

## Company announcement

**DONG Energy A/S**  
Kraftværksvej 53  
Skærbæk  
7000 Fredericia  
Denmark

www.dongenergy.com  
CVR No. 36 21 37 28

### **Interim financial report for the first half-year 2012 – unfavourable price trend**

The Board of Directors of DONG Energy has today approved the interim financial report for the first half of 2012 with the following outlook and financial highlights compared with the first half of 2011:

10 August 2012

- First-half 2012 EBITDA was DKK 6.6 billion compared with DKK 9.1 billion in the first half of 2011 and was affected by negative effects from the increased spread between oil and gas prices, the discontinuation of non-recurring income in 2011 from the renegotiation of gas contracts, low electricity prices and lower output from power stations as well as costs for the repair work to the Siri platform. By contrast, earnings from wind activities showed an increase and, in Exploration & Production, both production and prices were higher
- Profit after tax was DKK 0.8 billion, down DKK 2.0 billion on the first half of 2011. The sustained very low green spark spreads in Europe necessitated the recognition of a DKK 2.0 billion impairment loss on the gas-fired power stations. Profit for the period included a DKK 2.0 billion gain after tax on disposal of enterprises
- Operating cash inflow decreased to DKK 2.6 billion from DKK 6.3 billion in the first half of 2011. This primarily reflected more funds tied up in working capital and the lower EBITDA
- First-half 2012 net investments were DKK 6.5 billion versus DKK 6.7 billion in the same period the previous year. Gross investments were DKK 9.3 billion and primarily related to the development of wind activities and gas and oil fields, while divestments primarily related to Oil Terminals
- Interest-bearing net debt rose by DKK 6.2 billion from the end of 2011 to DKK 29.9 billion

**Carsten Krogsgaard Thomsen, Acting CEO:**

*"The results we delivered for the first half were not good. Our earnings (EBITDA) matched expectations, but our net profit was affected by, in particular,*

DONG Energy is one of the leading energy groups in Northern Europe. We are headquartered in Denmark. Our business is based on procuring, producing, distributing and trading in energy and related products in Northern Europe. We have approximately 6,400 employees and generated DKK 57 billion (EUR 7.6 billion) in revenue in 2011. For further information, see [www.dongenergy.com](http://www.dongenergy.com).

*the fact that we had to write down the value of our gas-fired power stations. This was due to the low coal and CO<sub>2</sub> prices, which make gas-fired power stations less profitable than coal-fired power stations. The unfavourable gas price also means that we no longer expect to achieve the same EBITDA in 2012 as in 2011. However, it does not alter our outlook concerning significantly improved earnings in 2013 compared with 2011 as a result of our investments in offshore wind and oil and gas activities. We also reaffirm our ambitious target to double our EBITDA in 2015 compared with 2009.”*

DKK million	6M2012	6M2011	Δ
Revenue	35,304	29,342	5,962
EBITDA	6,630	9,073	(2,443)
Profit (loss) for the period	755	2,771	(2,016)
Cash flows from operating activities	2,596	6,327	(3,731)
Gross investments	(9,274)	(7,000)	(2,274)
Net investments	(6,481)	(6,711)	230
Interest-bearing net debt	29,851	23,592	6,259

## Outlook

- The assumptions for the EBITDA outlook for Energy Markets in 2012 have deteriorated since the beginning of the year due to a series of factors all of which depress EBITDA. Actual green spark spreads have been very low. Infrastructure costs for handling gas have increased. Earnings from using storage capacity in connection with seasonal fluctuations between winter and summer prices have been lower than expected. The widened oil/gas spread has also had a negative effect. Based on the above, business performance EBITDA in 2012 is expected to be around 10% lower than in 2011. This is a downwards adjustment compared with the outlook in the 2011 annual report, when EBITDA in 2012 was expected to be in line with 2011.
- EBITDA in 2013 is still expected to be significantly ahead of both 2011 and 2012 due to new assets in operation and the full-year effect of new assets in operation in 2012. This is in accordance with the outlook in the annual report for 2011.
- The changed EBITDA outlook for 2012 does not alter the target to double EBITDA in the period up to 2015 compared with 2009, when EBITDA was DKK 8.8 billion.

- As a consequence of the lower EBITDA outlook and the level of net investments, the key ratio adjusted net debt/EBITDA is expected to exceed 2.5 at the end of 2012. The key ratio stood at 2.8 at 30 June 2012. In 2013, it is expected that adjusted net debt/EBITDA will again be less than 2.5.

In connection with the presentation of the interim financial report a conference call for investors and analysts will be held on 10 August 2012 at 3.00pm CET:

Denmark: +45 3271 4767

International: +44 207 509 5139

The conference call can be followed live at the following address:

<http://www.dongenergy.com/en/investor/presentations/pages/webcasts.aspx>

Presentation slides will be available prior to the conference call at the following address:

[http://www.dongenergy.com/en/investor/presentations/pages/financial\\_presentations.aspx](http://www.dongenergy.com/en/investor/presentations/pages/financial_presentations.aspx)

The interim financial report can be downloaded at:

<http://www.dongenergy.com/en/investor/reports/pages/interimreports.aspx>

For further information, please contact:

Media Relations

Helene Aagaard

+45 9955 9330

Investor Relations

Morten Hultberg Buchgreitz

+45 9955 9750