaudited)	(Unaudited)	(Unaudited)
Power generation (GWh)	9,744	109	4,169	59
Heat generation (TJ)	25,363	0	8,967	0
Revenue	6,493	68	2,794	38
- including thermal heat revenue	1,162	0	482	0
EBITDA	2,463	31	655	18
EBIT	1,206	3	98	2
Investments	1,876	104	1,317	104

The acquired companies Energi E2 and Elsam are recognised from 1 July 2006 and consequently do not feature in the figures for the first half of 2006.

Production

First-half 2007 power generation was 9,744 GWh versus 109 GWh in the first half of 2006. The increase was due to the fact that the acquired companies did not feature in the first half of 2006. First-half thermal energy production was 25,363 TJ, generating revenue of DKK 1,162 million.

Second-quarter power generation amounted to 4,169 GWh compared with 59 GWh in the second quarter of 2006. The increase reflected the fact that the acquired companies did not feature in the second quarter of 2006.

Revenue

First-half 2007 revenue was DKK 6,493 million versus DKK 68 million in the first half of 2006. Excluding the acquired companies, revenue was DKK 54 million ahead, reflecting better wind conditions and higher production from the Barrow wind farm, which was in the start-up phase in the first half of 2006.

Second-quarter revenue amounted to DKK 2,794 million versus DKK 38 million in the second quarter of 2006.

Operating profit - EBIT

First-half 2007 EBIT amounted to DKK 1,206 million, with the acquired companies contributing DKK 1,168 million. Excluding the acquired companies, EBIT was DKK 35 million ahead, reflecting the increase in revenue.

Second-quarter EBIT was DKK 98 million and was attributable almost exclusively to the acquired companies. Second-quarter 2006 EBIT was DKK 2 million.

Due to the very low electricity prices, power generation from thermal power was substantially lower in the first half 2007 than in the first half of 2006, when, however, the acquired companies did not feature. The low electricity prices resulted in a low contribution margin from coal-based production and consequently low power generation. The Nord Pool system price averaged EUR 24.6/MWh in the first half, down 45% on the first half of 2006. However, the negative effect from the low prices was partly offset by hedging transactions.

Capital expenditure

First-half capital expenditure totalled DKK 1,876 million and related primarily to the wind farms at Burbo Banks (DKK 611 million) and Gunfleet Sands (DKK 423 million), development of wind projects in Spain (DKK 229 million), plant life extension and maintenance investments at the Danish power stations (DKK 284 million) and the construction of a gas-fired power station near Mongstad in Norway (DKK 164 million). The Burbo Banks project is proceeding to plan, and the wind farm is scheduled to go on stream in October.

Second-quarter capital expenditure totalled DKK 1,317 million and also related to the Burbo Banks and Gunfleet Sands wind farms, plant life extension and maintenance investments at the Danish power stations and the construction of a gas-fired power station near Mongstad in Norway.

Disposal of activity

On 7 August, DONG Energy entered into an agreement with E.ON on the sale of its activities within renewable energy in Spain and Portugal with a net installed capacity of approx. 260 MW.

EXPLORATION & PRODUCTION

Financial highlights, Exploration & Production DKK million	1 half-year 2007	1 half-year 2006 (Unaudited)	Q2 2007 (Unaudited)	Q2 2006 (Unaudited)
Oil & gas production (million boe)	5.1	7.4	2.4	3.4
Oil transportation, DK (million bbl)	49.8	53.7	25.3	26.7
Revenue	2,094	2,954	1,027	1,336
EBITDA	897	2,117	424	916
EBIT	522	1,599	252	706
Investments	3,307	1,104	2,482	639

Production

First-half 2007 production was 5.1 million boe (barrels of oil equivalent) compared with 7.4 million boe in the first half of 2006. The decline reflected naturally diminishing production from mature fields and the postponement of production due partly to experiments with new drilling technology on the Siri field, and partly to technical difficulties related to production on the Syd Arne field.

Danish fields accounted for 57% of first-half 2007 production and the Norwegian fields for 43%.

Second-quarter production was 2.4 million boe compared with 3.4 million boe in last year's second quarter. The reduction reflected naturally diminishing production from mature fields and the production difficulties referred to above.

Revenue

First-half 2007 revenue was DKK 2,094 million, down from DKK 2,954 million in the first half of 2006 due to the decline in production referred to in the foregoing and lower oil prices and exchange rates (USD) compared with the first half of 2006, which, however, were partly offset by a positive effect of hedging transactions.

Second-quarter 2007 revenue was DKK 1,027 million compared with DKK 1,336 million in the second quarter of 2006. The decline was due to the above-mentioned decline in production, lower oil prices and exchange rates (USD) compared with the first half of 2006, which, however, were offset by a positive effect of hedging transactions.

Operating profit - EBIT

First-half EBIT was DKK 522 million compared with DKK 1,599 million in the first half of 2006. Excluding non-recurring items, EBIT was DKK 943 million down in the first half of 2007. Besides the decline in revenue referred to in the foregoing, the lower EBIT reflected costs related to technical production difficulties, expensing of the Cygnus exploration well on the PL329 licence, and the appraisal wells on the PL301 (Mime/Krabbe) licence.

Second-quarter EBIT was DKK 252 million compared with DKK 706 million in the second quarter of 2006. The lower EBIT reflected the decline in revenue, costs related to technical production difficulties, and expensing of the appraisal wells on the PL301 licence (Mime/Krabbe). The Mime/Krabbe finds are still being appraised, but production has proved more technically challenging than first assumed.

Capital expenditure/Exploration

First-half 2007 capital expenditure was DKK 3,307 million versus DKK 1,104 million in the first half of 2006. Second-quarter 2007 capital expenditure was DKK 2,482 million compared with DKK 639 million in the second quarter of 2006. The higher level of capital expenditure in 2007 reflects the acquisition of ConocoPhillips' activities in Denmark (DKK 1,748 million).

First-half 2007 and second-quarter 2007 capital expenditure on the Norwegian Ormen Lange gas field was DKK 286 million and DKK 139 million, respectively. Phase 1 of the Ormen Lange and Langeled project was 97% complete at 30 June 2007 and is scheduled to go on stream in October as planned. Other capital expenditure on development of oil and gas fields and infrastructure amounted to DKK 1,175 million in the first half of 2007.

The latest appraisal well on the Rosebank find, which is situated approx. 160 km west of the Shetland Islands, was completed on 16 July following a highly successful trial production test. DONG Energy has a 10 per cent stake in this find, which is located at a water depth of 1,100 m.

The appraisal well is the second of three appraisal wells carried out by the Transocean Rather rig. The rig is now in the process of drilling the third appraisal well on the find.

The three appraisal wells, which were commenced in October 2006, are scheduled for completion by November 2007. At that time, the results of the analyses will form the basis for the planning of the future exploitation, if any, of the oil find.

DISTRIBUTION

Financial highlights, Distribution	1 half-year 2007	1 half-year 2006	Q2 2007	Q2 2006
DKK million		(Unaudited)	(Unaudited)	(Unaudited)
Power distribution (GWh)	4,640	503	2,123	503
Natural gas distribution (million m ³)	441	568	152	191
Revenue	2,220	695	1,056	409
EBITDA	807	466	363	194
EBIT	335	226	106	53
Investments	617	98	337	76

The electricity distribution activities from the City of Copenhagen and the Municipality of Frederiksberg are recognised from 1 May 2006, and consequently only feature with two months in the first half of 2006. Corresponding activities from Nesa are recognised at 1 July and consequently do not feature in the first half of 2006. The LI. Torup gas storage facility does not feature in the first half of 2007 as a result of the disposal thereof in the second half of 2006.

Sales

First-half 2007 gas distribution amounted to 441 million m³, down 127 million m³ on the first half of 2006 due to milder weather. Measured in degree days, the first half of 2007 was 24% warmer than the first half of 2006. First-half 2007 electricity distribution was 4,640 GWh compared with 503 GWh in the first half of 2006. The increase primarily reflected the fact that the acquired companies featured to a limited extent only in the first half of 2006.

The gas volume distributed in the second quarter of 2007 amounted to 152 million m³, 39 million m³ less than in the second quarter of 2006. The decrease was due to the milder weather. Measured in degree days, the second quarter of 2007 was 21% warmer than the second quarter of 2006. Second-quarter 2007 electricity distribution was 2,123 GWh compared with 503 GWh in the second quarter of 2006. The increase primarily reflected the fact that the acquired companies featured to a limited extent only in the second quarter of 2006.

Revenue

First-half 2007 revenue amounted to DKK 2,220 million compared with DKK 695 million in the first half of 2006. The acquired companies contributed DKK 1,866 million in the first half of 2007 compared with DKK 202 million in the first

half of 2006. Revenue from the gas activities was DKK 139 million down on the first half of 2006 due to lower distributed volumes and the disposal of the gas storage facility near LI. Torup.

Second-quarter 2007 revenue amounted to DKK 1,056 million compared with DKK 409 million in the second quarter of 2006. The acquired companies contributed DKK 917 million in the second quarter of 2007 compared with DKK 202 million in the second quarter of 2006. Revenue from the gas activities was DKK 68 million down on the second quarter of 2006 due to lower distributed volumes and the disposal of the gas storage facility near LI. Torup.

Operating profit - EBIT

First-half EBIT was DKK 335 million compared with DKK 226 million in the first half of 2006. The acquired companies contributed DKK 253 million in the first half of 2007, and non-recurring income from the sale of cushion gas in March 2006 amounted to DKK 43 million. Excluding the non-recurring income, EBIT from the gas activities was DKK 83 million down on the first half of 2006, reflecting the lower revenue, partly offset by lower costs and lower depreciation as a result of the disposal of the gas storage facility near LI. Torup.

Second-quarter 2007 EBIT amounted to DKK 106 million compared with DKK 53 million in the second quarter of 2006. The acquired companies contributed DKK 110 million in the second quarter of 2007. EBIT from the gas activities was DKK 40 million down on the second quarter of 2006 due to lower revenue, partly offset by lower costs and lower depreciation as a result of the disposal of the gas storage facility near LI. Torup.

Capital expenditure

First-half and second-quarter capital expenditure amounted to DKK 617 million and DKK 337 million, respectively, and related primarily to underground installation of power cables in North Zealand (DKK 269 million) and other investments in the electricity distribution network (DKK 251 million).

MARKETS

Financial highlights, Markets	1 half-year 2007	1 half-year 2006	Q2 2007	Q2 2006
DKK million		(Unaudited)	(Unaudited)	(Unaudited)
Power sales (GWh)	5,473	1,026	2,436	617
Natural gas sales (million m ³)	3,431	4,551	893	1,654
Revenue	11,480	10,816	4,931	4,300
EBITDA	791	2,177	291	323
EBIT	559	2,020	172	243
Investments	490	40	325	29

Electricity sales activities from the City of Copenhagen and the Municipality of Frederiksberg feature from 1 May 2006 and from Nesa from 1 July 2006.

Sales

First-half and second-quarter natural gas sales were 1,120 million m³ and 761 million m³ down on 2006. The fall was due predominantly to the mild weather, which resulted in lower sales to end customers in both the Danish and the Swedish, German and Dutch markets. The decline in demand led to falling prices on gas hubs. German wholesale customers consequently reduced their purchases from DONG Energy to minimum volumes under the contracts, and probably instead purchased gas on gas hubs, and DONG Energy elected to sell fewer volumes on TTF.

First-half electricity sales were 5,473 GWh compared with 1,026 GWh in the first half of 2006 and came mainly from the acquired companies. Second-quarter electricity sales amounted to 2,436 GWh versus 617 GWh in the second quarter of 2006.

Revenue

First-half revenue was DKK 11,480 million versus DKK 10,816 million in 2006. Second-quarter revenue was DKK 4,931 million versus DKK 4,300 million in 2006. Excluding revenue from the acquired companies, revenue was down DKK 1,984 million in the first half and DKK 342 million in the second quarter, primarily reflecting fewer gas volumes sold and lower selling prices.

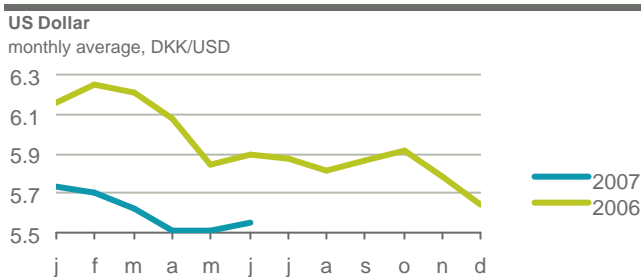
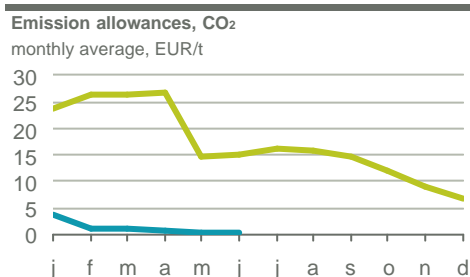
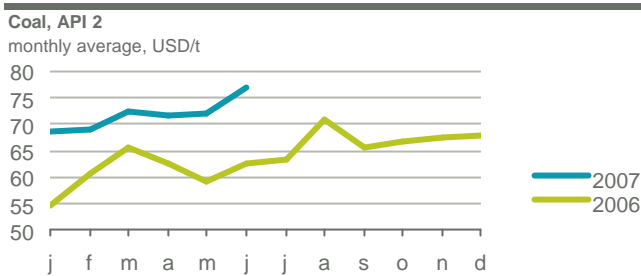
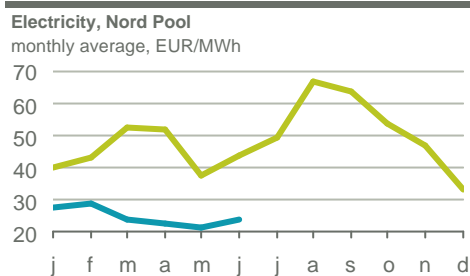
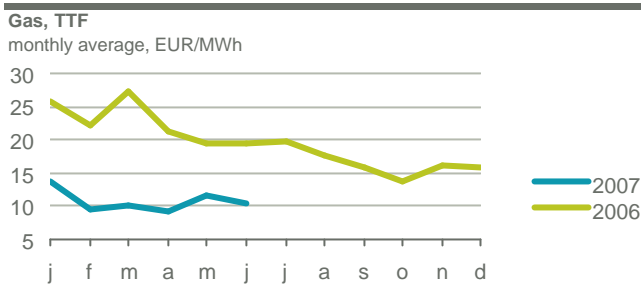
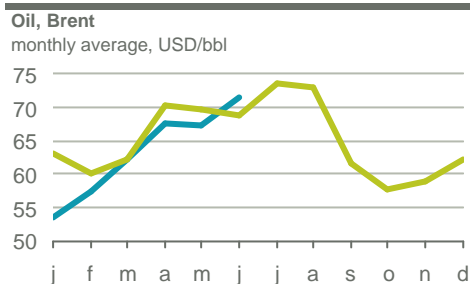
Operating profit - EBIT

First-half 2007 EBIT was DKK 559 million versus DKK 2,020 million in the first half of 2006. Second-quarter EBIT was DKK 172 million versus DKK 243 million in the second quarter of 2006. Excluding acquired companies, EBIT was down DKK 1,470 million in the first half of 2007 and DKK 24 million in the second quarter of 2007. The fall mainly reflected lower revenue, the negative effect of gas purchase allocations (approx. DKK 60 million in the first half of 2007), negative time lag in gas contracts (approx. DKK 210 million in the first half of 2007), partly offset by lower costs for natural gas purchases as a result of the lower sales.

Capital expenditure

First-half capital expenditure was DKK 490 million and related primarily to the establishment of fibre network and outdoor lighting in North Zealand and the metropolitan area (DKK 248 million) and implementation of IT systems (DKK 64 million). Furthermore, the property facilities were expanded. Second-quarter capital expenditure amounted to DKK 325 million.

MARKET PRICES



Market prices	Q2			1 half-year		
	2007	2006	Δ%	2007	2006	Δ%
Oil, Brent (USD/bbl)	68.8	69.6	-1%	63.3	65.8	-4%
Gas, TTF (EUR/MWh)	10.4	20.1	-48%	10.8	22.6	-52%
Electricity, Nord Pool (EUR/MWh)	22.5	44.5	-49%	24.6	44.9	-45%
Coal, API 2 (USD/t)	73.7	61.5	20%	71.8	60.8	18%
Emission allowances, CO ₂ , (EUR/t)	0.4	18.8	-98%	1.2	22.1	-95%
US Dollar, (DKK/USD)	5.5	5.9	-7%	5.6	6.1	-8%

Abbreviations:

TTF: Title Transfer Facility, gas hub in the Netherlands
API 2: Coal price CIF ARA (Amsterdam, Rotterdam and Antwerp)

CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE PERIOD 1 JANUARY TO 30 JUNE 2007

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This interim financial report has been prepared in Danish and English. In the event of discrepancies, the Danish version shall prevail.

STATEMENT BY THE EXECUTIVE AND SUPERVISORY BOARDS

The Supervisory and Executive Boards have today considered and approved the condensed consolidated interim report of DONG Energy A/S as at 30 June 2007 and for the first half-year 2007 including condensed consolidated comparative figures as at 30 June 2006 and for the first half-year 2006 ("the interim report").

The interim report have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed and State-owned public limited companies.

We consider the accounting policies applied to be appropriate. Accordingly, the interim report give a true and fair view of the Group's assets, liabilities and financial position as at 30 June 2007 and as at 30 June 2006 and of the results of the Group's operations and cash flows for the first half-year 2007 and the first half-year 2006.

Skærbæk, 23 August 2007

Executive Board:

Anders Eldrup
President and CEO

Carsten Krogsgaard Thomsen
Executive Vice President, Finance

Supervisory Board:

Fritz H. Schur
Chairman

Lars Nørby Johansen
Deputy Chairman

Asbjørn Larsen

Lars Rebien Sørensen

Jakob Brogaard

Jens Kampmann

Kresten Philipsen

Poul Arne Nielsen

Hanne Steen Andersen
Employee representative

Poul Dreyer
Employee representative

Jørgen Peter Jensen
Employee representative

Jens Nybo Stilling Sørensen
Employee representative

INDEPENDENT AUDITORS' REPORT ON THE CONDENSED CONSOLIDATED INTERIM REPORT AT 30 JUNE 2007 AND FOR THE PERIOD 1 JANUARY - 30 JUNE 2007 (FIRST HALF-YEAR 2007)

To the shareholders of DONG Energy A/S

We have audited the condensed consolidated interim report of DONG Energy A/S at 30 June 2007 and for the period 1 January - 30 June 2007 ("interim report"), which comprises highlights, financial highlights, management's review, the statement by the Executive and Supervisory Boards, accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. The interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed and State-owned public limited companies. We have not audited the comparative figures, but refer to our auditors' review report, cf. page 19.

Management's responsibility for the interim report

Management is responsible for the preparation and fair presentation of the interim report in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed and State-owned public limited companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an interim report that is free from material misstatement, whether due to fraud or error; selecting and using appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility and basis of opinion

Our responsibility is to express an opinion on the interim report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the interim report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the interim report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the interim report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the interim report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not result in any qualification.

Opinion

In our opinion, the interim report at 30 June 2007 and for the period 1 January - 30 June 2007 has, in all material respects, been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed and State-owned public limited companies.

Copenhagen, 23 August 2007

KPMG C.Jespersen

Statsautoriseret Revisionsinteressentskab

Deloitte

Statsautoriseret Revisionsaktieselskab

Flemming Brokhattingen

Torben Bender

Jørgen Jørgensen

Kim Mücke

State Authorised
Public Accountant

State Authorised
Public Accountant

State Authorised
Public Accountant

State Authorised
Public Accountant

REVIEW REPORT ISSUED BY THE INDEPENDENT AUDITORS ON THE CONDENSED CONSOLIDATED COMPARATIVE FIGURES AT 30 JUNE 2006 AND FOR THE PERIOD 1 JANUARY - 30 JUNE 2006 (FIRST HALF-YEAR 2006)

To the shareholders of DONG Energy A/S

We have reviewed the condensed consolidated comparative figures of DONG Energy A/S at 30 June 2006 and for the period 1 January – 30 June 2006 included in the condensed consolidated interim report at 30 June 2007 and for the period 1 January – 30 June 2007 ("comparative figures").

The comparative figures have been prepared for the purpose of the interim report at 30 June 2007 and for the period 1 January – 30 June 2007, which has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU.

The comparative figures are the responsibility of the Management. Our responsibility is to express an opinion on the comparative figures based on our review.

Basis of opinion

We conducted our review in accordance with the Danish Standard on Engagements to Review Financial Statements (RS 2400). A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters as well as analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Danish Standards on Auditing and therefore provides less assurance that we will become aware of all significant matters that would be revealed in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the comparative figures at 30 June 2006 and for the period 1 January – 30 June 2006 have not, in all material respects, been prepared in accordance with the requirements for comparative figures in IAS 34 "Interim Financial Reporting" as adopted by the EU.

Copenhagen, 23 August 2007

KPMG C.Jespersen

Statsautoriseret Revisionsinteressentskab

Deloitte

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CONSOLIDATED INCOME STATEMENT

	Note	1 half-year 2007	1 half-year 2006	Q2 2007	Q2 2006	2006
DKK million			(Unaudited)	(Unaudited)	(Unaudited)	
Revenue	4	18,167	14,032	7,560	5,848	35,914
Production costs		(14,205)	(9,888)	(6,372)	(4,620)	(26,449)
Gross profit		3,962	4,144	1,188	1,228	9,465
Sales and marketing		(428)	(172)	(274)	(106)	(595)
Management and administration		(1,116)	(206)	(398)	(150)	(1,107)
Other operating income		59	49	25	5	191
Other operating expenses		(19)	(7)	(8)	0	(2,263)
Operating profit (EBIT)	4	2,458	3,808	533	977	5,691
Gain on disposal of enterprises		32	23	32	23	1,023
Share of profit after tax of associates		8	664	(19)	458	470
Financial income		788	517	533	356	872
Financial expenses		(1,037)	(656)	(602)	(365)	(1,464)
Profit before tax		2,249	4,356	477	1,449	6,592
Income tax expense	11	(146)	(1,186)	371	(362)	(1,553)
Profit for the period		2,103	3,170	848	1,087	5,039
Attributable to:						
Equity holders of DONG Energy A/S		2,103	3,170	836	1,087	5,040
Minority interests		0	0	12	0	(1)
Earnings per share (EPS) and diluted earnings per share (DEPS) of DKK 1,000, in whole DKK						
		601	1,157	170	275	1,745

CONSOLIDATED BALANCE SHEET

Assets	Note	30.06 2007	31.12 2006	30.06 2006
DKK million				
(Unaudited)				
Goodwill		322	322	277
Rights		2,926	3,628	2,319
Completed development projects		214	99	103
In-process development projects and prepayments for intangible assets		160	154	30
Intangible assets		3,622	4,203	2,729
Land and buildings		2,928	2,964	804
Production assets		30,830	31,658	15,846
Exploration and evaluation assets		1,961	372	370
Fixtures and fittings, tools and equipment		303	334	70
Property, plant and equipment in the course of construction and prepayments		14,448	11,190	8,943
Property, plant and equipment	7	50,470	46,518	26,033
Investments in associates		3,983	4,073	27,042
Other equity investments		4	5	0
Deferred tax		247	36	10
Receivables from associates		432	432	0
Other non-current assets		69	503	66
Prepayments		112	145	1
Other non-current assets		4,847	5,194	27,119
Non-current assets		58,939	55,915	55,881
Inventories		1,952	2,583	747
Trade receivables		5,620	6,775	3,370
Receivables from associates		80	50	1
Income tax receivable		57	241	0
Other receivables		14,022	21,185	2,445
Construction contracts		44	23	20
Prepayments		422	446	1,660
Securities		111	132	80
Cash and cash equivalents		4,176	9,521	7,267
Assets classified as held for sale	14	9,257	9,283	1,365
Current assets		35,741	50,239	16,955
Assets		94,680	106,154	72,836

CONSOLIDATED BALANCE SHEET (CONTINUED)

Equity and liabilities	Note	30.06 2007	31.12 2006	30.06 2006
DKK million				(Unaudited)
Share capital		2,937	2,937	2,937
Hedging reserve		382	809	(339)
Translation reserve		201	3	182
Reserve for shares available for sale		0	0	468
Retained earnings		30,249	28,481	27,925
Proposed dividends		0	1,967	0
Hybrid capital		8,088	8,154	8,088
Equity attributable to the equity holders of DONG Energy A/S		41,857	42,351	39,261
Minority interests		39	39	41
Equity		41,896	42,390	39,302
Deferred tax		4,530	4,528	3,413
Pensions		41	42	15
Provisions	8	4,611	4,462	1,750
Bond loans		7,917	7,938	0
Bank loans		7,756	7,169	10,161
Payables to associates		0	0	0
Other non-current liabilities		71	6,961	7,001
Deferred income		784	732	0
Non-current liabilities		25,710	31,832	22,340
Provisions		79	67	61
Bond loans		0	1,995	0
Bank loans		6,427	2,913	2,193
Trade payables		4,048	4,546	2,544
Payables to associates		1	8	1
Income tax payable		0	188	722
Other payables		12,700	18,294	4,965
Deferred income		572	498	238
Liabilities relating to assets classified as held for sale	14	3,247	3,423	470
Current liabilities		27,074	31,932	11,194
Liabilities		52,784	63,764	33,534
Equity and liabilities		94,680	106,154	72,836

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	1 half-year 2007	1 half-year 2006	Q2 2007	Q2 2006
DKK million			(Unaudited)	(Unaudited)	(Unaudited)
Equity at start of period		42,268	26,278	43,665	28,526
Adjustments relating to prior periods	2	122	0	75	0
Restated equity at start of period		42,390	26,278	43,740	28,526
Value adjustments of hedging instruments after tax		(462)	203	(449)	85
Value adjustments of equity-like loans after tax		52	26	(22)	4
Dividend payment on hybrid capital		(450)	(451)	(450)	(451)
Change in hybrid capital after tax		55	63	23	31
Reduction of Danish corporate income tax rate from 28% to 25%		33	0	33	0
Foreign exchange adjustments		149	7	147	14
Net gains recognised directly in equity		(623)	(152)	(718)	(317)
Profit for the period		2,103	3,170	848	1,087
Total income and expense for the period		1,480	3,018	130	770
Dividends paid		(1,967)	(35)	(1,967)	(35)
Dividends paid to minority shareholders		(7)	0	(7)	0
Capital increase		0	10,041	0	10,041
Total changes in equity in the period		(494)	13,024	(1,844)	10,776
Equity at end of period		41,896	39,302	41,896	39,302

CONSOLIDATED CASH FLOW STATEMENT

DKK million	Note	1 half-year 2007	1 half-year 2006	Q2 2007	Q2 2006
			(Unaudited)	(Unaudited)	(Unaudited)
Operating profit before depreciation and amortisation (EBITDA)		4,808	4,793	1,646	1,445
Adjustments to EBITDA		225	621	1,276	211
Change in working capital		1,013	(798)	(30)	334
Interest income and similar items		561	995	376	636
Interest expense and similar items		(963)	(1,067)	(546)	(643)
Income tax paid		64	(274)	25	6
Cash flows from operating activities		5,708	4,270	2,747	1,989
Purchase of intangible assets	7	(222)	(37)	(136)	(23)
Purchase of exploration assets	7	(1,692)	(21)	(1,600)	(21)
Purchase of other plant, property and equipment	7	(4,104)	(1,298)	(2,613)	(824)
Sale of intangible assets and plant, property and equipment	7	448	104	75	18
Acquisition of enterprises	5	(6,678)	(9,323)	(6,510)	(5,013)
Disposal of enterprises		1,490	35	1,490	35
Disposal of other equity investments		0	1,674	0	1,674
Changes in other non-current assets		334	(22)	111	(9)
Dividends received		60	18	60	17
Cash flows from investing activities		(10,364)	(8,870)	(9,123)	(4,146)
Proceeds from the raising of other loans	9	5,480	6,041	4,647	6,041
Instalments on loans		(2,944)	(983)	(1,627)	(705)
Dividends paid to shareholders and hybrid capital		(2,417)	(486)	(2,417)	(486)
Dividends paid to minority shareholders		(7)	0	(7)	0
Changes in other non-current liabilities		2	0	3	0
Cash flows from financing activities		114	4,572	599	4,850
Net increase (decrease) in cash and cash equivalents		(4,542)	(28)	(5,777)	2,693
Cash and cash equivalents at start of period		9,106	7,356	0	4,636
Cash for assets held for sale		(212)	0	(68)	0
Foreign exchange adjustments of cash and cash equivalents		(1)	1	(1)	0
Cash and cash equivalents at end of period		4,351	7,329	(5,846)	7,329

NOTES

1. ACCOUNTING POLICIES

DONG Energy A/S (the company) is a public limited company with its registered office in Denmark. This interim financial report comprises the company and its consolidated subsidiaries (the Group).

This condensed interim financial report has been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed and State-owned public limited companies. The interim financial report does not include all the information required from a full annual report and should therefore be read in conjunction with the Group's 2006 annual report.

The annual report for the period 1 January – 31 December 2006 can be downloaded from the company's website www.dongenergy.com.

The accounting policies applied in the interim financial report are consistent with the accounting policies applied in the 2006 annual report. Reference is made to note 1 of the 2006 annual report for a detailed description of the accounting policies applied, including the definitions of financial ratios, which have been calculated in accordance with the definitions in the Danish Society of Financial Analysts' "Recommendations & Ratios 2005", unless otherwise stated.

The following new and amended standards and interpretations have become operative with effect for the 2007 financial year:

- IFRS 7, Financial Instruments: Disclosures
- IFRIC 9, Reassessment of Embedded Derivatives
- IFRIC 10, Interim Financial Reporting and Impairment (yet to be endorsed by the EU)

The application of these new and amended standards and interpretations has not led to any changes to the accounting policies as far as concerns recognition and measurement.

Compared with the 2006 annual report, the application of IFRS 7 to the 2007 annual report will lead to changes and additions to the disclosures relating to financial instruments in the notes. IFRS 7 is not relevant to the interim financial report.

In accordance with the commencement provisions in IFRIC 9, DONG Energy has elected to apply IFRIC 9 from the 2006 financial year onwards.

The interim financial report is presented in Danish kroner (DKK), rounded to the nearest million (DKK).

2. ADJUSTMENTS TO THE COMPARATIVE FIGURES FOR 2006

Compared with the approved and published 2006 annual report, the comparative figures for 2006 have been adjusted as follows:

Final purchase price allocation for enterprises acquired in 2006

The fair values for enterprises acquired in 2006 determined provisionally at the acquisition date have been adjusted within twelve months of the acquisition date in accordance with IFRS.

As a result of the final purchase price allocation, the fair value of property, plant and equipment has been reduced by DKK 443 million, current assets have been increased by DKK 1,011 million, non-current liabilities have been increased by DKK 132 million, and current liabilities have been increased by DKK 452 million.

Furthermore, the fair values within the group of property, plant and equipment have been reallocated.

As a result of the final purchase price allocation, revenue for 2006 has been increased by DKK 62 million, profit before tax for 2006 has been reduced by DKK 34 million, profit after tax for 2006 has been reduced by DKK 16

million, and equity at 31 December 2006 has been reduced by DKK 16 million. Cash flows for the period have not been affected.

Reference is made to note 6 for further details of the effect of the final purchase price allocation.

Other adjustments

An adjustment has been made in respect of timing the recognition in the 2006 income statement of a hedging contract. The adjustment has increased revenue for 2006 by DKK 191 million, profit before tax for 2006 by DKK 191 million and profit after tax for 2006 by DKK 138 million. The effect on equity at 31 December 2006 is an increase by DKK 138 million. The adjustment has not affected the cash flows for the period.

Total effect of adjustments

The total effect of the adjustments made to the 2006 annual report can be broken down as follows:

DKK million	2006		Adjusted figures
	Published annual report	Adjustments	
Revenue	35,661	253	35,914
Production costs	(26,448)	(1)	(26,449)
Gross profit	9,213	252	9,465
Sales and marketing	(595)	0	(595)
Management and administration	(1,107)	0	(1,107)
Other operating income	286	(95)	191
Other operating expenses	(2,263)	0	(2,263)
Operating profit (EBIT)	5,534	157	5,691
Gain on disposal of enterprises	1,023	0	1,023
Share of profit after tax of associates	470	0	470
Financial income	872	0	872
Financial expenses	(1,464)	0	(1,464)
Profit before tax	6,435	157	6,592
Income tax expense	(1,518)	(35)	(1,553)
Profit for the period	4,917	122	5,039
Earnings per share (EPS) and diluted earnings per share (DEPS) of DKK 1,000, in whole DKK	1,700	45	1,745
Intangible assets	4,203	0	4,203
Property, plant and equipment	46,961	(443)	46,518
Other non-current assets	5,194	0	5,194
Non-current assets	56,358	(443)	55,915
Current assets	49,228	1,011	50,239
Assets	105,586	568	106,154
Equity	42,268	122	42,390
Non-current liabilities	31,700	132	31,832
Current liabilities	31,618	314	31,932
Liabilities	63,318	446	63,764
Equity and liabilities	105,586	568	106,154

The adjustments made have no effect on the interim financial report for the first half of 2006. The figures for the first half of 2007 have been restated to reflect the adjustments in 2006.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

Determining the carrying amounts of some assets and liabilities requires judgements, estimates and assumptions regarding future events. The estimates and assumptions made are based on historical experience and other factors that are believed by management to be reasonable under the circumstances, but that, by their nature, are uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unforeseen events or circumstances may occur. Moreover, the DONG Energy Group is subject to risks and uncertainties that may cause actual results to differ from these estimates. An overview of estimates and associated judgments that are important, in the opinion of the management of DONG Energy, for the financial reporting is set out in note 2 to the 2006 annual report, to which reference is made.

4. SEGMENT INFORMATION

	1 half-year 2007	1 half-year 2006	Q2 2007	Q2 2006	2006
DKK million		(Unaudited)	(Unaudited)	(Unaudited)	
Revenue					
Generation	6,493	68	2,794	38	7,682
Exploration & Production	2,094	2,954	1,027	1,336	5,556
Distribution	2,220	695	1,056	409	2,560
Markets	11,480	10,816	4,931	4,300	24,306
Other (including eliminations)	(4,120)	(501)	(2,248)	(235)	(4,190)
Total revenue	18,167	14,032	7,560	5,848	35,914
EBITDA					
Generation	2,463	31	655	18	2,663
Exploration & Production	897	2,117	424	916	3,499
Distribution	807	466	363	194	1,012
Markets	791	2,177	291	323	1,792
Other (including eliminations)	(150)	2	(87)	(6)	(16)
Total EBITDA	4,808	4,793	1,646	1,445	8,950
EBIT					
Generation	1,206	3	98	2	1,485
Exploration & Production	522	1,599	252	706	2,437
Distribution	335	226	106	53	467
Markets	559	2,020	172	243	1,408
Other (including eliminations)	(164)	(40)	(95)	(27)	(106)
Total EBIT	2,458	3,808	533	977	5,691

5. CHANGES IN THE GROUP'S COMPOSITION

There were no changes in the Group's composition in the first half of 2007.

A sum of DKK 6,678 million was paid during the period in respect of acquisitions of companies in 2006.

6. FINAL PURCHASE PRICE ALLOCATION FOR ENTERPRISES ACQUIRED IN 2006

On 1 May 2006, DONG Energy acquired Københavns Energi's and Frederiksberg Forsyning's electricity activities, organised into the companies KE Drift A/S (formerly KE Holding A/S), Frederiksberg Elnet A/S, Frederiksberg Forsyning A/S and Frederiksberg Ejendomme A/S. A provisional allocation of purchase prices for assets, liabilities and contingent liabilities acquired was made at the acquisition date. The allocation was finalised in April 2007,

without any adjustments to the provisional allocation. For a breakdown of the allocation of purchase prices, reference is made to note 33 of the 2006 annual report.

On 1 July 2006, DONG Energy acquired the enterprises Energi E2 A/S, DONG Energy Power A/S (formerly Elsam A/S) and DONG Energy Sales & Distribution A/S (formerly Nesa A/S). The provisional allocation of purchase prices for assets, liabilities and contingent liabilities acquired that was made at the acquisition date was finalised in June 2007 with the following adjustments:

DKK million	Carrying amount prior to acquisition	Preliminary fair value at acquisition date	Adjustments to fair value	Post-acquisition balance sheet
Intangible assets	(826)	(2,532)	-	(2,532)
Property, plant and equipment	(20,017)	(26,537)	(533)	(27,070)
Other non-current assets	(4,596)	(5,304)	-	(5,304)
Inventories	(1,247)	(1,305)	-	(1,305)
Receivables	(15,829)	(18,253)	(67)	(18,320)
Cash and cash equivalents	(3,504)	(3,504)	-	(3,504)
Non-current liabilities	12,477	17,551	600	18,151
Current liabilities	6,752	4,988	-	4,988
Net assets	(26,790)	(34,896)	-	(34,896)
Minority interests	-	18	-	18
DONG Energy's share of net assets	(26,790)	(34,878)	-	(34,878)
Included recognised as purchase price payable	-	(46)	-	-
Cash and cash equivalents acquired	-	3,634	-	-
assets and liabilities on successive acquisition	-	943	-	-
Intragroup gain	-	-	-	-
Transfer from associates	-	26,758	-	-
Other adjustments	-	(68)	-	-
Cash purchase price	-	(3,657)	-	-

Note: The acquisitions have been aggregated as they were made through interdependent negotiations, agreements, etc.

7. PROPERTY, PLANT AND EQUIPMENT

In the first half of 2007 the Group acquired property, plant and equipment totalling DKK 5,796 million. The acquisitions relate primarily to exploration assets and wind turbines for new wind farms.

In the first half of 2007 the Group assumed contractual obligations to acquire property, plant and equipment to a value of DKK 3,142 million. The obligations primarily relate to wind turbines and buildings.

No material asset disposals were made in the first half of 2007.

8. PROVISIONS

On 30 November 2005, the Danish Competition Council ruled that Elsam (now DONG Energy Power) abused its dominant position in Western Denmark in the period 1 July 2003 to 31 December 2004 by charging excessive prices at variance with the competition rules. The Council imposed an income cap on Elsam and calculated that the consumers had suffered a loss of DKK 187 million as a result of the violation. The Danish Competition Appeal Tribunal subsequently abolished the income cap, but stated in its premises, that Elsam had to some extent abused its dominant position in Western Denmark in the period 1 July 2003 to 31 December 2004 at variance with the competition rules.

On 20 June 2007, the Competition Council ruled that Elsam had also abused a dominant position in Western Denmark in the period 1 January 2005 to 31 December 2006 at variance with the competition rules, and in that connection calculated the loss suffered by consumers at DKK 111 million.

DONG Energy disputes these rulings and has appealed the Competition Appeal Tribunal's ruling to the Danish Maritime and Commercial Court and the Competition Council's decision to the Competition Appeal Tribunal.

A number of electricity consumers have notified actions for damages against DONG Energy Power as a result of these rulings. However, no formal claims have as yet been submitted.

The outcome of these actions is naturally subject to considerable financial uncertainty. Regardless of the fact that DONG Energy disputes the rulings, a DKK 298 million provision has been recognised based on the Competition Council's rulings, with DKK 270 million having been recognised in connection with the final purchase price allocation for acquired enterprises, cf. notes 2 and 6. DONG Energy has appealed the Competition Council's rulings.

9. LOAN ARRANGEMENTS

DONG Energy A/S's proceeds on inception of other loans in the first half of 2007 consisted primarily of a standing DKK 1.2 billion EUR loan maturing in 2017 with interest payable at a rate of 4.7%, and a DKK 4.1 billion current loan with interest fixed at 4.5%.

10. NON-RECURRING ITEMS

First-half 2007 profit after tax benefited from non-recurring items of DKK 404 million, DKK 372 million of which related to the reduction of the tax rate from 28% to 25%, while DKK 32 million related to a subsequent adjustment of the profit on the disposal of the gas storage facility near LI. Torup in 2006. First-half 2006 profit after tax benefited from non-recurring income of DKK 188 million, relating primarily to the disposal of assets.

11. INCOME TAX EXPENSE

	1 half-year 2007	1 half-year 2006	Q2 2007	Q2 2006
DKK million		(Unaudited)	(Unaudited)	(Unaudited)
Income tax expense	(146)	(1,186)	371	(362)
Income tax expense can be explained as follows:				
Calculated 25% (2006: 28%) tax on profit before tax	(562)	(1,220)	(66)	(406)
Adj. of calculated tax in foreign subsidiaries in relation to 25% (2006: 28%)	(8)	(1)	(6)	0
Special tax, hydrocarbon tax	122	(174)	121	(89)
Tax effect of:				
Non-taxable income	35	40	32	4
Non-deductible costs	(46)	(20)	(11)	(2)
Share of profit after tax of associates	1	186	(6)	128
Reduction of Danish corporate income tax rate from 28% to 25%	372	0	372	0
Other adjustments of tax relating to prior years	(60)	3	(65)	3
Income tax expense	(146)	(1,186)	371	(362)
Effective tax rate	7	27	(78)	25

Income tax expense for the first half of 2007 was DKK 146 million compared with DKK 1,186 million in the first half of 2006. The effective tax rate was 7% in the first half of 2007 compared with 27% in the first half of 2006. The low effective tax rate in the first half of 2007 was due partly to the reduction of the Danish income tax rate from 28% to 25%, which led to tax income of DKK 372 million in the first half of 2007. Moreover, the hydrocarbon tax rules in Norway resulted in net income in the income statement for the first half of 2007 as a result of the deduction of capital expenditure in Norway.

12. CONTINGENT LIABILITIES

The Competition Appeal Tribunal has concluded that DONG Energy Power (formerly Elsam) abused its dominant position in Western Denmark to some extent in the period 1 October 2003 to 31 December 2004 by periodically charging excessive prices. DONG Energy has appealed the Competition Appeal Tribunal's ruling to the Danish Maritime and Commercial Court.

In June 2007, the Danish Competition Council ruled that DONG Energy Power (formerly Elsam) also abused its dominant position in Western Denmark in the period 1 January 2005 to 31 December 2006 by periodically charging excessive prices. DONG Energy has appealed this part of the case to the Competition Appeal Tribunal.

Reference is also made to note 8.

There have been no other material changes to contingent liabilities or contingent assets since the 2006 annual report. Reference is made to notes 40 and 41 of the 2006 annual report.

13. RELATED PARTY TRANSACTIONS

Dividend of DKK 1,436 million was paid to the Danish State in the first half of 2007. There were no other material transactions with related parties.

Reference is also made to note 42 of the 2006 annual report.

14. EVENTS AFTER THE BALANCE SHEET DATE

Renewable assets in Spain and Portugal sold to E.ON

On 7 August, DONG Energy entered into an agreement to sell all its shares in Energi E2 Renovables Ibericas S.L. (E2-I) to E.ON for a price equalling an enterprise value of EUR 722 million.

The activities in Spain and Portugal feature at 30 June 2007 in the items "assets held for sale" and "liabilities relating to assets held for sale". The transaction is not expected to give rise to any material gains or losses.

DONG Energy is one of the leading energy groups in the Nordic region. Our headquarter is in Denmark. Our business is based on procuring, producing, distributing, trading and selling energy and related products in Northern Europe. The company delivered revenue of DKK 35.9 billion in 2006 (approx. EUR 4.8 billion or USD 6.3 billion). DONG Energy has approx. 4,500 employees.

For further information, please visit www.dongenergy.com

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