CONNECTING FUTURE AND LEGACY

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Copenhagen, 29 November 2019
AGENDA

- Market trends
- Technology strategy
- Summary and Q&A
Auctions and Forward-Selling

Value of energy increasingly important

Faster development cycles

LCOE trend to continue
LEVELISED COST OF ENERGY (LCOE)

Onshore wind among the most cost-efficient sources of electricity

<table>
<thead>
<tr>
<th>Levelised cost of energy</th>
<th>USD/MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Onshore wind</td>
<td>26</td>
</tr>
<tr>
<td>Offshore wind</td>
<td>71</td>
</tr>
<tr>
<td>Solar PV tracking</td>
<td>32</td>
</tr>
<tr>
<td>Solar PV fixed axis</td>
<td>34</td>
</tr>
<tr>
<td>Nuclear</td>
<td>52</td>
</tr>
<tr>
<td>Natural gas CC</td>
<td>40</td>
</tr>
<tr>
<td>Coal</td>
<td>40</td>
</tr>
</tbody>
</table>

Key highlights

- Global average LCOE of onshore wind declined from 96 USD/MWh in 2009 to 55 USD/MWh in 2018 – a reduction of 48 percent
- This impressive cost decrease has mainly been driven by declining wind turbine prices and increased power output
- Onshore wind is today among the most cost-efficient power generating technologies – and its LCOE is set to decrease further

Source: BNEF, 1H 2018 Wind LCOE Update, 03/2018; BNEF; BNEF 1H 2018 LCOE Global Report, 03/2018; BNEF
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OUR RESPONSE TO ENSURE CONTINUED TECHNOLOGY LEADERSHIP

Short-, medium-, and long-term focus to ensure new technology opportunities are fed into product portfolio

Future market requirements, technology trends, and opportunities

Committed 1-2 years
Product candidates road map 3-5 years
Strategic road map 6-10 years

Proven components and designs
Proven technologies
Future technologies

Low
Uncertainty
High
PRODUCT STRATEGY DEFINED BY OUR CUSTOMERS’ EXPECTATIONS

Broad product range enables tailored solutions for specific markets

<table>
<thead>
<tr>
<th>What customers need</th>
<th>What Vestas does</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Output</td>
<td>• Proven technology: 2 &amp; 4 MW platforms</td>
</tr>
<tr>
<td>Cost</td>
<td>• Standardisation and modularisation</td>
</tr>
<tr>
<td>License to Operate</td>
<td>• Full supply chain perspective</td>
</tr>
<tr>
<td></td>
<td>• Tailored solutions for specific markets</td>
</tr>
<tr>
<td></td>
<td>• Compliance with local requirements</td>
</tr>
<tr>
<td></td>
<td>• Various options: advanced tower solutions, climate package, and noise optimisation</td>
</tr>
</tbody>
</table>
VESTAS’ GLOBAL PLATFORMS MEET MARKET-SPECIFIC NEEDS

Scale benefits, flexibility, and service simplicity

4 MW PLATFORM
- Rotor size: 105 - 150m
- Power range: 3.45 - 4.2 MW
- Installed globally: +19 GW*

2 MW PLATFORM
- Rotor size: 90-120m
- Power range: 2.0 - 2.2 MW
- Installed globally: +41 GW**

* As of 30 June 2018, including V112-3.0 MW™
** As of 30 June 2018, including V90-1.8/2.0 MW™ and V90-1.8/2.0 MW™
4 MW PLATFORM CONTINUES TO REPRESENT LARGER PART OF SALES

Shift in market demand from 2 MW to 4 MW

Order intake 2016 FY

Order intake 2017 FY

Order intake 2018 9M
OUR NEXT STEP: MODULARITY

Increasing modularity of our products

TODAY
Singular product development

FUTURE
Modular product development

Single product variant

Individual modules

Multiple variants
BENEFITS OF MODULARISATION

Modularisation enhances the flexibility of our solutions, while maintaining benefits of scale

- Enabling more customised solutions to match customer needs
- Expanding number of variants, lowering number of components
- More standardised components enable efficiency and scale
- Increased opportunities to build supplier partnerships
PIONEERING SOLUTIONS TO EXPAND LEADERSHIP

Combining technologies with wind at the core that enable further penetration

**Hybrid demonstrator**
Test project in Spain with EDPR to explore combination of wind and solar

**Kennedy Energy Park**
The world’s first on-grid utility-scale hybrid integrating wind, solar and storage

**Northvolt partnership**
Technology collaboration: Lithium-ion battery platform for Vestas power plants
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SUMMARY

1. **Levelized Cost of Energy** accompanied by other significant value drivers

2. 2 MW and 4 MW are strong, **proven platforms** that continue to deliver customer value

3. **Modular products** next step on our journey to maximize flexibility and maintain scale
Q&A
THANK YOU FOR YOUR ATTENTION
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