Vestas suspends guidance for 2020

Since the outbreak of COVID-19, Vestas has taken measures to ensure the safety of its employees and reasonably mitigate the impact of the coronavirus pandemic on its operations. The spread of the virus globally and the national measures implemented to contain it have eventually, however, caused disruptions to Vestas’ manufacturing, supply chain, and installations.

Preliminary numbers indicate that the results for first quarter are in line with expectations. Furthermore, the total order intake for the quarter amounts to 3.3 GW. From the limited impact on this quarter seen in isolation, achieving the outlook for 2020 is still realistic. However, there is no longer adequate visibility for the rest of the year, and hence Vestas is at the moment not able to confidently give guidance on Vestas’ full-year performance.

Due to this uncertainty, especially in regard to the duration of the pandemic and the full extent of the consequences thereof globally, Vestas now suspends its full-year guidance. As soon as the company deems that it is capable of giving new estimates for the full-year results, Vestas will disclose updated guidance.

“Everyone at Vestas is doing a tremendous job to keep each other safe and our operations running during the pandemic. The situation changes daily and my colleagues’ ability to adapt fast and follow our extensive safety measures have been key to keeping performance in the first quarter in line with expectations. Unfortunately, the pandemic continues to spread and with no clear prognosis on when key wind markets such as the USA, Brazil and India will recover, we are suspending our guidance due to the poor visibility for the remainder of the year”, says Henrik Andersen, Group President & CEO.

Proposed dividend for 2019 will not be affected by the decision to suspend guidance.

Vestas has taken a series of measures to ensure the health and safety of its employees all over the world and to ensure business continuity, in dialogue with suppliers, partner, and customers. Vestas follows the recommendations and guidelines from health authorities and international health organisations such as WHO and International SOS. The company will continue to monitor the situation closely and to develop and implement contingency plans as the pandemic evolves.

At this moment, Vestas’ factories in China have returned to normal operation and Vestas is working to mitigate the impact of lost production time through the company’s global footprint, including using the capacity in China to mitigate challenges in other parts of the world, where restrictions and disruptions are now seen to an increasing degree.
Vestas’ Interim financial report for first quarter 2020 is due on 5 May 2020.

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