

WIND POWER POST 2020 PIPELINE

Martin Neubert, Chief Strategy Officer

Meet the Management, 2 February 2017



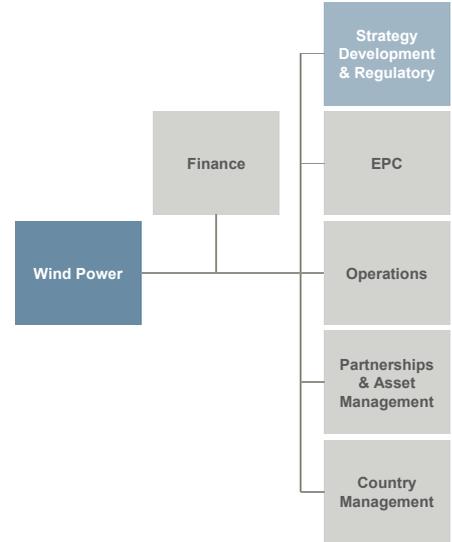
Martin Neubert

Chief Strategy Officer, Head of Strategy, Development & Regulatory

Born: 1973

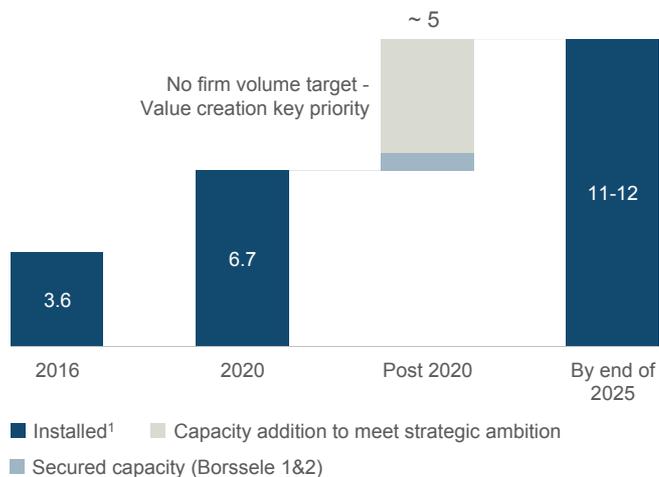
Education: MSc. in Economics and Finance (FAU) & CFA

- 2016 - Chief Strategy Officer**
Head of Strategy, Development & Regulatory
- 2012 - 15 Vice President**
Head of Partnerships
- 2008 - 12 Various Senior positions**
Head of Group M&A, Head of Equity Partnerships and Senior Project Manager in Group M&A in DONG Energy
- > 2008** Previously at Arthur Andersen, EY and Bain Capital



Wind Power's ambition is to drive profitable growth by adding ~5 GW of additional capacity post 2020

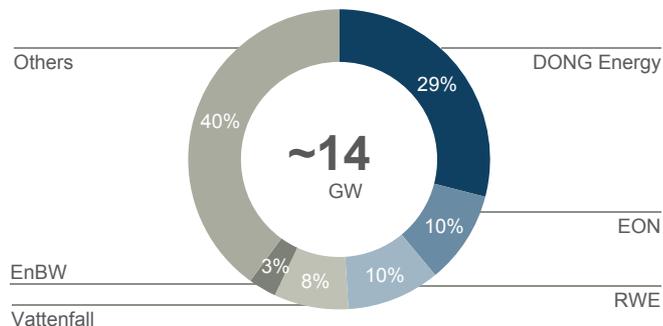
Wind Power capacity (GW)



Source: DONG Energy, Bloomberg New Energy Finance (BNEF)

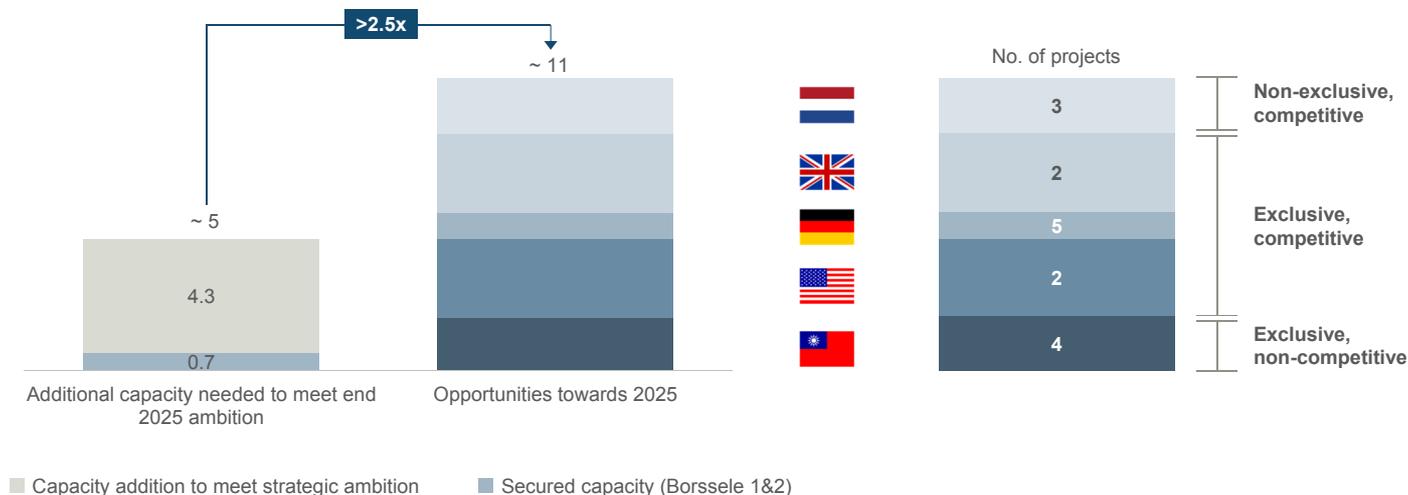
1. If a project is executed on behalf of a lead developer managing the construction, then 100% of capacity is allocated to the lead developer. If construction is executed by an integrated joint venture, capacity is allocated in proportion to the JV share

Global offshore wind market share end of 2016 (Percentage of installed capacity, GW)



Remaining capacity of 4.3 GW will be fuelled from an opportunity pipeline of ~11 GW

Wind Power capacity (GW)



Next 18 months will see allocation of more than 8 GW of capacity for the post 2020 period

DONG Energy pipeline options towards 2025

Upcoming auctions and tenders >8 GW of opportunities

Strategic markets
>9 GW pipeline options

Opportunistic markets
0.7 GW secured
2.1 GW³ pipeline options



Source: BNEF; Netherlands Enterprise Agency 1. In 2016 the UK government announced CfD auctions of up to GBP 730m for up to 4 GW of offshore wind to be executed over three auctions by 2020. Exact capacity to be allocated in each round is uncertain. The UK government has committed to up to three auctions in this parliamentary period. However a firm date has only been communicated for the 2017 auction.
2. Environmental Impact Assessment. 3 The Dutch government has proposed in its Energy Agenda to continue offshore wind tendering with 1 GW annually in 2020-2025, hence additional opportunities may arise.

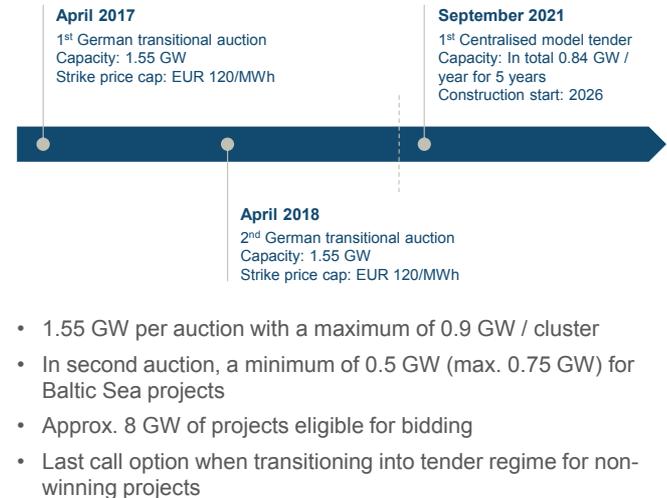
Two transitional auctions of total 3.1 GW in 2017/2018 before Germany introduces centralised model

German transitional auctions overview

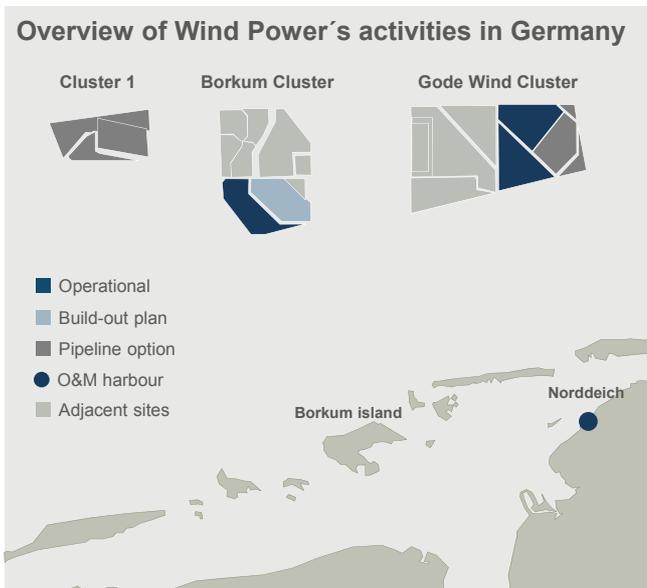


Source: German Ministry for Economic Affairs and Energy

Detailed timeline



Pipeline options in Germany positioned close to existing projects offering synergies across sites



- First row projects
– closest to shore vs. competing sites
- Clusters are part of German grid build-out plan towards 2025
- O&M synergies across three clusters
- Known waters and wind conditions
- Active acquisition strategy to ensure scale and full ownership

Approximately 4 GW to be awarded in UK through up to three additional CfD auctions

UK CfD Auctions overview



Detailed timeline

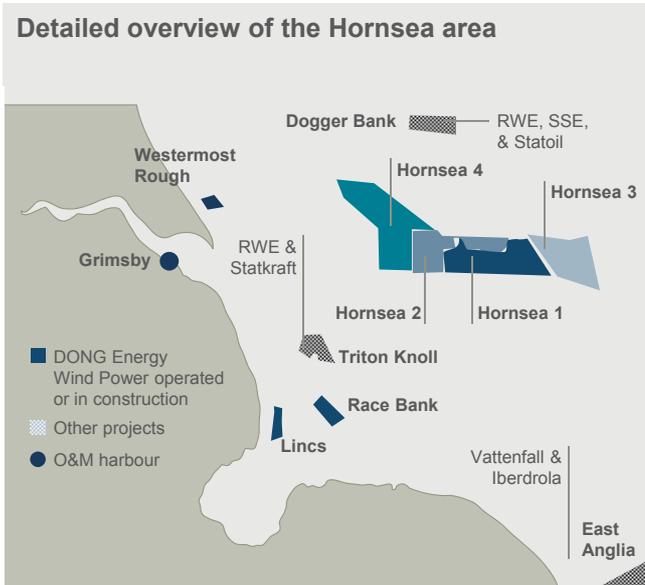


- Offshore wind competing with other less advanced technologies for the £730m budget
- Actual capacity awarded dependent on winning strike price
- Administrative strike price is the maximum level of support

Source: DECC

Note: In 2016 the UK government announced CfD auctions of up to £730m for up to 4 GW of offshore wind to be executed in up to three auctions in this Parliamentary period. Only the date for the 2017 auction is firm and exact capacity to be allocated in each round is uncertain. Strike prices in £ real 2012 values.

High quality pipeline for the UK CfD auction rounds



Hornsea 1	<ul style="list-style-type: none"> • 1.2 GW • Under construction
Hornsea 2	<ul style="list-style-type: none"> • Up to 1.8 GW • Development consent awarded in August 2016
Hornsea 3	<ul style="list-style-type: none"> • Up to 2.4 GW • Consent ongoing
Hornsea 4	<ul style="list-style-type: none"> • Approx. 1 GW • Post 2025 potential

• >3 GW of pipeline options towards 2025

• Area well known given Hornsea 1 under construction

Massachusetts auctions of at least 0.4 GW to be held every 24 months until target of 1.6 GW is met

Massachusetts auction overview

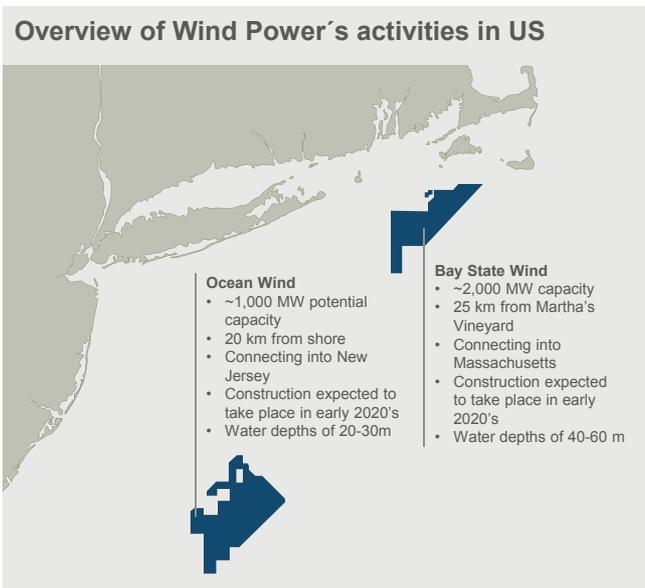


Source: MA Energy Bill (2016)

Detailed timeline



Secured project rights to build large scale projects with total of ~3 GW capacity and entered 50/50 partnership in US



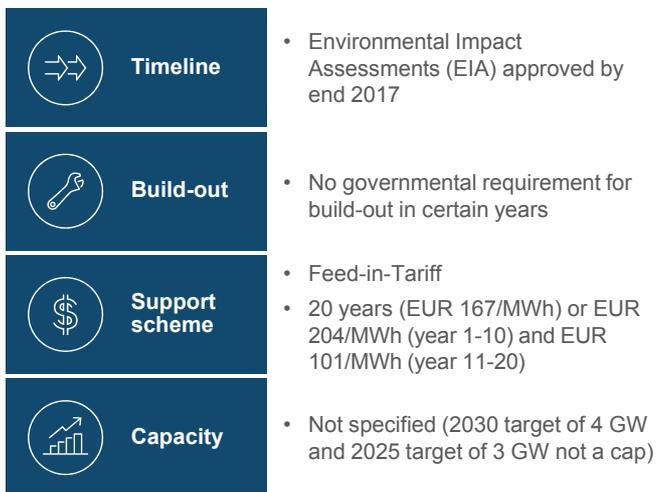
Presence with office in Boston

Continuous and active involvement in advising on the regulatory and political process

Entered partnership with Eversource Energy for Bay State Wind

In Taiwan, approval of environmental permits needed by end 2017 to secure site exclusivity

Overview Taiwan offshore wind



Detailed timeline

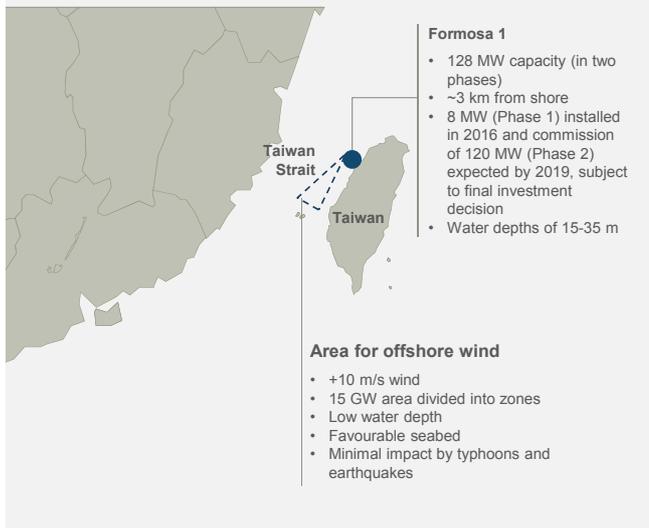


- Both local and international developers active in the Taiwanese market

Note: Feed in Tariff in TWD: 5.9838 TWD/kWh (20 years) or TWD 7.3103 (year 1-10) and TWD 3.5948 / kWh (year 11-20).¹ Conversion to EUR based on exchange rate TWD/EUR: 35.75
 Source: Taiwan Bureau of Energy, Ministry of Economic Affairs

Acquired 35% of Taiwan's first offshore wind project and pursuing further post 2020 project rights of minimum 2 GW

Overview of Wind Power's activities in Taiwan

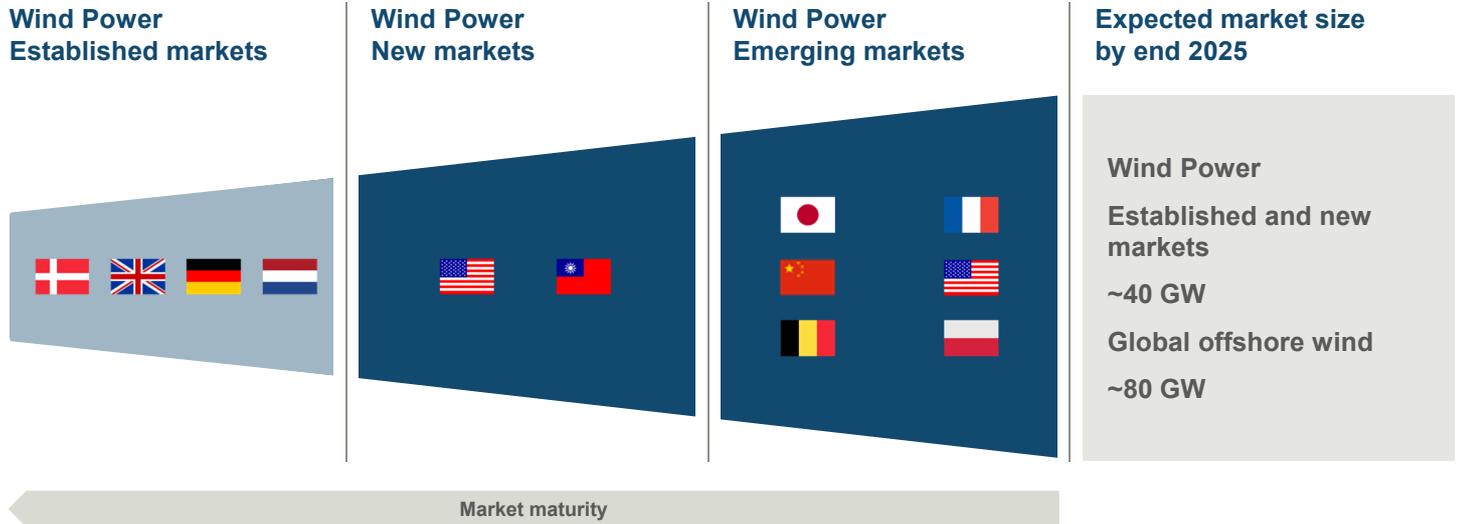


Inauguration of office in Taipei

Environmental Impact Assessment for project zones of minimum 2 GW submitted to the Taiwanese government

Acquired a 35% interest in the Formosa 1 project, developed by Swancor Renewable

Further markets with strong offshore wind potential expected to open up post 2020



Note: In US, states are defining their own energy policies, hence US consists of several different markets
Source: BNEF

Wind Power is the market leader in offshore wind with an ambitious growth strategy post 2020



Ambition of 11-12 GW installed capacity by end 2025



Next 18 months will see allocation of full 2025 capacity



First mover advantage in US/Taiwan



~11 GW opportunity pipeline to secure the further growth



Well positioned in European markets



Potential additional opportunities arising in emerging markets

