Vestas

Vestas Wind Systems A/S

Interim financial report Third quarter 2015

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Contents

Information meeting (audiocast)
On Thursday 5 November 2015 at 10 a.m. CET (9 a.m. GMT), Vestas will host an information meeting via an audiocast. The audiocast will be accessible via vestas.com/investor.

The meeting will be held in English and questions may be asked through a conference call. The telephone numbers for the conference call are:

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USA:	+1 866 388 1923
Denmark:	+45 8233 3176

Presentation material for the information meeting will be available approx one hour before the meeting at vestas.com/investor.

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Summary

Revenue, earnings, and free cash flow increased compared to the third quarter of 2014. Outlook for 2015 upgraded on revenue, EBIT margin before special items, and free cash flow.

In the third quarter of 2015, Vestas generated revenue of EUR 2,120m – an increase of 17 percent compared to the year-earlier period. EBIT before special items increased by EUR 69m to EUR 232m. The EBIT margin before special items was 10.9 percent and the free cash flow increased by EUR 53m to EUR 158m compared to the third quarter of 2014.

The intake of firm and unconditional wind turbine orders amounted to 1,508 MW in the third quarter of 2015. The value of the wind turbine order backlog amounted to EUR 8.2bn at 30 September 2015. In addition to the wind turbine order backlog, Vestas had service agreements with contractual future revenue of EUR 8.2bn at the end of September 2015. Thus, the value of the combined backlog of wind turbine orders and service agreements stood at EUR 16.4bn – an increase of EUR 3.0bn compared to the year-earlier period.

Vestas upgrades the 2015 guidance on revenue from minimum EUR 7.5bn to EUR 8.0bn-8.5bn, EBIT margin before special items from minimum 8.5 percent to 9-10 percent, and free cash flow from minimum EUR 600m to EUR 800m-1,000m. The upgrades are based mainly on improved delivery visibility for the remainder of the year.

Group President & CEO Anders Runevad said*: "Vestas has delivered another quarter with strong results on key financial and operational parameters. With greater clarity on deliveries for the remainder of the year and a very solid financial position, we are raising our guidance on revenue, EBIT margin, and free cash flow and initiating a share buy-back programme. I am very pleased that year-on-year for orders, Vestas is growing in all regions, consistent with our profitable growth strategy."*

Key highlights

Earnings improved
EBIT before special items at 10.9 percent – up 1.9 percentage points compared to Q3 2014.

Combined backlog continues at high level
Wind turbine and service order backlog of EUR 16.4bn.

Return on invested capital (ROIC) continues strong upward trend
ROIC increased to 71 percent (TTM).

Guidance increased
Guidance for 2015 increased on revenue, EBIT margin, and free cash flow based mainly on delivery visibility for the remainder of the year.

Share buy-back programme
EUR 150m share buy-back programme to adjust capital structure.

Highlights for the Group

mEUR	Q3 2015[1)]	Q3 2014[1)]	9 months 2015[1)]	9 months 2014[1)]	FY 2014
Financial highlights					
Income statement					
Revenue	2,120	1,813	5,388	4,437	6,910
Gross profit	389	318	930	762	1,178
Profit before financial income and expenses, depreciation and amortisation (EBITDA) before special items	320	255	711	585	929
Operating profit (EBIT) before special items	232	163	456	307	559
Profit before financial income and expenses, depreciation and amortisation (EBITDA) after special items	320	247	711	614	977
Operating profit (EBIT) after special items	232	155	456	336	607
Net financial items	34	(12)	23	(46)	(53)
Profit before tax	279	136	523	264	523
Net profit	206	102	387	198	392
Balance sheet					
Balance sheet total	8,322	7,038	8,322	7,038	6,997
Equity	2,813	2,165	2,813	2,165	2,379
Provisions	427	378	427	378	390
Average interest-bearing position (net)	1,808	506	1,666	346	494
Net working capital	(783)	(344)	(783)	(344)	(957)
Investments in property, plant and equipment	46	46	136	100	163
Cash flow statement					
Cash flow from operating activities	237	171	708	247	1,126
Cash flow from investing activities	(79)	(66)	(221)	(187)	(285)
Free cash flow	158	105	487	60	841
Cash flow from financing activities	(19)	0	(227)	398	389
Change in cash at bank and in hand less current portion of bank debt	139	105	260	458	1,230
Financial ratios[2)]					
Financial ratios					
Gross margin (%)	18.3	17.5	17.3	17.2	17.0
EBITDA margin before special items (%)	15.1	14.1	13.2	13.2	13.4
EBIT margin before special items (%)	10.9	9.0	8.5	6.9	8.1
EBITDA margin after special items (%)	15.1	13.6	13.2	13.8	14.1
EBIT margin after special items (%)	10.9	8.5	8.5	7.6	8.8
Return on invested capital (ROIC) (%) before special items[3)]	71.3	29.1	71.3	29.1	35.3
Solvency ratio (%)	33.8	30.8	33.8	30.8	34.0
Net working capital as percentage of revenue (%)	(10.4)[4)]	(5.7)	(10.4)[4)]	(5.7)	(13.8)
Return on equity[3)] (%)	23.6	23.5	23.6	23.5	20.1
Gearing (%)	17.6	28.6	17.6	28.6	25.5
Share ratios					
Earnings per share[5)] (EUR)	2.6	1.9	2.6	1.9	1.8
Book value per share (EUR)	12.6	9.7	12.6	9.7	10.6
Price/book value	3.7	3.2	3.7	3.2	2.9
Cash flow from operating activities per share (EUR)	1.1	0.8	3.2	1.1	5.0
Proposed dividend per share (EUR)	-	-	-	-	0.5
Payout ratio (%)	-	-	-	-	29.5
Share price at the end of the period (EUR)	46.5	31.0	46.5	31.0	30.4
Average number of outstanding shares[6)] (million)	221	221	221	221	221
Number of shares at the end of the period (million)	224	224	224	224	224

1) Neither audited nor reviewed.
2) The ratios have been calculated in accordance with the guidelines from “Finansforeningen” (The Danish Finance Society) (Recommendations and Financial ratios 2010).
3) Calculated over a 12-month period.
4) Net working capital as percentage of minimum outlook for revenue.
5) Earnings per share has been calculated over a 12-month period and in accordance with IAS 33 on earnings per share.
6) Average number of outstanding shares does not include treasury shares. The number is used for calculation of Earnings per share.

	Q3 2015[1]	Q3 2014[1]	9 months 2015[1]	9 months 2014[1]	FY 2014
Operational key figures					
Order intake (bnEUR)	1.5	1.0	5.8	3.7	5.8
Order intake (MW)	1,508	1,170	6,275	4,290	6,544
Order backlog – wind turbines (bnEUR)	8.2	6.7	8.2	6.7	6.7
Order backlog – service (bnEUR)	8.2	6.7	8.2	6.7	7.0
Produced and shipped wind turbines (MW)	2,477	2,183	5,798	4,764	6,125
Produced and shipped wind turbines (number)	1,048	931	2,422	1,971	2,527
Deliveries (MW)	1,934	1,682	4,806	3,815	6,252
Social and environmental key figures[2]					
Occupational health & safety					
Total recordable injuries (number)[3]	82	105	254	271	384
- of which lost time injuries (number)	11	11	40	43	53
- of which fatal injuries (number)	0	0	0	0	0
Consumption of resources					
Consumption of energy (GWh)	126	121	382	354	501
- of which renewable energy (GWh)	79	80	214	201	278
- of which renewable electricity (GWh)	75	77	195	186	255
Consumption of fresh water (1,000 m^3)	130	127	320	305	366
Waste disposal					
Volume of waste (1,000 tonnes)	15	14	45	36	51
- of which collected for recycling (1,000 tonnes)	7	7	22	18	27
Emissions					
Direct emission of CO_2 (1,000 tonnes)	11	10	35	34	50
Indirect emission of CO_2 (1,000 tonnes)	6	7	19	21	29
Local community					
Environmental accidents (number)	0	0	0	0	0
Breaches of internal inspection conditions (number)	0	0	0	2	3
Employees[4]					
Average number of employees	19,273	16,648	18,597	15,958	16,335
Number of employees at the end of the period	19,585	17,067	19,585	17,067	17,598
- of which outside EMEA	8,816	6,910	8,816	6,910	7,441
Social and environmental indicators[2]					
Occupational health and safety					
Incidence of total recordable injuries per one million working hours	9.1	12.6	9.4	11.3	11.8
Incidence of lost time injuries per one million working hours	1.2	1.4	1.5	1.8	1.6
Absence due to illness among hourly-paid employees (%)	1.8	2.2	1.9	2.4	2.3
Absence due to illness among salaried employees (%)	1.0	1.2	1.1	1.2	1.3
Products					
CO_2 savings over the lifetime on the MW produced and shipped (million tonnes of CO_2)	70	61	163	134	173
Utilisation of resources					
Renewable energy (%)	63	66	56	57	56
Renewable electricity for own activities (%)	100	100	100	100	100
Employees					
Women in Board of Directors[5] and Executive Management (%)	23	23	23	23	23
Women at management level (%)[6]	18	18	18	18	18
Non-Danes at management level (%)[6]	55	54	55	54	54

1) Neither audited nor reviewed.
2) Accounting policies for social and environmental key figures for the Group, see page 107-109 of the annual report 2014.
3) Total recordable injuries include fatalities, lost time injuries, restricted work injuries and medical treatment injuries.
4) The employee counting practice has changed from 1 January 2015. With the new employee counting practice the Group no longer includes external hourly-paid employees working for Vestas. Only employees on Vestas' payroll are counted and reported as Vestas employees. The change has been made to give a direct correlation to staff costs. The Group still keeps track of contractors managed by Vestas to have a measure of the combined workforce and overall safety performance. Comparatives have been changed accordingly.
5) Only Board members elected by the general meeting are included.
6) Employees at management level comprise employees at level IPE54+ according to Mercer's International Position Evaluation System.

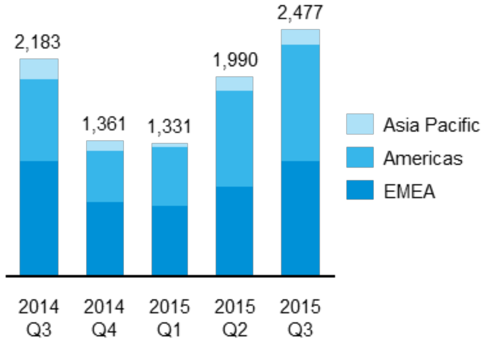
Financial performance

Order backlog and activities – wind turbines

The quarterly order intake was 1,508 MW, of which 75 percent was announced. This is an improvement of 338 MW or 29 percent compared to the third quarter of 2014. The order intake came from a total of 18 countries.

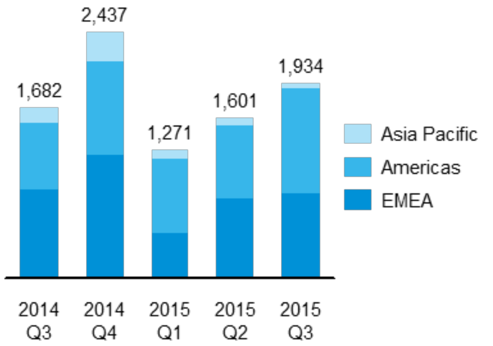
The order backlog amounted to 8,953 MW at the end of September 2015. This is an improvement of 1,498 MW compared to the end of September 2014. Europe, Middle East, and Africa (EMEA) accounted for 51 percent of the backlog, and Americas and Asia Pacific accounted for 41 and 8 percent, respectively. The value of the order backlog was EUR 8.2bn at the end of September 2015 compared to EUR 6.7bn at the end of September 2014; an increase of 22 percent.

Produced and shipped
MW



In the third quarter of 2015, Vestas produced and shipped wind turbines with an aggregate output of 2,477 MW (1,048 wind turbines) against 2,183 MW (931 wind turbines) in the third quarter of 2014.

Deliveries (TOR*)
MW



* Transfer of Risk.

Final capacity delivered (transfer of risk) to the customers amounted to 1,934 MW; an increase of 15 percent compared to the third quarter of 2014. The improvement was mainly driven by increased deliveries in the USA. Deliveries within the EMEA region were overall stable, with the usual fluctuating delivery mix in individual countries.

Overview per region as per Q3 2015
MW

	EMEA	Americas	Asia Pacific	Total
Under completion, 1 July 2015	1,301	619	6	1,926
Delivered (TOR) to customers during the period	(838)	(1,044)	(52)	(1,934)
Produced and shipped during the period	1,166	1,155	156	2,477
Under completion, 30 Sep 2015	**1,629**	**730**	**110**	**2,469**

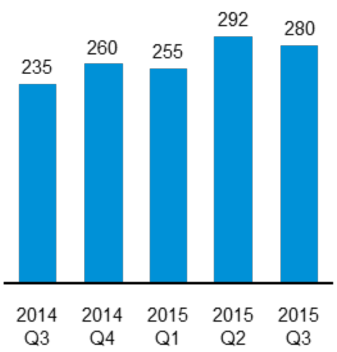
At the end of September 2015, wind turbine projects with a total output of 2,469 MW were under completion as compared to 2,553 MW at the end of September 2014. The amount of MW under completion is reflected in the level of prepayments and inventories as a large share of these MW has not yet been recognised as revenue. The revenue recognition of these MW will take place when the projects are finally delivered to the customers.

Order backlog and activities – service

At the end of September 2015, Vestas had service agreements with contractual future revenue of EUR 8.2bn compared to EUR 6.7bn at the end of September 2014; an increase of 22 percent.

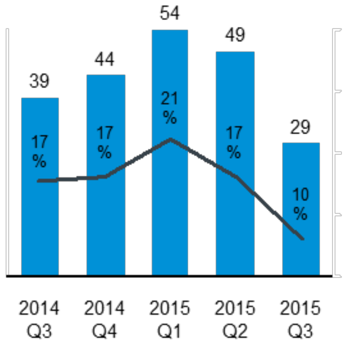
Service revenue amounted to EUR 280m in the third quarter of 2015 – an increase of 19 percent compared to the third quarter of 2014. The increase was mainly driven by organic growth and impact from currency effects. Even though revenue and earnings from the service business are more stable than from the wind turbine business, the activities that generate revenue and earnings in the various types of service contracts may vary from quarter to quarter.

Service revenue
mEUR



In the third quarter of 2015, the EBIT margin before special items amounted to 10.4 percent which is a decrease of 6.2 percentage points compared to the third quarter of 2014. Compared to the levels typically observed for the service business, the decrease in EBIT margin before special items could be attributed to impairment and write-offs on service inventories of EUR 19m.

Service EBIT before special items
mEUR and percentage



By the end of September 2015, Vestas has delivered more than 71 GW in 74 countries. A high level of installed capacity and carefully planned service visits are key prerequisites for generating profit from the service business. Consequently, close monitoring of more than 29,000 wind turbines equivalent to more than 56 GW is one of the foundations of Vestas' service business' growth strategy.

At the end of September 2015, the average duration in the service order backlog was approx six years.

Income statement

In the third quarter of 2015, revenue amounted to EUR 2,120m – an increase of 17 percent compared to the third quarter of 2014. A large part of the increase was driven by higher MW delivery volumes. However, the effect from MW delivery volumes on revenue was partly offset by mix and scope effects in the quarter. Approx EUR 150m of the increase was due to currency effects.

The gross profit amounted to EUR 389m – an increase of 22 percent compared to the third quarter of 2014. The increase in gross profit was mainly driven by the higher revenue and various mix effects, which positively impacted the underlying project margins in the quarter. Gross margin increased by 0.8 percentage points to 18.3 percent compared to 17.5 percent in the previous year.

It should be emphasised that quarter-on-quarter developments in gross margins may show substantial fluctuations due to volume and composition relating to countries, project complexities, orders, and wind turbine types as well as customers' demands for delivery flexibility.

The EBITDA margin before special items amounted to 15.1 percent – an increase of 1.0 percentage points compared to the third quarter of 2014.

EBIT before special items amounted to EUR 232m – an increase of 42 percent compared to the third quarter of 2014. EBIT margin before special items increased by 1.9 percentage points to 10.9 percent compared to the third quarter of 2014. The EBIT increase was mainly driven by the higher gross profit combined with lower depreciation and amortisation.

No special items were booked for the third quarter of 2015 (2014: EUR (8)m). EBIT after special items thus amounted to EUR 232m, an increase of EUR 77m compared to the third quarter of 2014.

In the third quarter of 2015, net financial items amounted to a net gain of EUR 34m against a net loss of EUR 12m in the third quarter of 2014. The development in net financials was positively impacted by currency effects and lower interest expenses, compared to the third quarter of 2014.

The income tax expense amounted to EUR 73m in the third quarter of 2015 (2014: EUR 34m), and the net result was EUR 206m – an improvement of EUR 104m compared to the third quarter of 2014.

Income from investments accounted for using the equity method amounted to a profit of EUR 13m for the third quarter of 2015 against a loss of EUR 7m in the third quarter of 2014. The profit was positively impacted by profit of EUR 12m from sale of wind turbines by MHI Vestas Offshore Wind to their end customer. Vestas' share of profit from MHI Vestas Offshore Wind on a standalone basis amounts to EUR 1m in the quarter.

Balance sheet

Vestas had total assets of EUR 8,322m at 30 September 2015, against EUR 7,038m the year before. The increased balance sheet sum was mainly driven by the improved cash position as well as working capital movements attributable to the increased activity level.

At the end of September 2015, Vestas had a net cash position of EUR 1,809m, representing an improvement of EUR 1,199m compared to the end of September 2014. This was driven by improved earnings in the period and focus on net working capital optimisation.

Net working capital

At the end of September 2015, Vestas' net working capital amounted to EUR (783)m, which is an improvement of EUR 439m compared to the end of September 2014. The improvement in net working capital is primarily driven by increased prepayments and payables – both attributed to higher activity levels, which also led to partial offsetting increases in inventories and receivables. The development in the net working capital was driven by the operational parameters described above but a part can also be attributed to exchange rate developments.

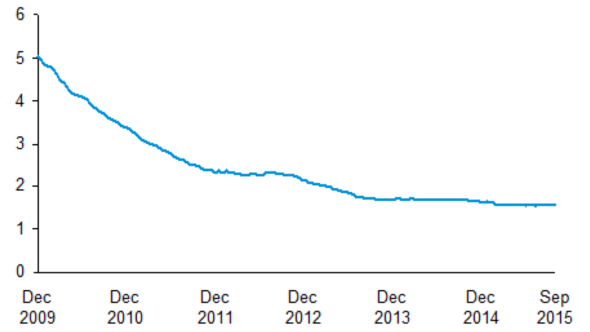
Warranty provisions

In the third quarter of 2015, warranty provisions charged to the income statement amounted to EUR 44m, equivalent to 2.1 percent of revenue. Warranty consumption amounted to EUR 26m – compared to EUR 28m in the third quarter of 2014. Over the last 12 months, warranty consumption as a percentage of revenue amounted to 1.1 percent.

In general, provisions are made for all expected costs associated with wind turbine repairs or replacements, and any reimbursement from other involved parties is not offset unless a written agreement has been made to that effect. Provisions are made to cover possible costs of remedy and other costs in accordance with specific agreements. Provisions are based on estimates, and actual costs may deviate substantially from such estimates.

Lost Production Factor*

Percentage



* Data calculated across 19,039 Vestas wind turbines under full-scope service.

The ongoing improvement of the Lost Production Factor (LPF) on Vestas wind turbines implies that the customers achieve a consistently better return on their investment. At the end of September 2015, all the wind power plants where Vestas guaranteed the performance had an average LPF lower than 2 percent.

Total equity

Vestas' equity amounted to EUR 2,813m at 30 September 2015 – an increase of EUR 648m compared to 30 September 2014, primarily driven by improved earnings. The solvency ratio increased by 3.0 percentage points to 33.8 percent.

Cash flow and investments

In the third quarter of 2015, cash flow from operating activities increased by EUR 66m to EUR 237m compared to the third quarter of 2014. The increase was mainly driven by improved earnings, which was partly offset by change in net working capital.

Cash flow used for investments amounted to EUR (79)m in the third quarter of 2015, which is an increase of EUR 13m compared to the same period last year.

In the third quarter of 2015, the free cash flow increased by EUR 53m to EUR 158m compared to the third quarter of 2014.

As part of the execution of the Group's strategic plan, Vestas is planning to build a new blade manufacturing facility in India. Once completed, the factory will support Vestas' operations in the Indian market as well as potentially servicing activities in other markets.

Share buy-back programme

The Board of Directors of Vestas Wind Systems A/S has decided to initiate a share buy-back programme of up to DKK 1,120m (approx EUR 150m) to be executed during the period 5 November 2015 to 31 December 2015. The share buy-back programme will be structured according to the safe harbour regulation.

The main purpose of the share buy-back programme is to adjust the capital structure of Vestas.

Going forward, share buy-back is intended to be used from time to time to adjust the capital structure and/or if excess cash arises. Any such decision will be taken in appropriate consideration of capital structure targets, while still maintaining adequate flexibility to invest in Vestas' strategy, Profitable Growth for Vestas.

The stated dividend policy of Vestas will be unaffected by the share buy-back programme, and hence remains at 25-30 percent of the net result of the year.

Market development

Deliveries and wind turbine backlog per region

During the third quarter of 2015, Vestas' total wind turbine backlog increased by 1,498 MW compared to the third quarter of 2014.

Order intake and wind turbine backlog per region
MW

	EMEA	Americas	Asia Pacific	Total
Order intake Q3 2015	683	563	262	**1,508**
Backlog as per 30 Sep 2015	4,599	3,662	692	**8,953**

Europe, Middle East, and Africa (EMEA)

Deliveries in EMEA in the quarter totalled 838 MW compared to 876 MW in the previous year. Deliveries were distributed in several different parts of the region, with Poland being the country in the region where most capacity was installed.

The order intake for the region amounted to 683 MW, up from 652 MW in the third quarter of 2014. The order intake was coming mainly from Germany, Finland, and France. The order backlog comprised 4,599 MW as of 30 September 2015.

Americas

Deliveries for the Americas region were strongly impacted by the increased deliveries in the USA. With 1,009 MW, the largest in a quarter to date, deliveries to the USA more than tripled compared to the third quarter of 2014. Vestas received US orders of 442 MW in the third quarter of 2015.

In the quarter, order intake amounted to 563 MW for the Americas region, of which 121 MW came from Uruguay. The order backlog for the region amounted to 3,662 MW as of 30 September 2015, of which the majority relates to orders in the USA.

Asia Pacific

Vestas received orders for a total of 262 MW for the Asia Pacific region, coming mainly from Thailand and India. In the quarter, Vestas delivered 52 MW in China and the order backlog for the Asia Pacific region amounted to 692 MW as of 30 September 2015.

Deliveries (TOR)
MW

	Q3 2015	Q3 2014	FY 2014
Poland	146	64	146
Germany	138	244	1,127
France	108	109	385
Turkey	89	65	194
Jordan	87	-	-
Italy	52	-	82
Finland	36	6	89
Croatia	36	-	42
United Kingdom	32	88	319
Denmark	29	-	47
Sweden	26	192	365
South Africa	24	2	158
Belgium	22	-	114
Netherlands	9	20	72
Romania	2	60	120
Portugal	2	-	7
Greece	-	15	15
Austria	-	6	51
Czech Republic	-	5	12
Ukraine	-	-	33
Kenya	-	-	7
Total EMEA	**838**	**876**	**3,385**
USA	1,009	304	1,517
Uruguay	23	52	175
Chile	9	12	202
Dominican Republic	3	-	-
Canada	-	24	39
Peru	-	112	112
Costa Rica	-	6	21
Mexico	-	138	170
Brazil	-	-	87
Total Americas	**1,044**	**648**	**2,323**
China	52	158	310
Australia	-	-	24
India	-	-	22
South Korea	-	-	38
Philippines	-	-	150
Total Asia Pacific	**52**	**158**	**544**
TOTAL WORLD	**1,934**	**1,682**	**6,252**

Strategy and financial and capital structure targets

(*For an extended introduction to the Vestas strategy, please refer to the annual report 2014.*)

Strategic objectives

In the beginning of 2014, Vestas launched its mid-term strategy, Profitable Growth for Vestas and as part of its annual strategy process, the strategic plan has been updated to reflect developments occurring during 2014.

This process confirmed Vestas' strong global reach in both the wind turbine and service segments and also confirmed the relevance of Vestas' ambition to continue to build its strength in those segments in 2015 and beyond.

Thus, the overall strategic ambition to ensure profitable growth for Vestas remains, as does Vestas' ambition to maintain and expand its global leadership and create an even more flexible and robust company, able to consistently deliver best-in-class margins.

To achieve this, Vestas must balance and utilise its three key differentiators:

- Expand global reach (i.e. by increasing market presence and further localising manufacturing).
- Increase technology and service leadership (i.e. by reducing levelised cost of energy across product portfolio and by strengthening product and service offerings).
- Leveraging global scale (i.e. by utilising installed base and sourcing opportunities).

To this end, Vestas has defined four strategic objectives which provide the operational basis for the implementation of the strategy.

1. Grow profitably in mature and emerging markets

Vestas will leverage on its strong position in mature markets such as Europe and North America. These markets have historically been the strongholds of Vestas. The product portfolio has a strong fit for these markets, the brand is well established and recognised, and an experienced sales force is in place.

Simultaneously, Vestas plans to further reduce costs and capital expenditure requirements in these markets by offering tailored, technologically advanced product variants based on innovation of existing wind turbine platforms, targeting an even higher market share.

Vestas has already established a strong track record of winning orders in new wind turbine markets in Eastern Europe, Asia, Africa, and Latin America. Furthermore, Vestas expects to improve its regional competitiveness and presence in the specific markets China, India, and Brazil. Plans have been developed for those markets and are now being implemented.

Building on its global presence, Vestas will also continue to pursue opportunities in markets, where wind energy is set to expand, such as for instance Chile, Costa Rica, Kenya, Slovenia, Vietnam, and Thailand.

Consequently, Vestas will amplify the agility and competencies of its sales organisation and deepen the partnerships with its customers through the expansion of its key account programme. Furthermore, Vestas has established a Customer Advisory Board, involving key customers in the development of new wind power technologies and services.

To win more and larger orders, Vestas seeks to partner with potential customers early in the project development phase. Through advanced services such as SiteHunt® and SiteDesign®, providing transparency and business case certainty for its customers, Vestas is able to unlock value and enhance customer relationships at an early stage of project planning. Thus, Vestas has increasingly become an opportunity originator by helping both established and new customers and investors to step up their commercial focus on wind power as well as enter new and promising wind power markets with a high return on their investments.

Through its unrivalled track record and close customer relationships, Vestas has developed a clear understanding of the customers' requirements and how to optimise projects to maximise value. Combined with Vestas' unparalleled capabilities within siting, operation, and servicing of wind power plants, Vestas has a competitive advantage which will be utilised even further going forward, where the ambition is to grow faster than the market.

2. Capture full potential of the service business

Having delivered an accumulated amount of more than 71 GW of wind power – a significantly higher amount than the closest competitor – Vestas has a unique platform from which to grow its service business, which today, is already the largest in the wind power industry.

As the majority of Vestas' wind turbine contracts are sold with service agreements, typically running for five or ten years, the stable revenue stream from the service business is set to continue its growth as the installed base of wind turbines increases.

In 2014, the service business was established as a separate division and a head of Global Service was appointed. Following this appointment, the global service organisation was implemented later in the year and the division is now set to capture the full potential of the service business.

Vestas intends to expand its service business further by offering new and value-adding service solutions and a variety of upgrades of existing wind power plants to its customers. This is made possible through the use of the wind power industry's most powerful supercomputer and a body of unrivalled wind data.

Vestas aims to increase the value of its customer offerings through further development and upselling of service solutions, product improvements, and services like Vestas PowerPlus™ and VestasOnline®.

Due to its size and global presence, Vestas is well-positioned to offer its customers the most effective service at the lowest cost. It is thus an ongoing and unchanged ambition to continue to reduce the underlying cost structures in the service division. Simultaneously, Vestas intends to improve supply chain delivery performance within the service business through optimisation of distribution networks, better forecasting, and local sourcing.

The ambition to grow the service business by more than 30 percent mid-term remains unchanged.

3. Reduce levelised cost of energy

Based on two wind turbine platforms, Vestas' comprehensive product portfolio will continue to be customer and market driven whilst simultaneously improving cost structures.

An example is the increased integration of standard components and modularisation across Vestas' product platforms which reduces the technical complexity and thereby the cost of the wind turbines.

In addition, the product strategy based on two platforms is designed to accelerate and streamline product development, thereby reducing the time it takes to bring new products to market, while maintaining a broad product offering.

The recent technological improvements to the existing 2 MW and 3 MW wind turbine platforms have resulted in significantly increased Annual Energy Production (AEP), among other things, enabling Vestas to defend its strong position in market segments characterised by constraints in terms of grid compliance, tip-height, and noise. In these often highly complex markets, Vestas will further leverage on its vast expertise within site and power plant optimisation to maintain its already dominant position.

For markets with less challenging requirements, cost per wind turbine is often more of a decisive factor. Consequently, Vestas will further utilise its proven 2 MW platform by developing new variants, targeted at reducing costs by means of design optimisations and sourcing of lower cost components.

Combined with prioritising further development of existing, well-proven wind turbine technology over the costly development of entirely new platforms, Vestas is able to lower the cost of energy for its customers year after year. The intention is to reduce the cost of energy faster than the market.

4. Improve operational excellence

Cost savings remain a priority for Vestas, and Vestas will continue its journey towards lower costs through further site simplification, shared service centres and increased efficiency by leveraging on the scale of its operations. The goal is to achieve cost leadership within the wind power industry.

The size of Vestas provides a competitive foundation for lowering costs at every stage of the value chain. Through the Accelerated Earnings programme, launched at the end of 2012, Vestas has successfully lowered the costs of products delivered and the programme has helped Vestas consolidate its leading position in a competitive market. More value can be captured through further capability building, and the next generation of the programme, Accelerated Earnings Pro, is now in place.

Optimisation of the supply chain and increased use of standard components also decrease Vestas' need for investments, reduce lead time, and keep inventories low. Yet, the growing degree of outsourcing must never compromise Vestas' leading position within the areas of safety, quality, and technology.

Finally, working capital management remains an area of high priority for Vestas. Consequently, the focus remains on improving the cash conversion cycle and lowering the working capital tied up while transporting and installing the wind turbine projects.

Financial and capital structure targets and priorities

Vestas' financial and capital structure targets, as well as related dividend policy, link to the strategic aspirations of the company. Financial stability and structural strength of the balance sheet remain key priorities for the company. Both the Board of Directors as well as Executive Management believe that strong financial performance and stability are prerequisites for delivering excellent commercial results, and therefore adopt a conservative approach to the structure of the company's balance sheet, whilst at the same time ensuring that management focuses on delivering strong financial results.

Mid-term financial targets

By increasing earnings and keeping investment and net working capital requirements low, Vestas aims to generate a double-digit return on invested capital (ROIC) each year over the cycle. Vestas expects to be able to finance its own growth and thus the free cash flow is expected to be positive each financial year.

Capital structure targets

As a player in a market where projects, customers, and wind turbine investors become larger, Vestas aims to be a strong financial counterpart. Consequently, the target for the net debt/EBITDA ratio remains unchanged at less than 1 by the end of each financial year, and the solvency ratio target remains a minimum level of 35 percent, in line with the company's prudent balance sheet approach.

Dividend policy and priorities for excess cash allocation

Vestas has the following priorities for excess cash:

1. Repayment of debt if the net debt/EBITDA ratio is above target.
2. Allocation to shareholders if the solvency ratio is above target.

The general intention of the Board of Directors is to recommend a dividend of 25-30 percent of the net result of the year. However, pay-out of dividends will always take into consideration the Group's plans for growth and liquidity requirements.

For the financial year 2014, a dividend payout ratio of 29.5 percent was thus adopted by the annual general meeting on 30 March 2015.

Social and environmental performance

Standards, goals, and priorities

Sustainable products and sustainable operations are integral for Vestas. The standards and goals build on global certificates for the three standards ISO 9001 for quality, ISO 14001 for environment, and OHSAS 18001 for health and safety as well as recognised conventions established by international organisations such as the UN, the International Labour Organization (ILO), and OECD.

The standards and goals are reflected in Vestas' social and environmental priorities:

- The lowest possible incidence of recordable injuries.
- CO_2 impact from wind power must excel against other energy forms.
- The greatest possible recyclability of the wind turbines.

Code of Conduct

An update to Vestas' framework against bribery and corruption was undertaken in the first half of 2015. As part of the update, a bribery risk assessment has been completed and processes have been agreed upon to address the findings. For example, Vestas Code of Conduct is being revised and divided into two versions to improve understanding of requirements, one for employees and one for suppliers and other business partners.

Human rights and labour practices

Vestas recognises its responsibility to respect the Bill of Human Rights. Commitments are outlined in Vestas' Human Right Policy. Through the Social and Environmental Due Diligence process, Vestas initiates actions that either prevent or mitigate adverse human rights and labour impacts.

Employees

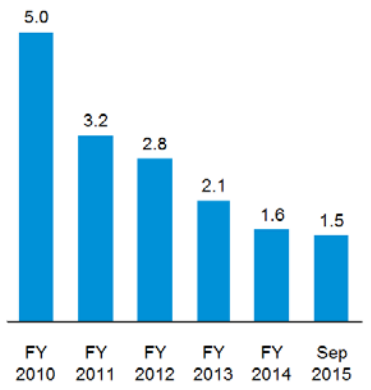
Since December 2014, the number of employees in Vestas has increased by 1,987 to 19,585, mainly driven by ramp-up at the factories in the USA. Vestas will continue to scale the organisation according to, among other things, the expected activity level.

Safety

In the third quarter of 2015, the number of lost time injuries remained at 11 compared to the same quarter last year, while the incidence of lost time injuries has decreased from 1.4 to 1.2 due to the higher number of working hours this year. This brings the year-to-date level down to 1.5, which is below the overall 2014 rate of 1.6.

Compared to full year 2014, the incidence of total recordable injuries, the new safety KPI introduced this year, has decreased from 11.8 to 9.4 in the first nine months of 2015. This rate is below the 2015 target of 10.1 total recordable injuries per million working hours.

Incidence of lost time injuries
Per one million working hours



Environmental performance

Increased production in the third quarter of 2015 was not to the same degree reflected in environmental performance compared to the third quarter of 2014. The consumption of water and energy and the waste and CO_2 emissions increased relatively less than the increased production level due to higher efficiency usage.

Renewable energy

All electricity consumption in Vestas comes from renewable energy sources. Vestas achieves this, partly by purchasing renewable electricity where available, and partly by compensating for the consumption of non-renewable electricity with Vestas-owned wind power plants. In the third quarter of 2015, 63 percent of all energy consumption came from renewable energy sources, which is a decrease from the year-earlier period.

Carbon footprint

Vestas has successfully achieved its ambitious product-related CO_2 emission reduction target of 15 percent from 2011 to 2015. Released by Vestas during the third quarter of 2015, a new life cycle assessment report shows that the environmental impacts of Vestas' turbines have improved. CO_2 emissions of the V112-3.3 MW turbine has been reduced by over 15 percent and improved the return-on-energy by 26 percent compared to the V112-3.0 MW turbine. Return-on-energy is a metric defining the time it takes before the wind turbine has generated as much energy as the suppliers and Vestas together spend on manufacturing, transporting, installing, and dismantling the wind turbine in its 20-year lifetime. A V112-3.3 MW turbine is energy neutral after approx six and a half months of operation. The main reasons for the improvements are environmentally-led initiatives (for example SF_6 gas take-back scheme) and product upgrade initiatives (increased energy production and product optimisation such as reduced amount of steel needed in the tower).

For more information, the life cycle assessment report is available on vestas.com/en/about/sustainability.

Outlook 2015

Based mainly on the improved delivery visibility for the remainder of the year, Vestas upgrades guidance on revenue, EBIT margin before special items, and free cash flow.

Revenue is upgraded from minimum EUR 7.5bn to now range between EUR 8.0bn and EUR 8.5bn including service revenue, which is expected to grow.

Vestas now expects to achieve an EBIT margin before special items of 9-10 percent compared to the previous minimum guidance of 8.5 percent. The service margins are expected to remain stable.

The free cash flow is now expected to range between EUR 800m and EUR 1,000m in 2015, compared to minimum EUR 600m previously.

It should be emphasised that Vestas' accounting policies only allow the recognition of supply-only and supply-and-installation projects as income when the risk has finally passed to the customer, irrespective of whether Vestas has already produced, shipped, and installed the wind turbines. Disruptions in production and challenges in relation to wind turbine installation, for example bad weather, lack of grid connections, and similar matters may thus cause delays that could affect Vestas' financial results for 2015. Further, movements in exchange rates from current levels may also impact Vestas' financial results for 2015.

Total investments are still expected to amount to approx EUR 350m.

Outlook 2015

Revenue (bnEUR)	8.0-8.5
EBIT margin before special items (%)	9-10
Total investments (mEUR)	approx 350
Free cash flow (mEUR)	800-1,000

Financial calendar 2016

09.02.2015	Disclosure of annual report 2015 and outlook for 2016
26.02.2015	Convening for annual general meeting
30.03.2015	Annual General Meeting in Aarhus, Denmark
29.04.2015	Disclosure of Q1 2016
18.08.2015	Disclosure of Q2 2016
08.11.2015	Disclosure of Q3 2016

The financial calendar lists the expected dates of publication of financial announcements and the Annual General Meeting in the 2016 financial year for Vestas Wind Systems A/S.

Consolidated financial statements 1 January - 30 September

Condensed consolidated income statement 1 January - 30 September

mEUR

	Note	Q3 2015	Q3 2014	9 months 2015	9 months 2014
Revenue		**2,120**	**1,813**	**5,388**	**4,437**
Cost of sales		(1,731)	(1,495)	(4,458)	(3,675)
Gross profit		**389**	**318**	**930**	**762**
Research and development costs		(45)	(55)	(147)	(167)
Distribution expenses		(45)	(36)	(136)	(114)
Administrative expenses		(67)	(64)	(191)	(174)
Operating profit (EBIT) before special items		**232**	**163**	**456**	**307**
Special items		0	(8)	0	29
Operating profit (EBIT)		**232**	**155**	**456**	**336**
Income from investments accounted for using the equity method		13	(7)	44	(26)
Net financial items		34	(12)	23	(46)
Profit before tax		**279**	**136**	**523**	**264**
Income tax		(73)	(34)	(136)	(66)
Profit for the period		**206**	**102**	**387**	**198**
Earnings per share (EPS)					
Earnings per share for the period (EUR), basic		0.93	0.47	1.75	0.91
Earnings per share for the period (EUR), diluted		0.92	0.46	1.73	0.90

Condensed consolidated statement of comprehensive income 1 January - 30 September

mEUR	Q3 2015	Q3 2014	9 months 2015	9 months 2014
Profit for the period	**206**	**102**	**387**	**198**
Items that may be subsequently reclassified to the income statement:				
Exchange rate adjustments relating to foreign entities	(26)	57	38	70
Fair value adjustments of derivative financial instruments for the period	145	15	240	(17)
Fair value adjustments of derivative financial instruments transferred to the income statement (cost of sales)	(62)	(26)	(78)	(14)
Share of other comprehensive income of joint venture	7	3	3	4
Tax on items that may be subsequently reclassified to the income statement	(20)	2	(42)	7
Other comprehensive income after tax for the period	44	51	161	50
Total comprehensive income for the period	**250**	**153**	**548**	**248**

Condensed consolidated balance sheet – Assets

mEUR	Note	30 September 2015	30 September 2014	31 December 2014
Goodwill		215	215	215
Completed development projects		278	306	274
Software		27	33	32
Development projects in progress		97	119	137
Total intangible assets		**617**	**673**	**658**
Land and buildings		711	687	695
Plant and machinery		207	194	211
Other fixtures, fittings, tools and equipment		168	132	168
Property, plant and equipment in progress		92	93	58
Total property, plant and equipment		**1,178**	**1,106**	**1,132**
Investments accounted for using the equity method		235	179	188
Other investments		18	1	14
Other receivables		35	38	36
Deferred tax		75	216	170
Total other non-current assets		**363**	**434**	**408**
Total non-current assets		**2,158**	**2,213**	**2,198**
Inventories		2,340	2,095	1,509
Trade receivables		747	714	598
Construction contracts in progress		74	179	104
Other receivables		545	456	402
Tax receivables		51	56	65
Cash at bank and in hand		2,304	1,222	2,018
Total current assets		**6,061**	**4,722**	**4,696**
Non-current assets held for sale		103	103	103
TOTAL ASSETS		**8,322**	**7,038**	**6,997**

Condensed consolidated balance sheet – Equity and liabilities

mEUR	Note	30 September 2015	30 September 2014	31 December 2014
Share capital		30	30	30
Other reserves		659	40	498
Retained earnings		2,124	2,095	1,851
Total equity		**2,813**	**2,165**	**2,379**
Deferred tax		20	22	17
Provisions		277	194	231
Financial debts		495	4	3
Other liabilities		10	10	10
Total non-current liabilities		**802**	**230**	**261**
Financial debts		0	608	604
Prepayments from customers		2,499	1,938	2,156
Construction contracts in progress		34	30	12
Trade payables		1,598	1,403	945
Provisions		130	160	142
Other liabilities		358	417	457
Tax payables		88	87	41
Total current liabilities		**4,707**	**4,643**	**4,357**
Total liabilities		**5,509**	**4,873**	**4,618**
TOTAL EQUITY AND LIABILITIES		**8,322**	**7,038**	**6,997**

Condensed consolidated statement of changes in equity – 9 months 2015

mEUR	Share capital	Premium	Trans-lation reserve	Cash flow hedging reserve	Other reserves	Total other reserves	Retained earnings	Total
Equity at 1 January 2015	**30**	**439**	**39**	**13**	**7**	**498**	**1,851**	**2,379**
Profit for the year	-	-	-	-	-	-	387	387
Other comprehensive income for the period	-	-	38	120	3	161	-	161
Total comprehensive income for the period	-	-	38	120	3	161	387	548
Transaction with owners:								
Dividend to shareholders	-	-	-	-	-	0	(116)	(116)
Acquisition(-) /disposal (+) of treasury shares	-	-	-	-	-	0	(3)	(3)
Share based payments	-	-	-	-	-	0	5	5
Equity at 30 September 2015	**30**	**439**	**77**	**133**	**10**	**659**	**2,124**	**2,813**

Condensed consolidated statement of changes in equity – 9 months 2014

mEUR	Share capital	Premium	Trans-lation reserve	Cash flow hedging reserve	Other reserves	Total other reserves	Retained earnings	Total
Equity at 1 January 2014	**27**	**-**	**(46)**	**36**	**-**	**(10)**	**1,507**	**1,524**
Profit for the year	-	-	-	-	-	-	198	198
Other comprehensive income for the period	-	-	70	(23)	3	50	-	50
Total comprehensive income for the period	-	-	70	(23)	3	50	198	248
Transaction with owners:								
Capital increase	3	439	-	-	-	439	-	442
Costs of capital increase	-	-	-	-	-	-	(10)	(10)
Acquisition(-) /disposal (+) of treasury shares	-	-	-	-	-	-	(43)	(43)
Share based payments	-	-	-	-	-	-	4	4
Equity at 30 September 2014	**30**	**439**	**24**	**13**	**3**	**479**	**1,656**	**2,165**

Condensed consolidated cash flow statement

mEUR	Q3 2015	Q3 2014	9 months 2015	9 months 2014
Profit for the period	206	102	387	198
Adjustments for non-cash transactions	203	87	424	276
Income tax received/(paid)	(11)	(19)	(17)	(67)
Interest paid	0	(7)	(29)	(42)
Cash flow from operating activities before change in net working capital	398	163	765	365
Change in net working capital	(161)	8	(57)	(118)
Cash flow from operating activities	**237**	**171**	**708**	**247**
Investments in intangible assets	(33)	(21)	(83)	(85)
Investments in property, plant and equipment	(46)	(46)	(136)	(105)
Sale of property, plant and equipment	0	-	1	5
Other	0	1	(3)	(2)
Cash flow used for investments	**(79)**	**(66)**	(221)	**(187)**
Free cash flow	**158**	**105**	**487**	**60**
Capital increase	-	-	-	432
Disposal/(acquisition) of treasury shares	(15)	-	(3)	(43)
Dividend paid	0	-	(116)	-
Repayment of financial debts	(4)	-	(604)	-
Raising of financial debts	0	-	496	7
Cash flow from financing activities	**(19)**	**-**	**(227)**	**396**
Change in cash at bank and in hand less current portion of bank debt	**139**	**105**	**260**	**456**
Cash at bank and in hand less current portion of bank debt at the beginning of period	2,208	1,053	2,014	690
Exchange rate adjustments of cash at bank and in hand	(43)	56	30	68
Cash at bank and in hand less current portion of bank debt at the end of the period	**2,304**	**1,214**	**2,304**	**1,214**
The amount can be specified as follows:				
Cash at bank and in hand without disposal restrictions	2,114	1,052	2,114	1,052
Cash at bank and in hand with disposal restrictions	190	170	190	170
Total cash at bank and in hand	2,304	1,222	2,304	1,222
Current portion of bank debt	0	(8)	0	(8)
	2,304	**1,214**	**2,304**	**1,214**

Notes to the consolidated financial statements

Note 1 – Group accounting policies

Basis of preparation
The interim financial report of Vestas Wind Systems A/S comprises a summary of the consolidated financial statements of Vestas Wind Systems A/S and its subsidiaries.

The 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 reporting of listed companies.

The accounting policies remain unchanged compared to the annual report 2014, to which reference is made. The Group has implemented all new, amended, or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on 1 January 2015. These IFRSs have not had any impact on the Group's interim financial report.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to the expected annual profit or loss.

Changed segment information
With effect from 31 March 2015, segment reporting has changed to reflect the following operating and reportable segments:

- Project
- Service

The changes in the segment information are due to a change in the internal reporting to Executive Management, defined as the Chief Operating Decision Maker. The change in the internal reporting has been made to support Executive Management's increased focus on project and service as communicated in the annual report 2014.

The project segment contains the sales of wind power plants, wind turbines, etc. and the service business contains the sale of service contracts, spare parts and related activity. Costs that are not attributable to any of the reportable segments are presented as 'Not allocated' and consist of headquarter costs.

The service business has in 2014 been segregated from the project business under the name Global Service. In connection with the reorganisation full responsibility for the service business performance has been transferred to the new head of Global Service.

The reporting to Executive Management has been aligned to the new corporate structure – project and service. Prior period segment information has been restated to reflect the new structure.

Profit measure is EBIT and the accounting policies are the same as in the consolidated financial statements.

Critical accounting judgements and estimates
When preparing the interim financial reporting of the Group, management makes a number of accounting estimates and assumptions which form the basis of the recognition and measurement of the Group's assets and liabilities. The estimates and assumptions made are based on experience and other factors that management considers reasonable in the circumstances. Reference is made to the consolidated financial statements in the annual report 2014, note 2, page 58.

Note 2 – Segment information

mEUR	Project	Service	Not allocated	Total Group
Q3 2015				
External revenue	1,840	280	-	2,120
Total revenue	**1,840**	**280**	**-**	**2,120**
Total costs	**(1,599)**	**(251)**	**(38)**	**(1,888)**
Operating profit (EBIT) before special items	**241**	**29**	**(38)**	**232**
Special items				0
Operating profit (EBIT)				**232**
Amortisation and depreciation included in total costs	(79)	(4)	(5)	**(88)**

In Q3 2015, an impairment loss and write-offs on service inventory of EUR 19m has been recognised and consequently negatively impacted the service EBIT before special items.

mEUR	Project	Service	Not allocated	Total Group
Q3 2014				
External revenue	1,578	235	-	1,813
Total revenue	**1,578**	**235**	**-**	**1,813**
Total costs	**(1,415)**	**(196)**	**(39)**	**(1,650)**
Operating profit (EBIT) before special items	**163**	**39**	**(39)**	**163**
Special items				(8)
Operating profit (EBIT)				**155**
Amortisation and depreciation included in total costs	(82)	(5)	(5)	**(92)**

Note 2 – Segment information (continued)

mEUR	Project	Service	Not allocated	Total Group
9m 2015				
External revenue	4,561	827	-	5,388
Total revenue	**4,561**	**827**	**-**	**5,388**
Total costs	**(4,110)**	**(695)**	**(127)**	**(4,932)**
Operating profit (EBIT) before special items	**451**	**132**	**(127)**	**456**
Special items				0
Operating profit (EBIT)				**456**
Amortisation and depreciation included in total costs	(229)	(12)	(14)	**(255)**

mEUR	Project	Service	Not allocated	Total Group
9m 2014				
External revenue	3,733	704	-	4,437
Total revenue	**3,733**	**704**	**-**	**4,437**
Total costs	**(3,431)**	**(579)**	**(120)**	**(4,130)**
Operating profit (EBIT) before special items	**302**	**125**	**(120)**	**307**
Special items				29
Operating profit (EBIT)				**336**
Amortisation and depreciation included in total costs	(245)	(15)	(18)	**(278)**

Note 3 – Key development in the balance sheet since 31 December 2014

Non-current financial debts have increased by EUR 492m. This is due to the successful placing of a new green corporate Eurobond for a principal amount of EUR 500m with a seven-year maturity. This new bond has replaced the previous corporate Eurobond of EUR 600m which was repaid in March 2015. The decrease in current financial debts is primarily due to repayment of the previous bond.

Note 4 – Financial risks

Financial risks and other risks, including liquidity, credit, and market risks are addressed in the notes to the consolidated financial statements in the annual report 2014, note 37, page 94. The risks remain unchanged from 2014.

Note 5 – Financial instruments

There are no material differences between the fair values and book values of financial assets and liabilities apart from the Eurobond, whose book value at 30 September 2015 was EUR 495m with a corresponding fair value of EUR 489m. The fair value of derivative financial instruments at 30 September 2015 amounts to a positive market value of EUR 180m which equals book value.

Note 6 – Investments accounted for using the equity method

Investment in joint venture
As part of the agreement Vestas entered into with Mitsubishi Heavy Industries Ltd. (MHI) in 2014, MHI has to transfer up to EUR 200m to the joint venture MHI Vestas Offshore Wind A/S as milestone payments dependent on certain milestones, which are to be achieved after the closing of the transaction. At the reporting date, the joint venture MHI Vestas Offshore Wind A/S has qualified for all milestone payments.

The closing balance sheet at 1 April 2014 of Vestas Offshore A/S has been approved by MHI in the first quarter of 2015. The final approval has not had any significant impact on the measurement of the net gain to date.

In the Group's share of profit from the joint venture, income resulting from the sale of wind turbines to the joint venture is recognised in the Group's financial statements, only to the extent that the joint venture has sold the wind turbines to unrelated parties. The share of profit from the joint venture on a standalone basis amounts to EUR 9m for the first nine months. The Group's share of the joint venture's revenue since 1 January 2015 and aggregated assets and liabilities at the end of the period amounts to: Revenue: EUR 314m, aggregated assets: EUR 354m, and aggregated liabilities: EUR 119m.

Note 7 – Non-current assets held for sale

As part of the ongoing site simplification project, Vestas expects to sell a number of its office facilities, which are classified as held for sale at EUR 103m. The measurement basis is fair value less cost to sell.

Note 8 – Warranty provisions (included in provisions)

mEUR	30 September 2015	30 September 2014	31 December 2014
Warranty provisions, 1 January	321	307	307
Provisions for the period	104	89	122
Warranty provisions consumed during the period	(67)	(90)	(108)
Warranty provisions	**358**	**306**	**321**
The provisions are expected to be payable as follows:			
< 1 year	115	137	122
> 1 year	243	169	199

Note 9 – Related party transactions

No significant changes have occurred to related parties or types and scale of transactions with these parties other than what is disclosed in the consolidated financial statements in the annual report 2014, note 32, page 92.

Note 10 – Contingent assets and liabilities

On 31 March 2015 the Eastern High Court in Denmark ruled in favour of Vestas. The ruling of EUR 24m in favour of Vestas has not had any impact in the third quarter of 2015 as IF Skadesforsikring has appealed the ruling.

No other significant changes have occurred to contingent assets and liabilities other than what is disclosed in the consolidated financial statements in the annual report 2014, note 36, page 94.

Note 11 – Significant events after the reporting period

Between the end of the quarter and the publication of this interim financial report, other than the developments disclosed immediately above and in the interim review, no significant events have occurred which have not been recognised and adequately disclosed and which materially affect the profit for the period or the financial position.

Management's statement

The Executive Management and the Board of Directors have today discussed and approved the interim financial report of Vestas Wind Systems A/S for the period 1 January to 30 September 2015.

The interim financial report has been prepared in accordance with IAS 34 on interim financial reporting as adopted by the EU, accounting policies set out in the Annual Report 2014 of the Group and additional Danish disclosure requirements for interim financial reports of listed companies. The interim financial report has neither been audited nor reviewed.

In our opinion the accounting policies used are appropriate and the interim financial report gives a true and fair view of the Group's assets, liabilities, and financial position at 30 September 2015 and of the results of the Group's operations and cash flow for the period 1 January to 30 September 2015.

Further, in our opinion the management report gives a true and fair review of the development in the Group's operations and financial matters, the results of the Group's operations for the period and the Group's financial position as a whole and describes the significant risks and uncertainties pertaining to the Group.

Besides what has been disclosed in the interim financial report, no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the annual report 2014.

Aarhus, Denmark, 5 November 2015

Executive Management

Anders Runevad
Group President & CEO

Marika Fredriksson
Executive Vice President & CFO

Anders Vedel
Executive Vice President & CTO

Jean-Marc Lechêne
Executive Vice President & COO

Juan Araluce
Executive Vice President & CSO

Board of Directors

Bert Nordberg
Chairman

Lars Josefsson
Deputy Chairman

Carsten Bjerg

Eija Pitkänen

Henrik Andersen

Henry Sténson

Kim Bredo Rahbek

Kim Hvid Thomsen

Lykke Friis

Michael Abildgaard Lisbjerg

Sussie Dvinge Agerbo

Torben Ballegaard Sørensen

Disclaimer and cautionary statement

This document contains forward-looking statements concerning Vestas' financial condition, results of operations and business. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements.

Forward-looking statements include, among other things, statements concerning new potential accounting standards and policies, and Vestas' potential exposure to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections, and assumptions. There are a number of factors that could affect Vestas' future operations and could cause Vestas' results to differ materially from those expressed in the forward-looking statements included in this document, including (without limitation): (a) changes in demand for Vestas' products; (b) currency and interest rate fluctuations; (c) loss of market share and industry competition; (d) environmental and physical risks; (e) legislative, fiscal and regulatory developments, including changes in tax or accounting policies; (f) economic and financial market conditions in various countries and regions; (g) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, and delays or advancements in the approval of projects; (h) ability to enforce patents; (i) product development risks; (j) cost of commodities; (k) customer credit risks; (l) supply of components from suppliers and vendors; and (m) customer readiness and ability to accept delivery and installation of products and transfer of risk.

All forward-looking statements contained in this document are expressly qualified by the cautionary statements contained or referenced to in this statement. Undue reliance should not be placed on forward-looking statements. Additional factors that may affect future results are contained in Vestas' annual report for the year ended 31 December 2014 (available at vestas.com/investor) and these factors should also be considered. Each forward-looking statement speaks only as of the date of this document. Vestas does not undertake any obligation to publicly update or revise any forward-looking statement as a result of new information or future events others than required by Danish law. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this document.

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