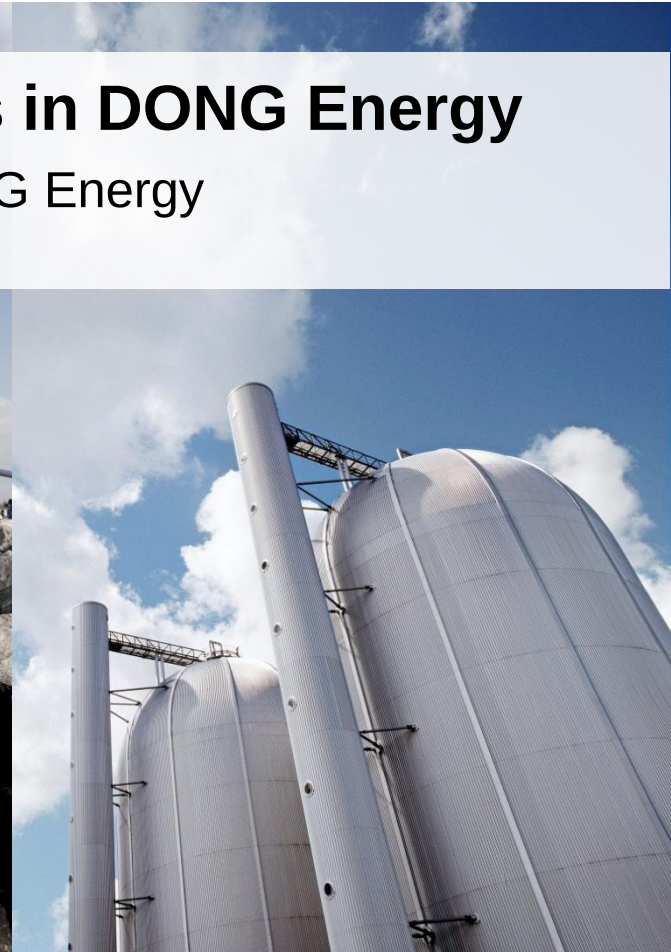
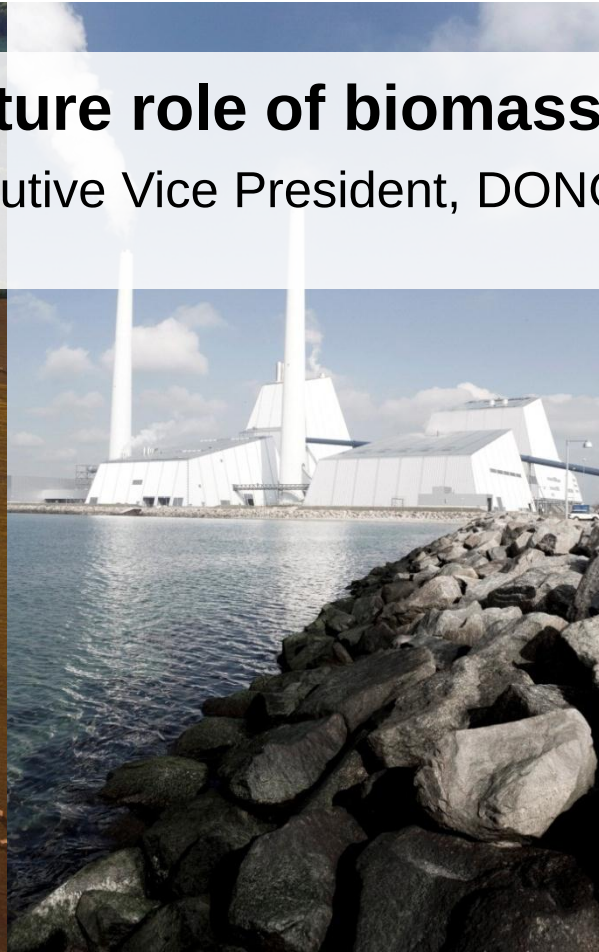


The current and future role of biomass in DONG Energy

Thomas Dalsgaard, Executive Vice President, DONG Energy

March 27, 2012



DONG Energy at a glance

Financial overview 2011

RESULTS 2011

REVENUE
DKK

56.8 BN

EBITDA
DKK

13.8 BN

PROFIT FOR
THE YEAR DKK

2.9 BN

CASH FLOWS FROM
OPERATIONS DKK

12.6 BN

NET INVESTMENTS
DKK

13.1 BN

RATING

A-/Baa1

MARKET SHARES

Offshore wind in operation

Denmark **45%**
UK **21%**

Electricity generation

Denmark **54%**

Heat generation

Denmark **35%**

Electricity sales

Denmark **20%**
Netherlands **1%**

Gas sales

Denmark **29%**
Sweden **22%**
Netherlands **1%**

Electricity distribution

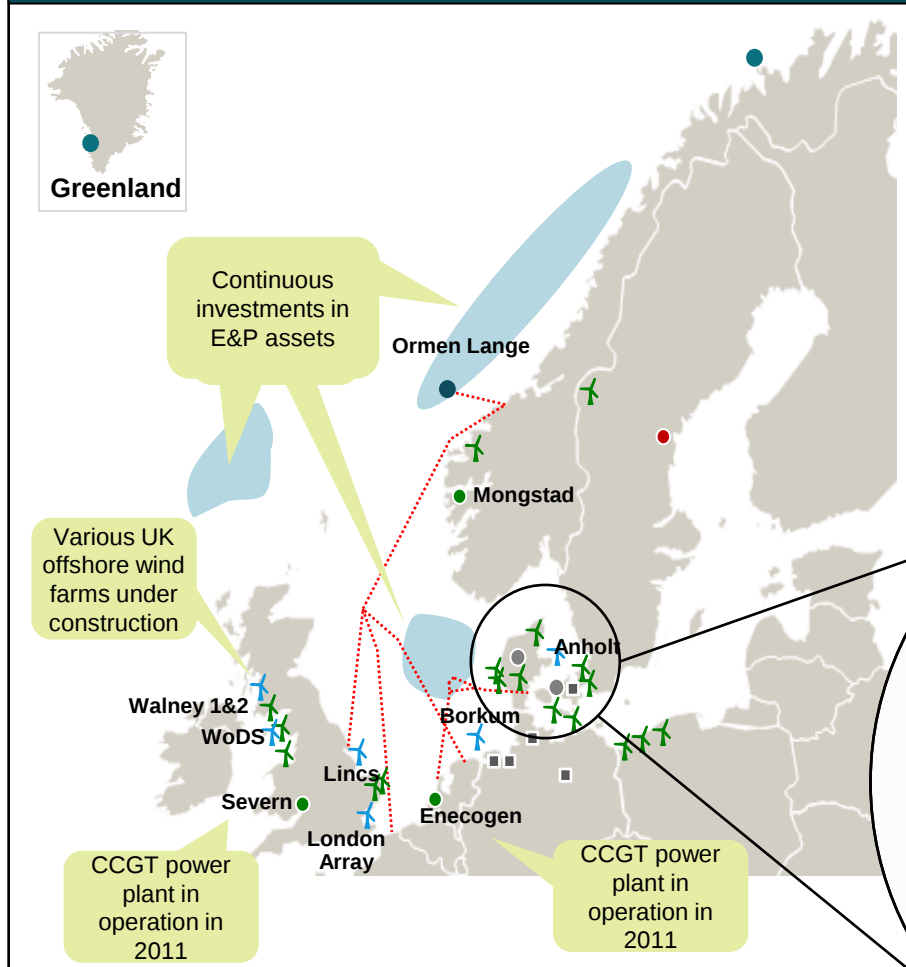
Denmark **28%**

Gas distribution

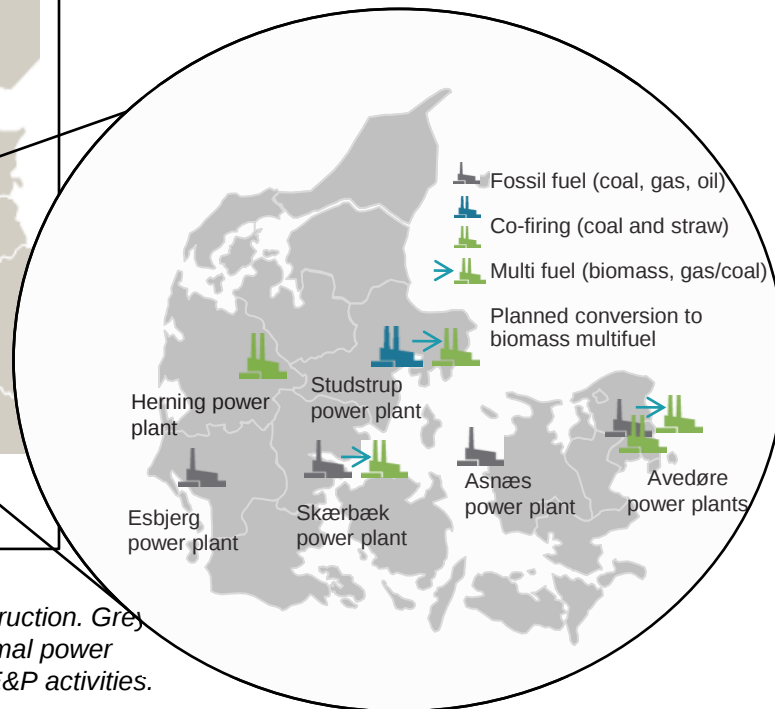
Denmark **29%**

DONG Energy is converting plant portfolio to biomass and diversifying its asset base throughout Northwest Europe

DONG Energy assets in Northwest Europe



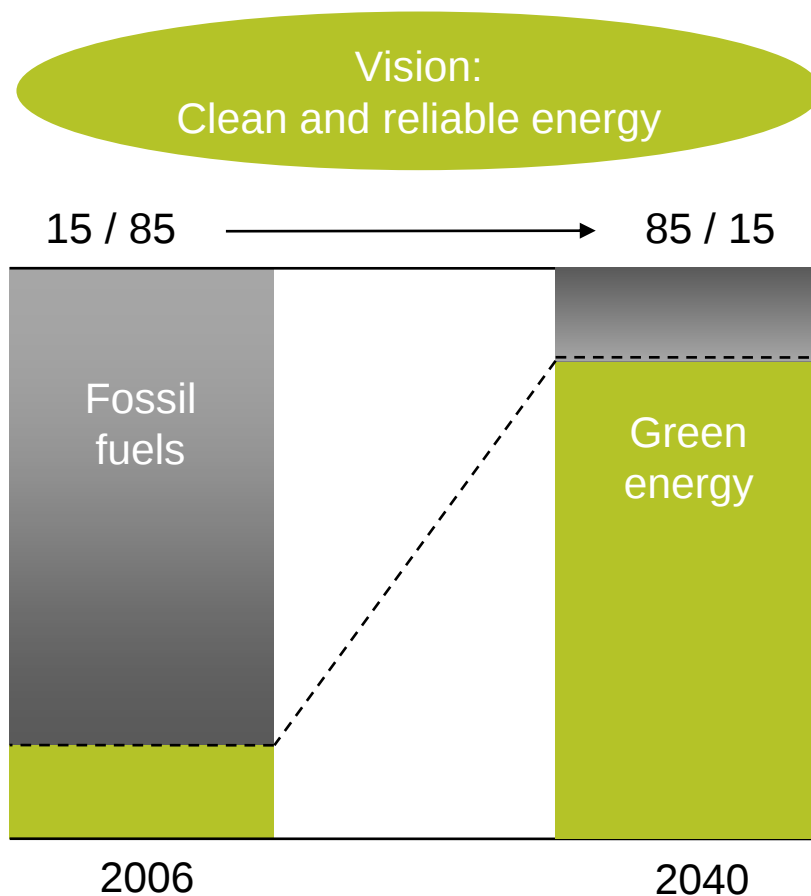
- Increasing diversification across markets, fuels and technologies
- Integrated and balanced business model
- Risk mitigation through partnering
- Significant share of stable earnings



Note: Green wind icons are wind farms in operations, blue under construction. Grey squares denote gas storage facilities. Grey circles denote various thermal power plants. Red circle denotes hydro plant. Blue areas and circles denote E&P activities.

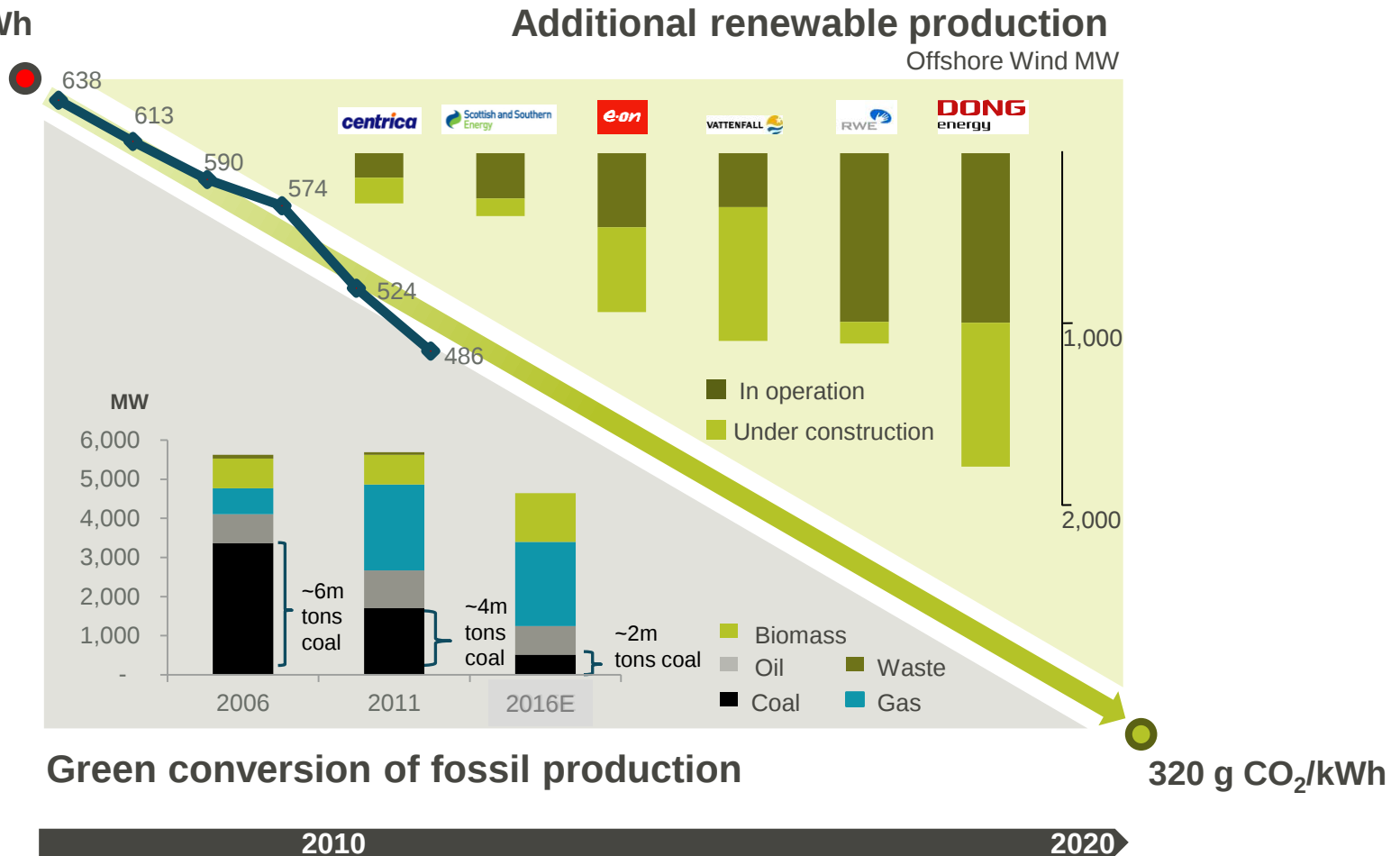
Source: DONG Energy

Meeting the environmental challenge: DONG Energy's 85/15 vision is to produce clean and reliable energy



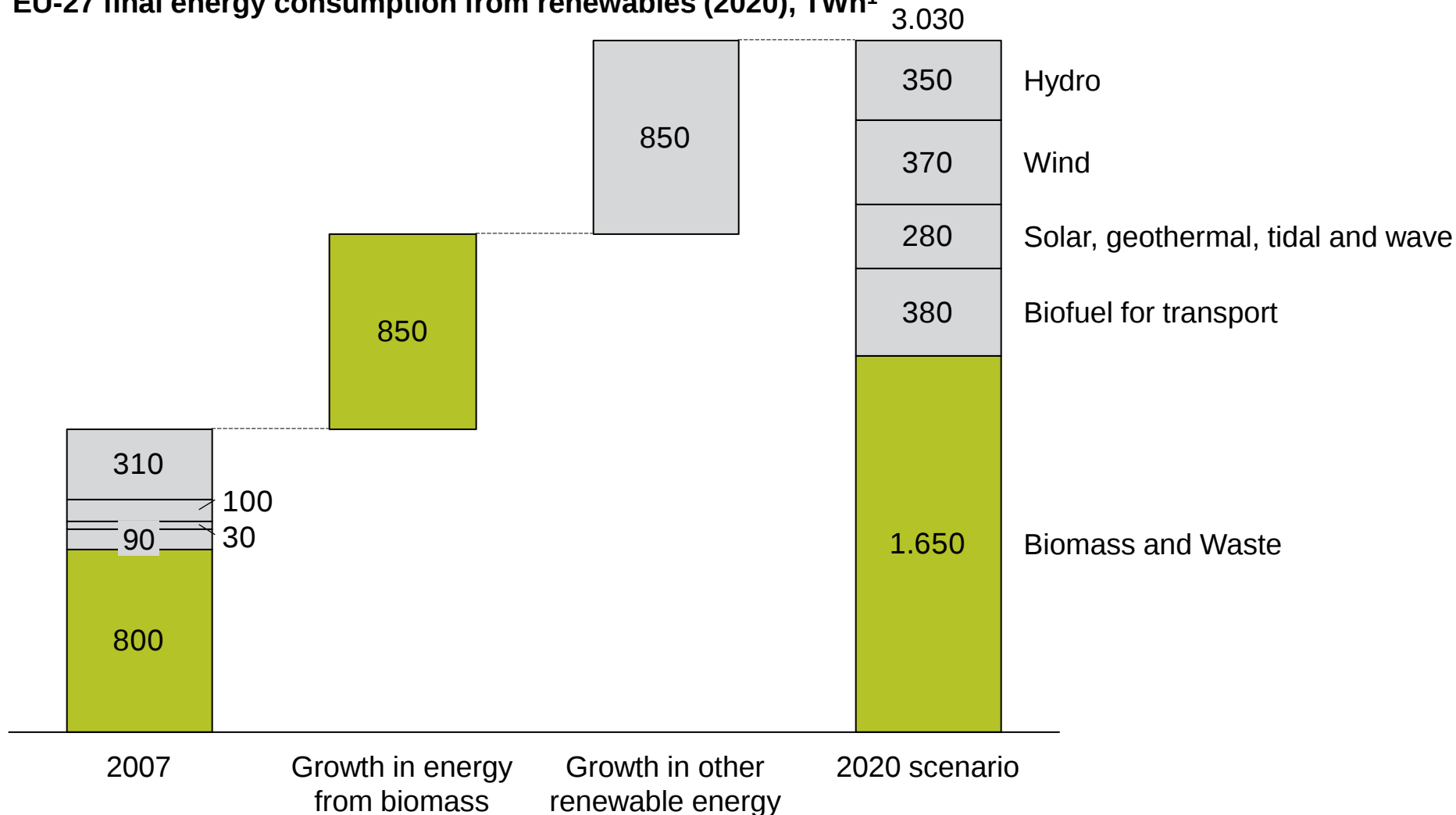
Meeting the system challenge: More gas-fired and renewable energy capacity

638 g CO₂/kWh



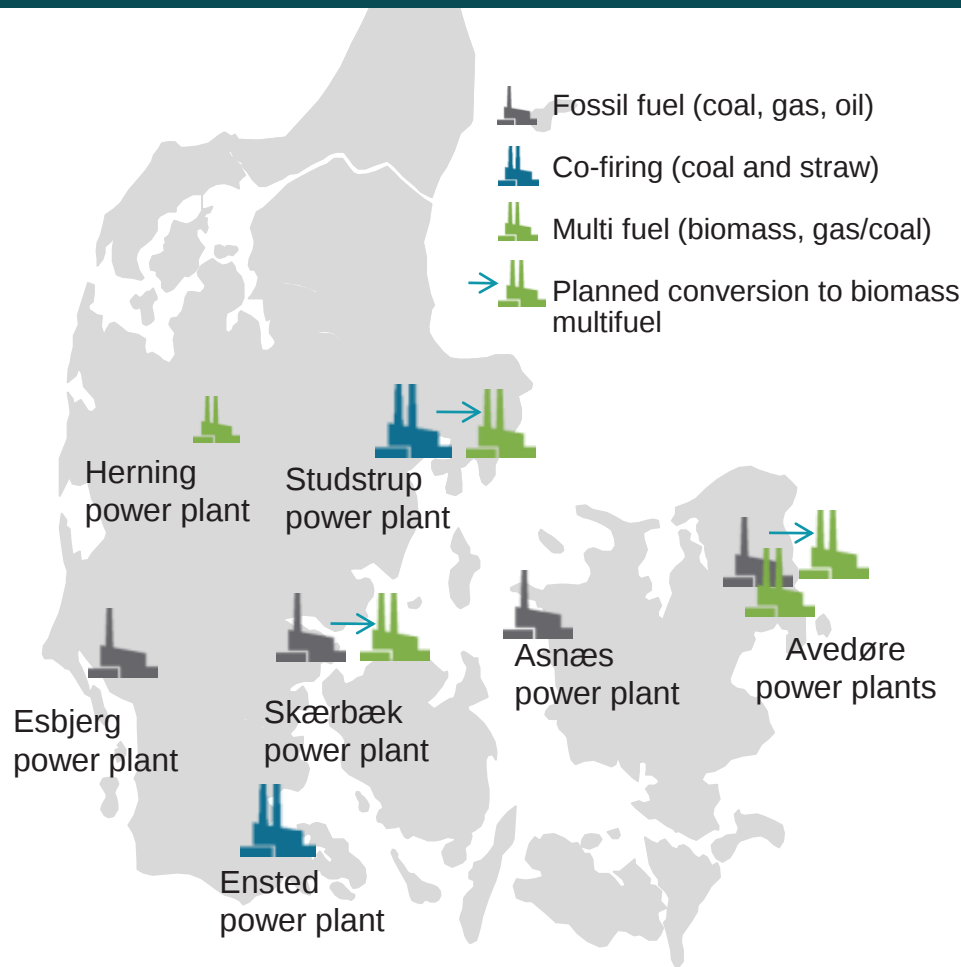
Heat and power consumption from biomass in EU is expected to double as part of EU 20-20-20 target in 2020

EU-27 final energy consumption from renewables (2020), TWh¹



A large-scale green conversion of DONG Energy's Central CHP production in Denmark

Development in DONG Energy CHP portfolio in DK



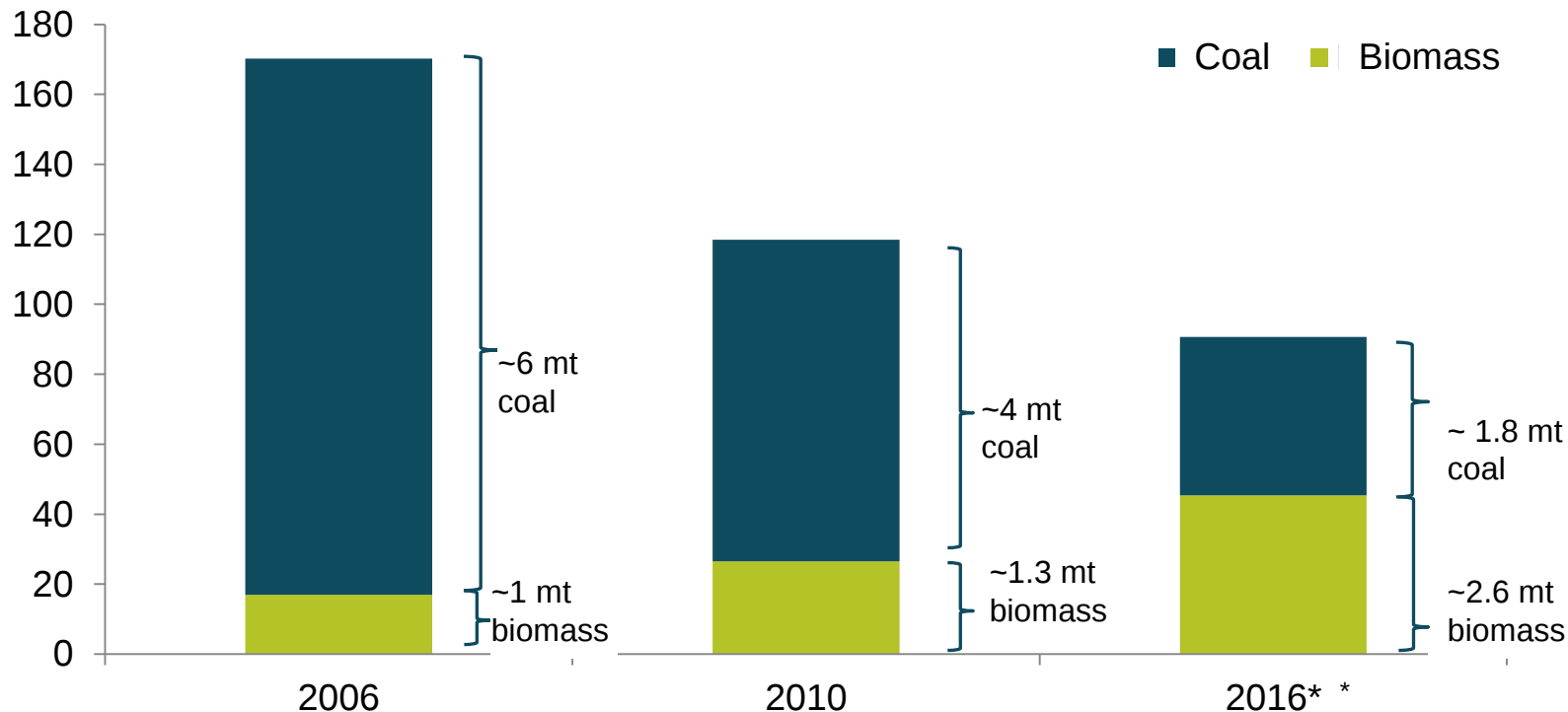
Biomass conversion driven by:

- Demand for long term efficient and green supply of district heating
- Tax exemptions and premium for green power
- Uphold thermal capacity to deliver flexibility

Biomass conversion of DK power plants reduces dependency of coal and CO₂ and contributes to 85/15 plan

More biomass and reduced use of coal

PJ Fuel



Total DONG
Energy CO₂
emissions in DK

18 mt CO₂

11 mt CO₂

5 mt CO₂

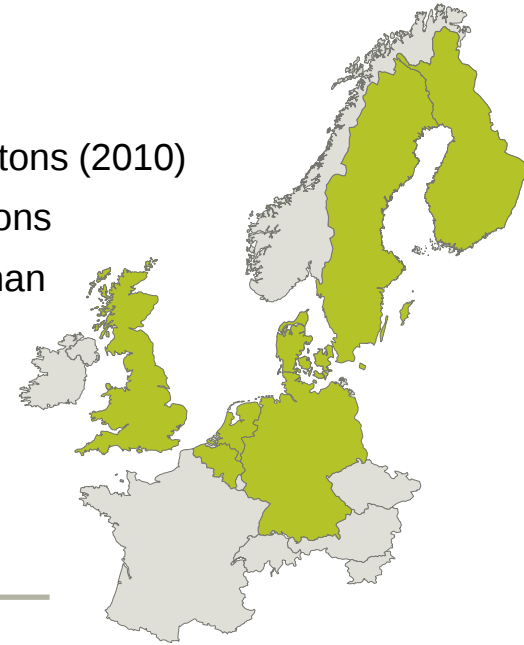
*Conversions not decided and based on expected consumption, market prices and capacity development (nov. 2011). This includes decision not to convert AVV2 to coal

DONG Energy is developing sustainability criteria for wood pellets together with other large European energy companies

Participants (IWPB)

- DRAX
- RWE/Essent
- Electrabel (GDF Suez)
- Laborelec (GDF Suez)
- DONG Energy
- EON UK
- DELTA
- Vattenfall

- 
- EU wood pellet consumption: 10 mn. tons (2010)
 - hereof industrial consumption: 4 mn tons
 - IWPB have a market share of more than 70% of industrial pellets



Purpose

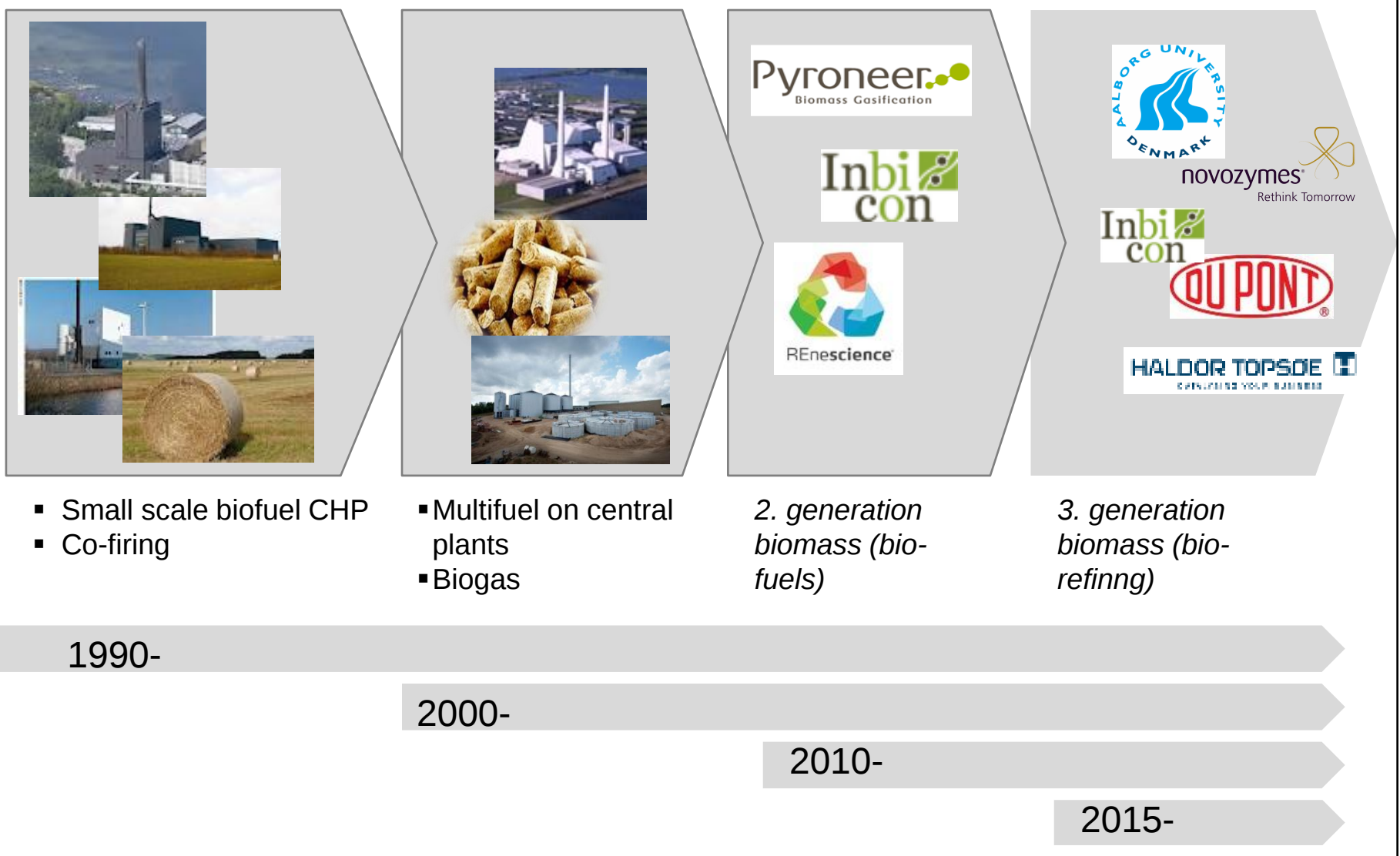
To remove barriers for trade with wood pellets through:

- Standard contracts
- Common specifications
- Common sustainability criteria

Sustainability

- 
- Verification or certification
 - 8 common principles for sustainability and criteria for compliance

Green growth with the intelligent use of biomass



New Bio Solutions – High value energy from biomass

Inbi
con



2nd generation bio-ethanol production based on agriculture residues



REnescience®
value from waste



Enzyme based separation of household waste for flexible and efficient energy utilisation

Pyroneer.
Biomass Gasification



Low-temperature gasification of low value biomass to high value energy products

Conclusions

1

- Biomass to energy plays important role in current EU energy mix and share to increase in the future

2

- DONG Energy conversion from coal to biomass to increase production of reliable and clean energy

3

- A challenge in sourcing sustainable biomass for conversion from coal to biomass

4

- Strategic objective of New Bio Solutions to develop world class utilization of low value biomass and waste