

News release from Vestas Mediterranean

Madrid, 27 August 2018

To adjust manufacturing footprint to regional demand, Vestas intends to cease production at factory in León, Spain

To sustain its competitiveness in the growing global market for wind energy, Vestas continuously introduces new products and optimises its global footprint to meet market demand across regions. By doing so, Vestas aims to ensure a competitive product portfolio, economies of scale and continuous optimisation of manufacturing, transportation, and sourcing costs.

Recent market developments have seen a decreasing demand for the 2 MW wind turbine platform in Europe, while the demand for the 4 MW platform in the region can be met by less capacity than currently provided by nacelles factories in Europe and other regions where Vestas recently has established production capacity.

Responding to these market developments and to sustain its competitiveness, Vestas intends to cease production at its assembly factory in León, Spain, affecting all of the factory's 362 employees. The employees have been informed about the intention to cease production through the local works council and will also receive a letter from Vestas with information on the situation and contact details for further information.

As per Spanish law, Vestas will now initiate negotiations with local works councils for all affected employees. Vestas is exploring opportunities to relocate employees from León to other Vestas manufacturing and service sites in Spain, as well as opportunities outside of Vestas through an outplacement plan. The negotiations are expected to be finalised within 30 days from commencement, as prescribed by Spanish law.

Spain remains a key market to Vestas with more than 4 GW of installed turbines, 6 GW under service and around 2,000 employees as of 30 June 2018. Vestas continues to have a strong local footprint to serve Spanish and international markets, including a generator factory in Viviero and a blades factory in Daimiel where Vestas is investing to set up production of blades for the V150-4.2 MW turbine. Additionally, Vestas also has Service hubs and warehouses, its Mediterranean headquarters in Madrid and a strong local supply chain in Spain.

The financial cost of ceasing production at the assembly factory in Leon will mainly relate to write down of land and buildings. These costs will be booked as special items and will be included in third quarter of 2018.

For more information, please contact:

Anders Riis
Group Communications
Tel.: +45 4181 3922
Email: ANPRR@vestas.com

Irene Rodríguez Álvarez
Head of Marketing & Communications
Vestas Mediterranean
Tel.: +34 91 362 81 13
Email: IRRAL@vestas.com

About Vestas

Vestas is the energy industry's global partner on sustainable energy solutions. We design, manufacture, install, and service wind turbines across the globe, and with 94 GW of wind turbines in 79 countries, we have installed more wind power than anyone else. Through our industry-leading smart data capabilities and unparalleled 79 GW of wind turbines under service, we use data to interpret, forecast, and exploit wind resources and deliver best-in-class wind power solutions. Together with our customers, Vestas' more than 24,300 employees are bringing the world sustainable energy solutions to power a bright future.

We invite you to learn more about Vestas by visiting our website at <http://www.vestas.com> and following us on our social media channels:

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