

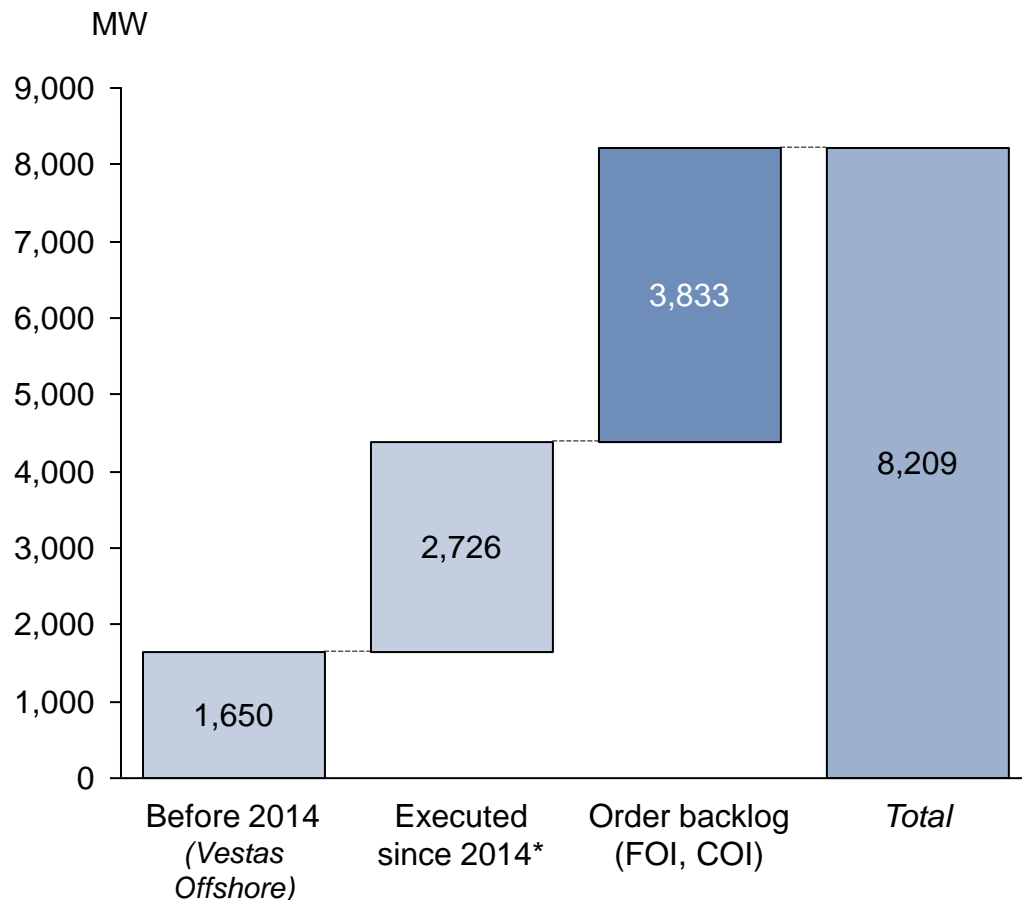


Vestas Capital Markets Day MHI Vestas Offshore Wind A/S

Journey since the Joint Venture was established in 2014

Installations and focus areas

2.7 GW installations and 3.8 GW order backlog since the beginning of the JV



*Including expected installations for this fiscal year

Focus areas

Establishing MVOW (2014-2018)

Safety performance

- Strong Health and Safety discipline from shareholders

Winning market access through:

- Establishing a brand
- Successfully deploying the V164 in the first projects

Claiming the position by:

- Improving CoE and product performance
- Establishing tight partnerships with customers and suppliers
- Increase order backlog

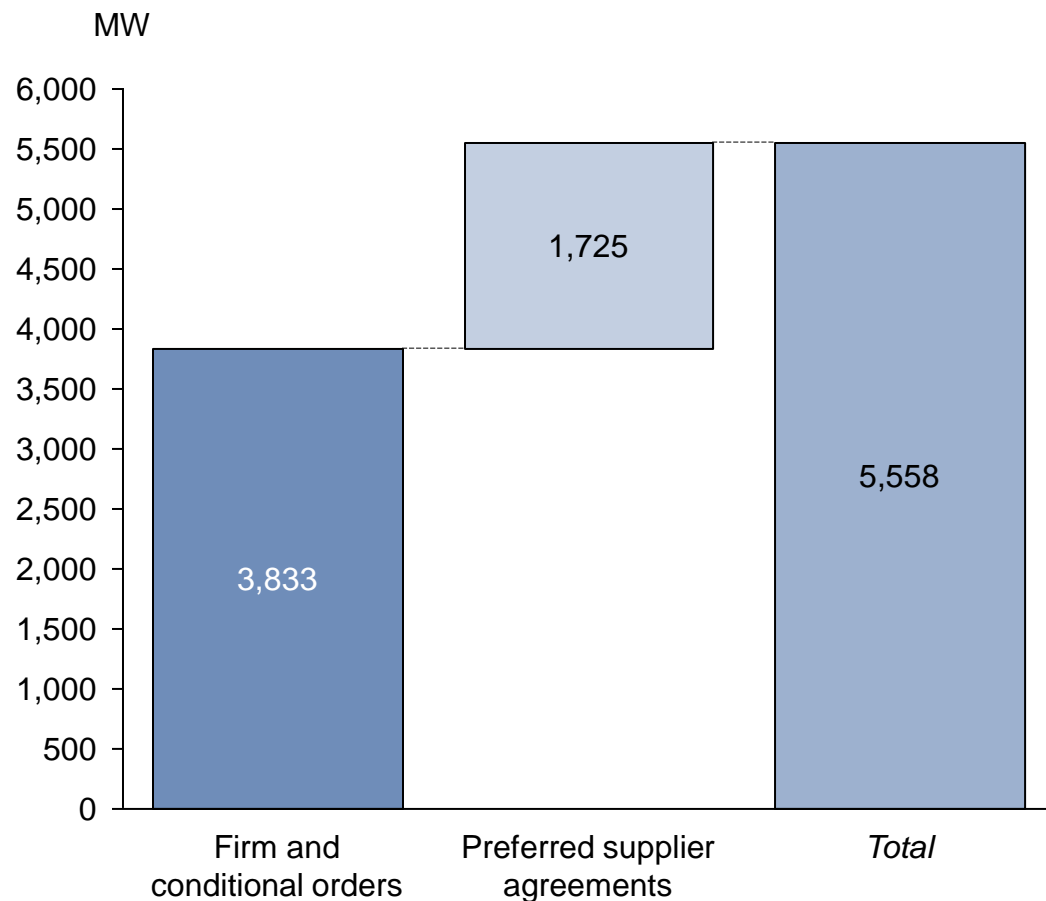
Growth (2018 and onwards)

- Continuous safety performance
- Sustainable profitability through:
 1. Core market execution
 2. Expanding reach
- Continuous platform capacity improvement

Current Pipeline

5.6 GW of projects selected V164

Overview of the order pipeline



Project pipeline

Firm orders

- Horns Reef 3 (Vattenfall), DK - 406 MW (49 x V164-8.3 MW) inst. 2018
- Norther (Norther NV), BE - 370 MW (44 x V164-8.4 MW) inst. 2019
- Northwester 2 (Parkwind), BE - 219 MW (23 x V164-9.5 MW) inst. 2019
- Windfloat Atlantic (Windplus), PT – 25 MW (3 x V164-8.4 MW) inst. 2019
- Deutsche Bucht (British Wind Energy), DE – 277 MW (33 x V164-8.4 MW) inst. 2019
- Borssele 3+4 (Blauwind), NL - 731 MW (77 x V164-9.5 MW) inst. 2020
- Triton Knoll (Innogy/Statkraft), UK - 855 MW (90 x V164-9.5 MW) inst. 2021

Conditional orders

- Moray East (EDPR), UK - 950 MW (100 x V164-9.5 MW) inst. 2021

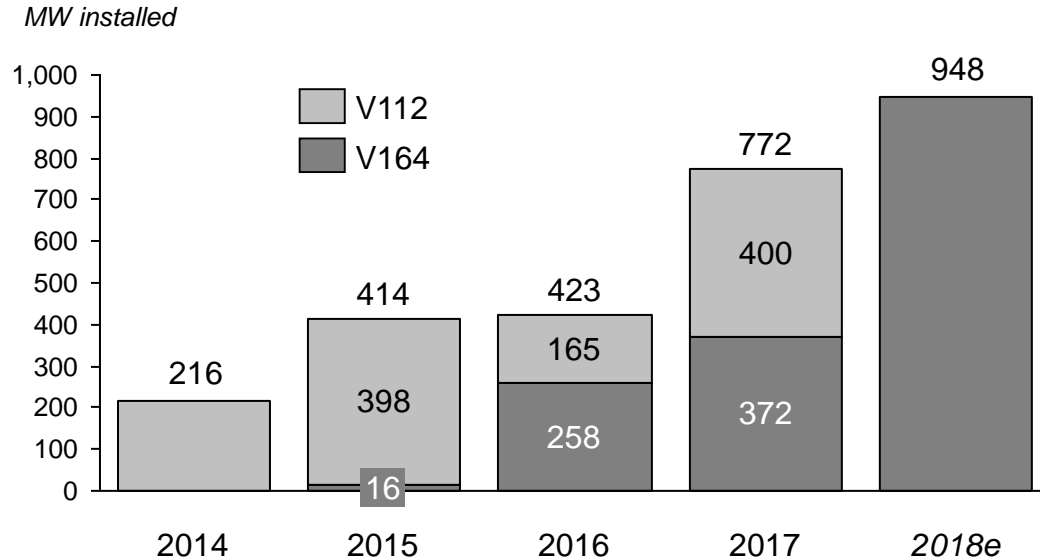
Preferred supplier agreements

- Nautilus Offshore Wind (EDF), US – 25 MW (3 x V164-8.3 MW) inst. 2020
- Vineyard Wind (CIP/Avangrid), US – 800 MW (84 x V164-9.5 MW) inst. 2021
- Zone 27 (CIP), TW - 100 MW inst. 2022, 452 MW inst. 2023
- Xi Dao (CIP), TW - 48 MW, inst. 2023
- Zone 29 (CSC), TW - 300 MW (33 x V174-9.1 MW) inst. 2024

The V164

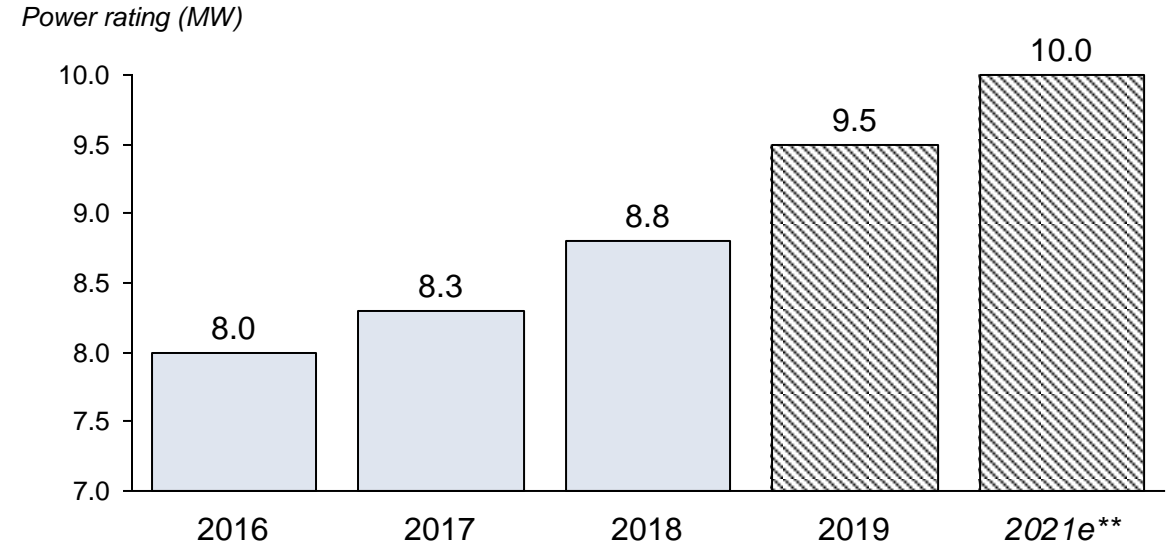
Technology split and platform evolution

Installed MW split by Technology since the beginning of the JV in 2014*



- Change in demand in current active markets towards the larger machines due to the CoE improvements and reliability of the V164 platform
- V164 the next offshore workhorse

Installation years for the V164 platform



- The power rating continues to increase on the V164 platform
 - In 2017, MVOW revealed the V164-9.5 MW
 - In 2018, MVOW announced the V164-10 MW
- Continuous innovation on the product offerings including not only the rating, but also the MAX performance and the SMART turbine products

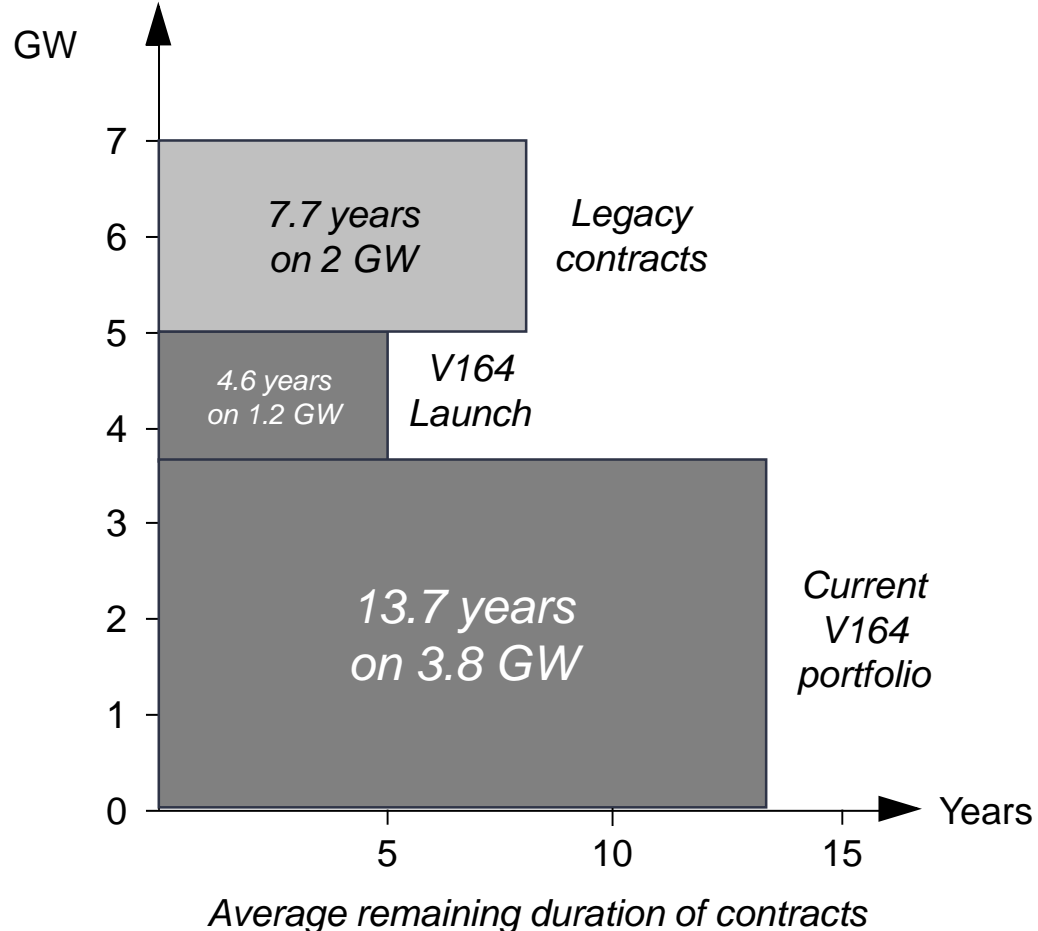
*Illustration is based on FY, which runs from April to April

**Commercial installation ready from 2021

Service

The offshore service business

Average remaining contract durations of the Service Backlog (Incl. FOI, COI)



Time to invest in offshore services

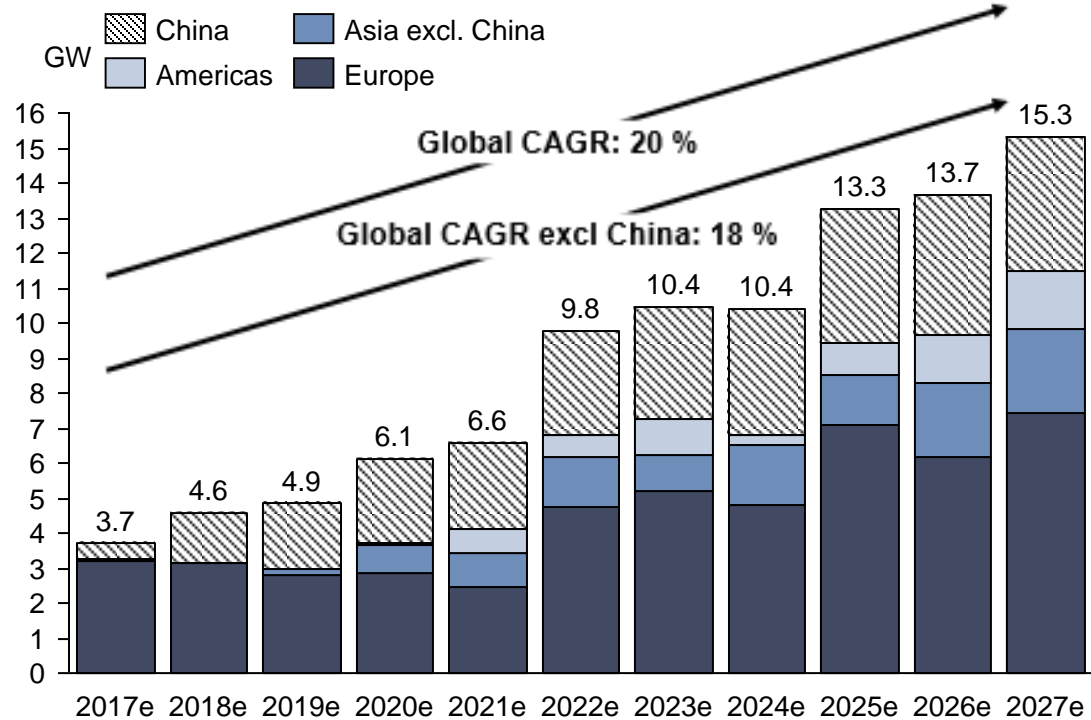
Past the initial launch phase, V164 brings long term services contract portfolio

1. OPEX optimization by mutualizing services infrastructure across larger windfarms
2. Technical upgrades for installed base, as V164 platform continues to increase performance
3. Synergies with world leader in services: Vestas

Global offshore market

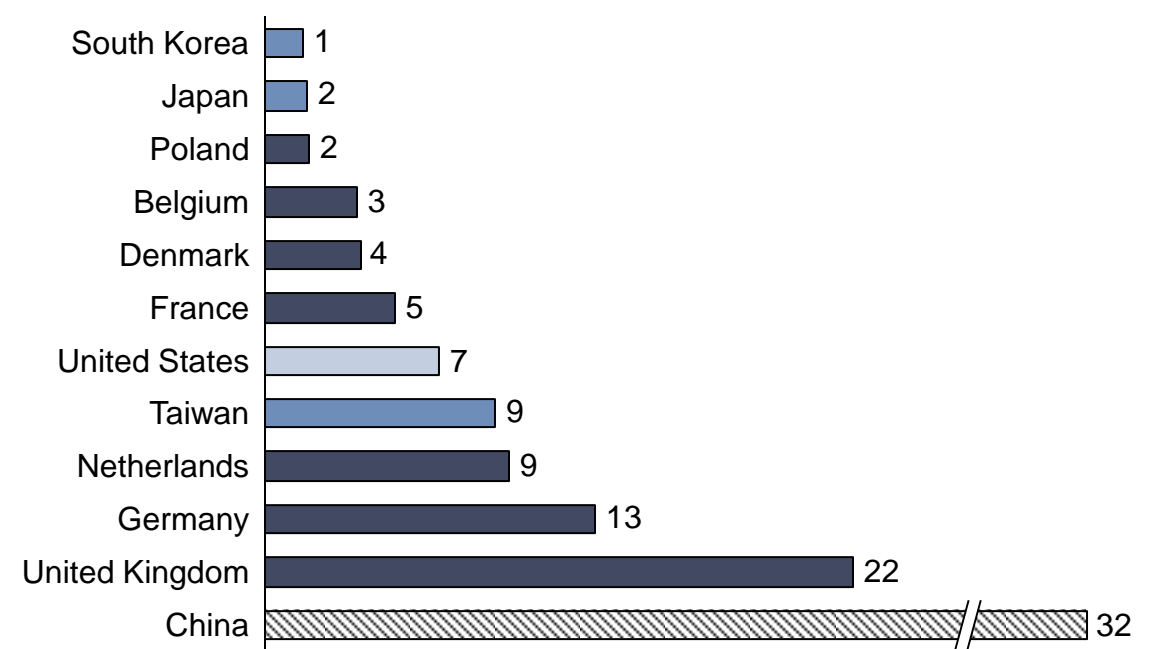
Volume outlook

Annual forecasted installed capacity split by region, 2017-2027 (GW)*



*Source: Make Consulting – Q3 2018 Global Wind Power Market Outlook

Future top 12 markets (accumulated installation in GW 2027e)*

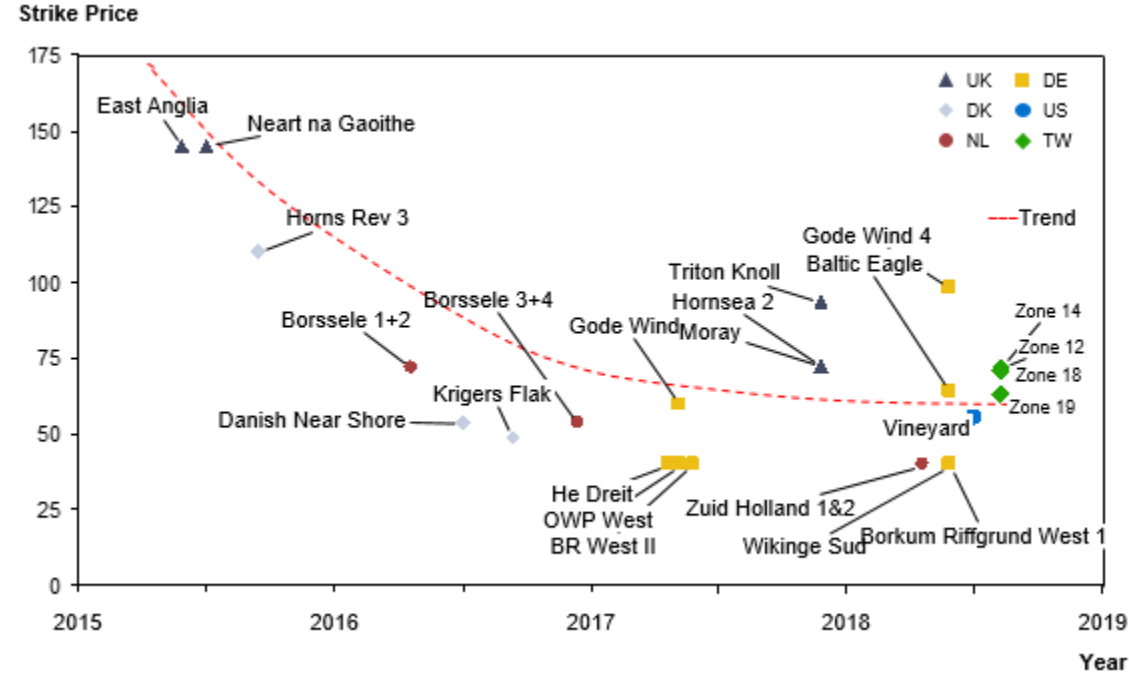


Continuous growth in Europe, significant additional volume expected in Asia and the US

Global offshore market

Price levels

Price Levels in Recently Awarded Global Projects (EUR/MWh)*



*Source: MAKE Consulting
 The illustration shows the results for the UK auctions converted into 2016 euros for ease of comparison with the euro-dominated auctions
 Vineyard results shows the price in 2017

Comments

Increasingly competitive prices

- Significant LCoE reductions achieved in recent years
- “Zero subsidy” bids in Germany and the Netherlands
- New markets leaning towards LCoE levels from established markets, yet under specific conditions

Offshore wind provides benefits for energy systems**

- Large scale projects
- High number of full-load hours
- High predictability of output
- Reduces need for balancing power plants

**Source: Fraunhofer Institute for Wind Energy and Energy Systems

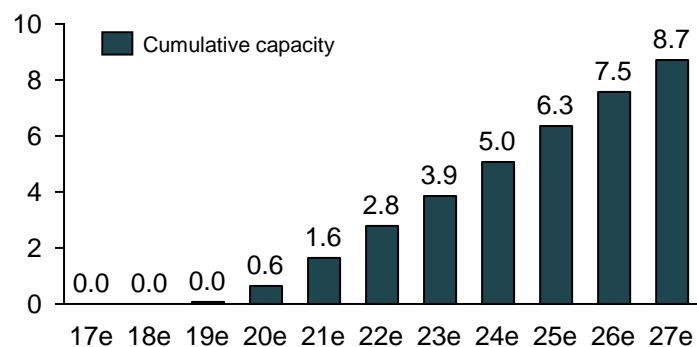
LCoE reductions and system benefits drive offshore wind growth

Expanding reach

Development in new MVOW markets



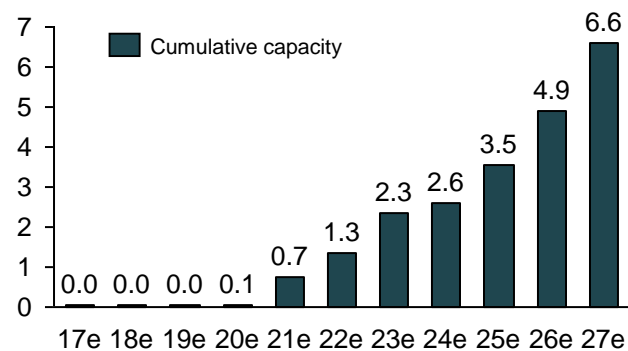
Forecasted installed capacity, 2017-2027e (GW)*



- Ambitious targets: 5.5 GW until 2025
- Plans for 1 GW p.a. from 2026-30
- Preferred supplier agreement: 900 MW package (CIP & CSC)
- On track to secure further pipeline
- Localization efforts in progress



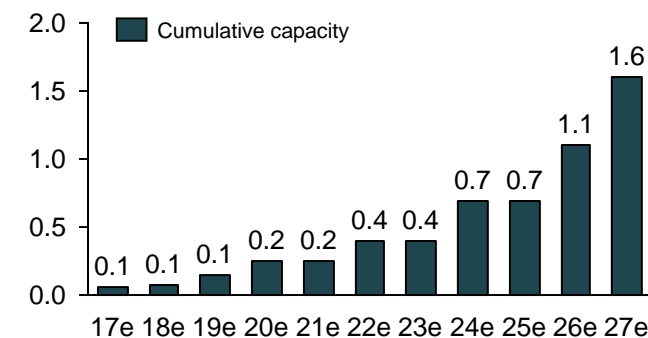
Forecasted installed capacity, 2017-2027e (GW)*



- Market expectation: 8 GW+ until 2030
- Significant East Coast volume potential
- Preferred supplier agreements: Vineyard (CIP, 800 MW) & Nautilus (EdF, 25 MW)
- MVOW in good position to support upcoming tenders



Forecasted installed capacity, 2017-2027e (GW)*



- Diet expected to pass offshore wind bill this year: 10 GW target by 2030
- Award of 5 offshore wind zones in 2019
- MVOW excellently positioned through MHI – on track to secure early volume
- MVOW's floating wind track record an advantage in Japan

*Source: Make Consulting – Q3 2018 Global Wind Power Market Outlook

MVOW global footprint – our offices, manufacturing & assembly facilities



MVOW to **double its business** and **increase profitability** over the next four years

Operational Excellence:

- Double revenue
- Build offshore service business
- Continuously improve profitability

Financial Discipline:

- Earn freedom to grow
- Selective investment in capacity
- Maintain high product development



Financial performance

Financial performance is progressing to exceed initial expectations

Financial performance

kEUR	2016/17	2017/18	2018/19
Revenue	531,243	942,155	↑
Gross profit	-11,892	20,001	
Profit before financial items and depreciation/amortization (EBITDA)	-38,558	-7,775	Positive
Operating profit (EBIT)	-119,453	-98,566	Positive
Profit/loss from financial income and expense	5	1,587	
Profit for the year	-120,525	-98,287	

Financial guidance and expected 2018/19 result for MVOW



Vestas[®]

Accordingly, MHI Vestas Offshore Wind expects to double its revenue over the three-year period from a base of its completed financial year 2015/16, EBITDA is expected to reach break-even by 2018 and pre-tax profit is anticipated to reach break-even by 2019.

Vestas Wind Systems A/S' Annual report 2017



MHI VESTAS OFFSHORE WIND[™]

2018/19 is set to be a watershed year for MHI Vestas as EBIT is expected to break-even by the end of the year.

MHI Vestas Offshore Wind A/S' Annual report 2017/18

Summary

- MVOW is **a market leader** in the offshore wind industry and will remain a market leader by:
 - ✓ Continuously **improving health and safety**
 - ✓ **Executing** and further **building** on the **strong pipeline** through:
 1. Execution in robust core markets
 2. Expansion in new markets
 3. Development of service
 - ✓ **Leverage and improving the performance** and reliability of the current V164 platform
- MVOW is **meeting financial targets** and is **expected to grow sustainably**
- MVOW to **double its business** and **increase profitability** over the next four years

Let's move the horizon.