Company announcement from Vestas Wind Systems A/S

Randers, 18 August 2010
Interim financial report, second quarter 2010
Company announcement No. 29/2010

Interim financial report, second quarter 2010
All-time high order intake. Results in line with expectations. Full-year guidance revised downwards.

Summary: Vestas generated second-quarter revenue of EUR 1,007m, a drop of 17 per cent relative to the second quarter of 2009, realising an EBIT of EUR (148)m, against EUR 78m in the second quarter of 2009. The EBIT margin thus declined from 6.4 per cent to (14.7) per cent as a result of the expected very low capacity utilisation in the wake of the credit crisis. Net working capital stood at 25 per cent of expected annual revenue, against 12 per cent the year before. The second-quarter order intake was 3,031 MW, which was the highest level ever recorded and on a level with the order intake for the whole of 2009. Consequently, at half-year, Vestas had obtained about half of the forecasted firm and unconditional orders of 8,000-9,000 for 2010. The value of the backlog of firm and unconditional orders amounted to EUR 5.2bn at 30 June. Safety at Vestas' workplaces was further improved further, and renewable energy accounted for 49 per cent of Vestas' total energy consumption in the quarter. In 2010, Vestas expects to achieve an EBIT margin of 5-6 per cent and revenue of EUR 6bn, against the previous forecast of 10-11 per cent and EUR 7bn, respectively. The downgrade is made because expected, but still not concluded orders for delivery to the USA, Spain and Germany will now take place at such a late date in 2010 that they will not be recognised as income this year. As a result of the revenue adjustment, net working capital is now expected to be 15-20 per cent of annual revenue, against the previous forecast of about 15 per cent.

Q2 2010 at a glance (against Q2 2009)

- 54%	Vestas shipped a total of 283 wind turbines - a decrease of 54 per cent
- 50%	Vestas shipped wind power systems with an aggregate capacity of 588 MW - a decrease of 50 per cent
- 17%	Vestas generated revenue of EUR 1,007m - a decrease of 17 per cent
- EUR 226m	EBIT amounted to EUR (148)m - a decrease of EUR 226m
- EUR 162m	Profit after tax amounted to EUR (119)m - a decrease of EUR 162m
+ 6%	The number of employees rose to 22,392 - an increase of 6 per cent

Vestas Wind Systems A/S
Alsvej 21, 8940 Randers SV, Denmark
Tel: +45 9730 0000, Fax: +45 9730 0001, vestas@vestas.com, www.vestas.com
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- 39% Incidence of industrial injuries per one million working hours was reduced to 4.6 - a reduction of 39 per cent

+ 10% points The share of renewable energy increased to 49 per cent - an increase of 10 percentage points

The Group's financial performance in Q2 2010

	Q2 2010[1)]	Q2 2009[1)]	H1 2010[1)]	H1 2009[1)]	Full year 2009
Revenue (mEUR)	1,007	1,211	1,762	2,316	6,636
EBIT (mEUR)	(148)	78	(244)	154	856
EBIT margin (%)	(14.7)	6.4	(13.8)	6.6	12.9
Profit/(loss) after tax (mEUR)	(119)	43	(201)	99	579
Net working capital (% of revenue)	25	12	25	12	19
Cash flow from operating activities (mEUR)	(309)	(180)	(707)	(375)	(34)

1) Neither audited nor reviewed.

In the second quarter of 2010, revenue declined by 17 per cent to EUR 1,007m in line with expectations. The EBIT margin therefore fell to (14.7) per cent. Half-year revenue declined by 24 per cent relative to the first half of 2009, whilst the EBIT margin fell to (13.8) per cent. The decline in revenue and earnings reflects the very low level of activity in the wake of the credit crisis and Vestas' decision not to adjust its capacity further because of short-term market developments. The ongoing expansion of capacity and workforce in the USA is part of the explanation of developments in costs during the period. Vestas' capacity at year-end 2010 will be 10,000 MW. Having shipped 975 MW in the first half of 2010, as expected Vestas was far from utilising its capacity. In the second half, capacity utilisation will be much higher, positively affecting the EBIT margin.

Outlook for 2010

Of the expected intake of firm and unconditional orders of 8,000-9,000 MW with unchanged satisfactory profitability, Europe is still expected to contribute about 50 per cent, the Americas about 30 per cent and Asia/Pacific approx 20 per cent.

Adjusted for input prices, Vestas generally expects that prices will remain unchanged in 2010 relative to 2009, when the price per MW on average was about EUR 1m measured on order intake. In 2010, Vestas expects to achieve an EBIT margin of 5-6 per cent and revenue of EUR 6bn, against the previous forecast of 10-11 per cent and EUR 7bn, respectively. The downgrade is made because expected, but still not concluded orders for delivery to the USA, Spain and Germany will now take place at such a late date in 2010 that they will not be recognised as income this year. Compared with 2009, the EBIT margin will also be impacted by Vestas' excess capacity and by greatly fluctuating capacity utilisation in the course of the year.

As a result of the lower revenue forecast, net working capital is now expected to amount to 15-20 per cent of annual revenue at the end of the year, against the previous forecast of about 15 per cent. Financial items are now expected to amount to EUR (35)m compared to earlier EUR (25)m, and revenue in the service business is expected to remain unchanged at EUR 600m with an EBIT margin of 15 per cent.

Investments in property, plant and equipment and intangible assets are still expected to be EUR 650m and EUR 350m, respectively. The effective tax rate is expected to be 28 per cent, and warranty provisions are expected to represent 3 per cent in 2010.

Vestas expects to recruit nearly 3,000 employees, net, in 2010 against 3,400 as previously expected. The adjustment is made because Vestas, due to the ongoing regionalisation and delayed order intake on some projects for delivery in the second half of 2010, needs to realign its capacity, which will lead to lay-offs of 300 colleagues in Denmark. At the same time, an equivalent number of colleagues employed on a contract basis will not have their contracts renewed, and some factories in Europe incl. of Denmark will introduce work-sharing scheme as and when required. The number of staff at year-end 2010 will be about 23,500. Vestas Technology R&D will increase its employee headcount to about 2,000 in 2010.

Assumptions and risks

As a result of the credit crisis, Vestas' order intake dropped considerably from the autumn of 2008 to the end of 2009. The expected improvement in order intake has materialised for Vestas. More banks are venturing into project funding, which will henceforth create a more robust financial infrastructure for the industry and its customers. As the banks are now much more critical than they were before the credit crisis, processing times and documentation requirements have gone up. This is clearly to the benefit of the financially strong blue-chip providers. A setback in the credit market would adversely affect the wind turbine market. Similarly, low prices of fossil fuels could postpone demand, and lower energy consumption caused by economic trends could also have an adverse effect on demand for wind power plants.

Prices of a number of components have gone up during 2010. As a general rule, Vestas' contracts take such price increases into account so that the final price of the projects will reflect developments in input prices. This means that Vestas' margin is relatively robust towards fluctuating input prices. Large-scale investments throughout the supply chain have eliminated any immediate risk of bottlenecks and, by extension, Vestas' need for buffer stocks, which will be reduced in the course of 2010.

Other than the aforementioned, the most important risk factors include additional warranty provisions due to quality issues, transport costs, disruptions in production and in relation to wind turbine installation as well as potential patent disputes. The number of providers and sub-suppliers is growing, leading to intensified competition throughout the value chain.

Vestas operates with three types of contracts: "supply-only", "supply-and-installation" and "turnkey". The underlying operating risk is lowest when dealing with supply-only orders, but they may increase quarter-on-quarter fluctuations in revenue and EBIT as these types of orders are not recognised as revenue until the turbines have been delivered according to the contractual terms and risk has been transferred.

In the second quarter of 2010, supply-only orders accounted for a substantial part of the order intake, but several banks now require that one supplier is responsible for the whole project, which means that recent years' trend towards more supply-only orders generally seems to have turned. In 2009, supply-only orders accounted for 25 per cent of revenue excluding service. Revenue from supply-and-installation and turnkey orders, in which Vestas is responsible for installing and connecting the turbines to the power grid and for the entire project including all engineering works, respectively, is recognised as the work is performed, providing a more balanced income flow, but the underlying operating risk is higher than for supply-only orders. The trend towards greater complexity raises the access barriers. There are no differences between the contract types in terms of the payment profile.

Vestas since 2006:
Improved quality, strengthened R&D efforts and greater profitability

	H1 2010[1]	Full year 2009	Full year 2008	Full year 2007	Full year 2006
Order intake (bnEUR)	3.9	3.2	6.4	5.5	4.9
Order intake (MW)	4,289	3,072	6,019	5,613	5,559
Revenue (mEUR)	1,762	6,636	6,035	4,861	3,854
Gross margin (%)	5.0	21.7	19.5	17.0	12.0
Warranty provisions (%)	3.9	3.5	4.0	5.0	4.5
EBIT margin (%)	(13.8)	12.9	11.1	9.1	5.2
Net working capital (%)	25	19	5	(1)	3
Return on invested capital (%)	2.3[2]	23.9	34.1	30.9	11.9
Investments in property, plant and equipment (mEUR)	211	606	509	265	153
Number of employees, average	21,149	20,832	17,924	13,820	11,334
Number of R&D employees, end of period	1,898	1,490	1,345	650	519

1) Neither audited nor reviewed.
2) Calculated over a 12-month period.

Vestas is managed and developed with a long-term perspective. Accordingly, Vestas should not be judged on the basis of its quarterly results as they will reflect fluctuations in the level of activity and, by extension, capacity utilisation and to some extent changes in contract and turbine types. In 2005-2006, Vestas initiated a sharp improvement in prices and contractual conditions, including not least the introduction of advance payments and a reduced warranty period, the standard of which is now two years against previously up to five years. These steps significantly reduced the risk on Vestas' balance sheet. A key factor in Vestas' further progress is the improved ability to identify, control and price risks at all project stages and during the operational period of a wind power plant. This means that Vestas is now able to perform more complex assignments than previously and at a lower risk. This work is organised under a Contract Review function, which reports to the CFO. Together with the CEO, the Contract Review function reviews all projects in excess of EUR 15m. Smaller projects are handled in the individual sales business units.

Far more effective production and improved quality are the means to lift Vestas' profitability. New products such as the V112-3.0 MW, the V100-1.8 MW and the 6.0 MW turbine for offshore use and services in connection with the entire wind power plant will also help to improve Vestas' competitive strength. Coupled with the regionalisation and more balanced output, the new products and services will thus be the drivers behind an expected earnings improvement, as announced in Triple15 – no later than in 2015, Vestas' EBIT margin and revenue must be 15 per cent and EUR 15bn, respectively. As part of the No. 1 in Modern Energy strategy, Vestas will continue to invest large amounts in production facilities. Going forward, Vestas expects its headcount to rise at a lower rate than its business volume because of enhanced efficiency, improved turbine performance and economies of scale. A key measure in this context is the ongoing alignment of Vestas' organisation, which will facilitate communications and collaboration across the 14 business units. Vestas is therefore expected to be able to maintain a high return on invested capital.

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Press and analyst meeting in London
Wednesday, 18 August 2010 at 2 p.m. GMT (London time)/3 p.m. CET

In connection with the announcement of this interim financial report, an information meeting will be held today, Wednesday, at 2 p.m. GMT (London time)/3 p.m. CET for analysts, investors and the press at the **London Marriott West India Quay Hotel in London, England**. Further details on page 16 or on vestas.com/investor.

Yours sincerely
Vestas Wind Systems A/S

Bent Erik Carlsen
Chairman of the Board of Directors

Ditlev Engel
President & CEO

This interim report is available in Danish and English. In case of doubt, the Danish version shall apply.

Financial highlights for the Group

mEUR	Q2 2010[1)]	Q2 2009[1)]	1 half year 2010[1)]	1 half year 2009[1)]	Full year 2009
Highlights					
Income statement					
Revenue	1,007	1,211	1,762	2,316	6,636
Gross profit	44	223	88	439	1,441
Profit/(loss) before financial income and expenses, depreciation and amortisation (EBITDA)	(69)	125	(113)	248	1,074
Operating profit/(loss) (EBIT)	(148)	78	(244)	154	856
Profit/(loss) of financial items	(17)	(19)	(35)	(17)	(48)
Profit/(loss) before tax	(165)	59	(279)	137	809
Profit/(loss) for the period	(119)	43	(201)	99	579
Balance sheet					
Balance sheet total	6,702	6,050	6,702	6,050	6,435
Equity	3,175	2,876	3,175	2,876	3,364
Provisions	155	229	155	229	356
Average interest-bearing position (net)	(637)	(133)	(436)	(74)	(55)
Net working capital (NWC)	1,522	804	1,522	804	1,235
Investments in property, plant and equipment	129	208	211	353	606
Cash flow statement					
Cash flow from operating activities	(309)	(180)	(707)	(375)	(34)
Cash flow from investing activities	(202)	(260)	(351)	(445)	(808)
Cash flow from financing activities	248	540	768	848	1,075
Change in cash at bank and in hand less current portion of bank debt	(263)	100	(290)	28	233

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Financial highlights for the Group

mEUR	Q2 2010[1)]	Q2 2009[1)]	1 half year 2010[1)]	1 half year 2009[1)]	Full year 2009
Ratios					
Financial ratios[2)]					
Gross margin (%)	4.4	18.4	5.0	19.0	21.7
EBITDA margin (%)	(6.9)	10.3	(6.4)	10.7	16.2
EBIT margin (%)	(14.7)	6.4	(13.8)	6.6	12.9
Return on invested capital[3)] (ROIC) (%)	2.3	6.2	2.3	6.2	23.9
Solvency ratio (%)	47.4	47.5	47.4	47.5	52.3
Return on equity[3)] (%)	2.2	6.0	2.2	6.0	21.8
Gearing (%)	35.1	4.1	35.1	4.1	10.4
Share ratios[2)]					
Earnings per share[4)] (EUR)	0.3	0.7	0.3	0.7	2.9
Book value per share	15.6	14.5	15.6	15.1	16.5
Price/book value	2.2	3.5	2.2	3.4	2.6
Cash flow from operating activities per share	(1.5)	(0.9)	(3.5)	(2.0)	(0.2)
Dividend per share	0.0	0.0	0.0	0.0	0.0
Payout ratio (%)	0.0	0.0	0.0	0.0	0.0
Share price at the end of the period (EUR)	34.3	51.1	34.3	51.1	42.6
Average number of shares	203,704,103	198,011,795	203,704,103	190,886,302	197,723,281
Number of shares at the end of the period	203,704,103	203,704,103	203,704,103	203,704,103	203,704,103

1) Neither audited nor reviewed.
2) Ratios have been calculated following the guidelines from “Den Danske Finansanalytikerforening” (The Danish Society of Financial Analysts) (Recommendations and Financial ratios 2005).
3) Calculated over a 12-month period.
4) Earnings per share have been calculated over a 12-month period and in accordance with IAS 33 Earnings per share.

Non-financial highlights for the Group

	Q2 2010[1)]	Q2 2009[1)]	1 half year 2010[1)]	1 half year 2009[1)]	Full year 2009
Key figures[2)]					
Occupational health & safety					
Industrial injuries (number)	45	79	84	206	306
- of which fatal industrial injuries (number)	0	0	0	0	0
Products					
MW produced and shipped	588	1,172	975	2,057	6,131
Utilisation of resources					
Consumption of metals (tonnes)	38,025	49,337	66,261	107,574	202,624
Consumption of other raw materials, etc. (tonnes)	27,059	33,884	45,291	71,790	126,600
Consumption of energy (MWh)	128,754	119,444	278,186	278,044	537,165
- of which renewable energy (MWh)	63,624	46,464	128,176	109,642	263,611
- of which renewable electricity (MWh)	57,794	43,231	108,441	95,346	238,462
Consumption of water (m^3)	160,748	102,125	281,963	206,040	521,005
- of which water of non-drinking water quality (m^3)	22,881	27,008	38,967	47,336	102,528
Waste disposal					
Volume of waste (tonnes)	19,528	24,244	35,765	51,023	97,471
- of which collected for recycling (tonnes)	7,988	7,460	14,837	15,728	34,303
Emissions					
Emission of CO_2 (tonnes)	11,340	11,149	27,236	26,238	50,532
Local community					
Environmental accidents (number)	0	4	0	8	10
Breaches of internal inspection conditions (number)	0	1	3	2	3
Employees					
Average number of employees	21,650	21,230	21,149	21,140	20,832
Number of employees at the end of the period	22,392	21,153	22,392	21,153	20,730

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Non-financial highlights for the Group

	Q2 2010[1)]	Q2 2009[1)]	1 half year 2010[1)]	1 half year 2009[1)]	Full year 2009
Indicators[2)]					
Occupational health and safety					
Incidence of industrial injuries per one million working hours	4.6	7.6	4.5	10.1	8.1
Absence due to illness among hourly-paid employees (%)	2.4	2.6	2.8	3.0	2.8
Absence due to illness among salaried employees (%)	1.0	1.2	1.2	1.3	1.3
Products					
CO_2 savings over 20 years on the MW produced and shipped (million tonnes of CO_2)	16	31	26	55	163
Utilisation of resources					
Renewable energy (%)	49	39	46	39	49
Renewable electricity for own activities (%)	78	64	84	67	85
Employees					
Women at management level (%)	19	17	19	17	19
Non-Danes at management level (%)	47	44	47	44	46
Management system[3)]					
ISO 14001 (%)	97	100	97	100	97
OHSAS 18001 (%)	97	100	97	100	97

1) Neither audited nor reviewed.
2) Accounting policies for non-financial highlights for the Group, see page 60 of the annual report 2009.
3) The production facilities in Hohhot, Inner Mongolia, China, are expected certified in September 2010.

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Management report

Wind. It means the world to us.

Wind power means the world to us, and as wind power is modern energy, Vestas' strategy is named No. 1 in Modern Energy. To Vestas, being No. 1 means being the best, and being the best means maintaining world class safety standards, having the most satisfied customers, the best performing wind power plants and the most environmentally friendly production. Being the market-leader in wind power, Vestas aims to create the world's strongest energy brand. This is possible because wind power is financially competitive, predictable, independent, fast and clean. Vestas' financial priorities reflect its focus on profitability: 1. EBIT margin, 2) Net working capital, 3) Revenue.

Vestas aims to provide its customers with the lowest cost per MWh produced, "Cost of Energy", and optimum security for the capital invested in a wind power plant, "Business Case Certainty" – Vestas delivers as promised. Under the "Easy to work with" principle, Vestas also endeavours to become a more flexible and knowledgeable business partner because significantly improved customer loyalty is a prerequisite for Vestas to retain its market-leading position. In 2012, the target is for the customer loyalty index to have risen to 75, and for 2010 the target is 70. In 2009, it was 64 – a significant increase from index 44 in 2006.

Being the industry's leading player and a pure-play spokesperson, Vestas aims to ensure that wind power remains at the top of the global energy agenda. This is achieved through dialogue with politicians, public servants, interest groups and NGOs the world over and through advice and information to the public about the potential of wind power, both in individual markets and worldwide.

Wind, Oil and Gas

Wind, Oil and Gas is Vestas' vision, which expresses the ambition of making wind an energy source on a par with fossil fuels. At the end of 2009, wind power accounted for less than 2 per cent of the world's combined electricity production. Among renewable sources of energy, wind power is currently the best means of ensuring that the many national climate targets are reached. Vestas expects that, if the necessary political decisions on a national and international level to expand the power grid and appoint sites are made now, wind power can make up at least 10 per cent of total electricity production by 2020. That translates into installed wind power capacity of at least 1,000,000 MW, as compared with around 160,000 MW at the end of 2009. The wind power industry, including the many sub-suppliers, will be able to create more than 2 million jobs along the way. The key to realising the potential is having long-term, stable national schemes that provide the industry with the necessary opportunities to plan and invest in employees, technology and production facilities.

Long-term national and local climate targets have now been defined in China, the EU and Australia, among others. In the USA, an agreement on federal climate and energy targets is pending to underpin the green ambitions already defined by more than 30 states. In spite of the credit crisis and the global economic slowdown, many politicians around the world have retained their climate targets. The necessity of these targets is clearly underlined by the fact that the first half of 2010, on a global scale, was the warmest first half-year recorded in 130 years. The climate, the environment and independence of scarce resources such as fresh water will henceforth drive political and economic developments, as exemplified by China's ever-larger investments in green technology. The increasing demand for Business Case Certainty in China entails that Vestas has reserved the capacity at its Chinese factories for the Chinese market for the remainder of the year.

Vestas is confident that a fixed price for CO_2 would promote the necessary climate investments because it would provide industrial and financial investors with a higher degree of predictability than the present quota system, which leads to large fluctuations in the price of CO_2.

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Failure is not an option

Vestas' mission, Failure is not an option, expresses the organisation's commitment to constantly seeking improvements and to consistently following up on and rectifying errors in a structured manner. The mission also mirrors Vestas' uncompromising stance on safety, which is given top priority no matter what the context, because the customers demand it and the employees are entitled to it. Failure is not an option also applies to Triple15.

The ambition to attain a 6 Sigma quality level throughout the value chain not later than in 2015 underlines this commitment to constant improvement. At the end of 2008, Vestas and the vast majority of its suppliers had reached 4 Sigma. The target for the end of 2010 is 5 Sigma, which is a prerequisite for the long-term improvement of the EBIT margin. It should be emphasised that Vestas' customers, Vestas' earnings and its reputation continue to suffer from a few suppliers' inadequate production and quality management. Therefore, Vestas regularly establishes relations with new suppliers with a commitment to reach 6 Sigma in a joint effort with Vestas.

Vestas currently monitors more than 16,000 turbines, or 27,500 MW, round the clock, and this opens up for effective maintenance planning and higher uptime and performance for the turbines, benefiting customer earnings and Vestas' expenditure, as Vestas' service technicians are now able to service more than twice as many turbines as they were at the beginning of 2008.

The Willpower

Vestas is driven forward by its employees, whose willpower, imagination and ability to constantly develop the technology and the organisation have made Vestas the industry leader. This is expressed in the sculpture entitled the Willpower, which has been placed at a number of the Group's locations. Reaching for the sky, it symbolises the willpower and passion possessed by the employees. Vestas seeks to promote a culture characterised by independent initiatives and collaboration across professional and organisational boundaries and in which the dynamics and sense of responsibility that usually characterise a small company are retained. The solid foundation of the sculpture reflects the reliability, common sense and trustworthiness that is the cornerstone of all Vestas' activities. Vestas' Code of Conduct is to ensure that all employees and other persons acting on behalf of Vestas know what is correct Vestas behaviour. As a natural consequence of its Code of Conduct efforts, Vestas recently joined the World Economic Forum Partnering Against Corruption Initiative (PACI).

Management focus

Vestas' Management's overall focus is on customers, colleagues, Cost of Energy and shareholders. Success in these areas is a prerequisite for retaining the leadership position in competition with some of the world's largest corporations.

Customers

Wind power is gaining support in more and more countries, with new customers as well as large and well-established international players investing in wind power plants. As wind power comes to represent an ever-growing proportion of the energy supply, considerably larger customers will account for a growing share of demand. In 2009, when energy companies and utilities accounted for 58 per cent of revenue, Vestas' revenue was distributed among 201 customers. The figures for 2008 and 2007 were 228 and 272, respectively. This places heavy and increasing technical demands on the Vestas organisation, which in early 2009 rolled out Key Account Management so that customers with international operations have a few permanent contacts in the Vestas Government. This step contributed strongly to Vestas' largest order to date – 1,500 MW to EDPR, which was signed on 26 April 2010. Vestas also endeavours to become a more flexible and open business partner and is intensifying customer dialogue at all levels. Through much improved turbine reliability and much closer customer relations, Vestas, being a quality supplier, delivers Business Case Certainty to its customers. Vestas retains its strategy of not relying on any single market or customer.

Colleagues
Since the end of 2005, Vestas has taken on more than 10,000 new employees, net, while at the same time noticeably increasing investments in training to ensure a higher level of safety, quality and productivity. In the first half of 2010, Vestas further increased its employee headcount despite the fact that many factories were idle in connection with the transition to make-to-order manufacturing. Vestas' global workforce at 30 June 2010 amounted to 22,392 employees, an increase of just under 6 per cent relative to the end of the second quarter of 2009.

As a result of the ongoing regionalisation and delayed order intake in the second half of 2010, Vestas needs to realign its capacity, which will lead to lay-offs of 300 colleagues in Denmark. At the same time, an equivalent number of colleagues employed on a contract basis will not have their contracts renewed, and some factories in Europe will introduce work sharing scheme as and when required.

In order to reduce organisational complexity and facilitate communications across the business units and corporate functions, the four production business units were aligned in 2009 and now share the same organisational structure. The seven sales business units have embarked on a restructuring towards a uniform structure, which will help reduce Vestas' response time. The restructuring will be completed by the end of 2010. The retention of the market leadership position calls for shorter lead and delivery times. Concurrently with the organisational alignment, which significantly increases transparency, Vestas will become more decentralised with more decision-making power and responsibility being assigned to the operating units.

All Vestas employees are covered by a bonus scheme. For employees in the 14 business units, 30 per cent of the bonus depends on targets specific to the business unit, whilst 70 per cent depends on the Group fulfilling announced targets for the year and developments in customer satisfaction. For employees in the parent company, bonus depends exclusively on the fulfilment of announced targets and improvement in customer satisfaction. When calculating the bonus for 2010, each component is still weighted as follows: An EBIT margin of 10 per cent (40 per cent weighting), a net working capital of 15 per cent (20 per cent weighting), revenue of EUR 7bn (20 per cent weighting) and a customer loyalty index of 70 (20 per cent weighting). In the longer term, bonus payments will be more closely linked to the day-to-day performance of each employee. Given the downgraded financial forecast for 2010, bonus payments for 2010 are thus expected to be significantly lower than for 2009, when Vestas disbursed a bonus amount of EUR 59m.

As part of Triple15, Vestas aims, in terms of cultural versatility, to become a more international business with a much higher proportion of non-Danish and women employees in management positions. At the end of the first half of 2010, non-Danes held 47 per cent of the positions in the top 2,500, and 19 per cent were women. Another aim is to have many nationalities represented at all locations.

Cost of Energy
Vestas' wind power plants must have the lowest Cost of Energy, and technological advances are to ensure that the price of wind power continues to fall. Conversely, the price of fossil fuels is expected to rise, thus steadily increasing the competitiveness and resulting value of wind power. Through large-scale investments in development and test facilities around the world, Vestas consolidates its leadership position within wind power. At the end of the first half of 2010, 8 per cent of Vestas' staff were employed with Vestas Technology R&D, which is now organised in specialised centres around the world, managed from Aarhus in Denmark. In 2010, the development activities will be extended by an additional 500 employees to around 2,000 employees in Denmark and abroad. In addition to improved design, which also facilitates the work of service technicians, lighter materials and the

possibility of recycling all turbine components, Vestas is also investing large resources in optimising the location of each turbine in a wind power plant with a view to harnessing the wind to the full.

In 2009, Vestas started to market its new turbine types, V112-3.0 MW, V100-1.8 MW and V60-850 kW. The first orders for the V100-1.8 MW and V60-850 kW turbines were announced at the end of 2009, whilst the first contract for the V112-3.0 MW turbine, which was recently released for sale both onshore and offshore, has been announced. In addition, Vestas is developing a 6.0 MW turbine for offshore operations. All of the new products are designed to provide the customers with Business Case Certainty and the lowest Cost of Energy. In the years ahead, many new products and services will contribute to ensuring that Triple15 is accomplished in fierce competition not least with new manufacturers in Asia.

The motivation behind Vestas' development initiatives is the goal of having increasingly robust turbines and the necessity of increasing output per kilogramme turbine for the benefit of the environment. As part of these initiatives, under the "As green as it gets" principle, Vestas has stepped up its efforts to minimise the consumption of resources. One result of the intensified efforts is that, from the second quarter of 2009, Vestas has reported on quarterly developments in its non-financial highlights in order to give prominence to the performance in achieving its environmental and safety targets. Going forward, quarterly data for individual countries and units will also be available on vestas.com.

Consumption of raw materials declined by 22 per cent, and waste generation dropped by 19 per cent relative to the second quarter of 2009, reflecting the quarter's lower level of activity. Conversely, energy consumption rose by 8 per cent, primarily due to Vestas' greater production capacity.

Vestas pursues an energy policy, which stipulates that all purchases of electricity must be from renewable energy sources, subject to availability. As a result of this policy, in the second quarter of 2010, the blade factory in Daimiel, Spain, was transformed to run on 100 per cent green electricity.

In the second quarter of 2010, the share of renewable energy was 49 per cent and the share of renewable electricity was 78 per cent. The corresponding figures for the year-earlier period were 39 per cent and 64 per cent. The target is for 55 per cent of Vestas' energy consumption to come from renewable sources by 2010. The precondition is that the proportion of renewable electricity is increased to more than 90 per cent. Vestas will henceforth build turbines for in-house use in order to balance the energy consumption from areas in which it is still not possible to buy green energy. In some of these situations, Vestas may act as co-investor in customer projects.

The incidence of industrial injuries per one million working hours was 4.6 in the second quarter, a drop of 39 per cent relative to the second quarter of 2009. Vestas took advantage of the low level of activity in the second quarter to provide training for 4,402 employees in workplace safety, which is expected to result in a noticeable improvement in safety levels.

Recent years' sharp improvement of the incidence of industrial injuries has now placed Vestas' safety level on a level with most of Vestas' Key Account customers, which are in the range of 0.5-12 injuries per one million working hours. Vestas employs the safety philosophy that all injuries can be avoided. Vestas further increases its focus on this area by following up on these developments in its quarterly reports. The target for 2010 is to achieve an incidence of seven industrial injuries or less per one million working hours. For 2012, the target is three injuries or less per one million working hours.

Shareholders

At the end of June 2010, Vestas had 133,018 registered shareholders, including custody banks. The registered shareholders held 88 per cent of the company's share capital. At the end of June, 128,547 Danish shareholders owned more than 30 per cent of Vestas, which has a free float of 100 per cent.

On 11 June, BlackRock, Inc. reported a shareholding that exceeds 5 per cent. Vestas seeks to have an international group of shareholders and to inform this group openly about the company's long-term targets, priorities and initiatives conducted with due consideration to the short-term opportunities and limitations. The Group presents its interim reports in London and New York as part of roadshows, which will cover more than 25 capitals and financial centres in North America, Europe and Asia in 2010. Vestas also arranges a large number of meetings with private investors in Denmark and Sweden.

Development, second quarter 2010

Activities and order backlog

In the second quarter of 2010, Vestas shipped wind power systems with an aggregate output of 588 MW (283 turbines) against 1,172 MW (618 turbines) in the second quarter of 2009. Final capacity delivered to the customers amounted to 839 MW, a decrease of 21 per cent from the second quarter of 2009.

	Europe	Americas	Asia/ Pacific	Total
MW under completion, 1 April 2010	2,549	244	605	3,398
MW delivered to customers in the period	(642)	(63)	(134)	(839)
MW produced and shipped in the period	277	208	103	588
MW under completion, 30 June 2010	2,184	389	574	3,147

At the end of the quarter, turbine projects with a total output of 3,147 MW were under completion, slowing down the EBIT margin increase as part of the revenue cannot be recognised until the turbines have been shipped or finally handed over to the customers. The quarterly order intake, of which 86 per cent was publicly announced, was 3,031 MW, which was on a level with the order intake for the whole of 2009 and an increase of 459 per cent on the second quarter of 2009. The value of the order backlog was EUR 5.2bn at the end of June 2010, and the order backlog amounted to 5,061 MW at 30 June 2010. Europe accounted for 61 per cent and the Americas and Asia/Pacific accounted for 23 and 16 per cent, respectively.

Income statement

Europe accounted for 49 per cent of revenue in the second quarter of 2010. The Americas and Asia/Pacific accounted for 41 per cent and 10 per cent of revenue, respectively. Second-quarter revenue amounted to 17 per cent of the expected full-year revenue, against 18 per cent of actual revenue in 2009. Service revenue amounted to EUR 159m. The service business comprises the sale and repair of spare parts, guaranteed uptime for a fixed fee and general service and maintenance work on an hourly basis.

Vestas recorded a gross profit of EUR 44m in the second quarter of 2010 against EUR 223m the year before. The gross margin thus fell from 18.4 per cent to 4.4 per cent as a result of the expected very low capacity utilisation during the quarter.

Due to borrowing costs and exchange rate adjustments, financial items amounted to a net expense of EUR 17m, against an expense of EUR 19m in the second quarter of 2009. Vestas' average interest-bearing net position in the second quarter of 2010 amounted to EUR (637)m, against EUR (133)m in the year-earlier period.

Balance sheet
Vestas had total assets of EUR 6,702m at 30 June 2010, against EUR 6,050m at 30 June 2009. At the end of June 2010, Vestas' interest-bearing net position had increased by EUR 1,052m to EUR (896)m. Financial debt obligations rose by EUR 996m to EUR 1,114m since 30 June 2009, which among other things comprise the EUR-denominated corporate bond of EUR 600m issued in March, EUR 250m from the European Investment Bank and EUR 30m from the Nordic Investment Bank.

Net working capital
At 30 June 2010, Vestas' net working capital amounted to EUR 1,522m against EUR 804m at the end of June 2009. The reason was specifically a decline in prepayments during the period and a high level of work in progress. Prepayments are to a much larger extent affected by the fact that Vestas' order backlog now extends further into the future and includes larger contracts than the impacts from the credit crisis. Conversely, the increase in net working capital is dampened by inventories being reduced compared with the end of June 2009.

Trade receivables and construction contracts
Trade receivables amounted to EUR 470m at 30 June 2010, compared with EUR 587m at 30 June 2009. Construction contracts amounted to EUR 209m, net, against EUR (843)m the year before. Construction contracts comprise projects currently being installed, but for which the risk has not been transferred to the customers.

Warranty provisions
In 2010, Vestas expects to make warranty provisions of 3.0 per cent of annual revenue, against 3.5 per cent in 2009. Provisions are made for all costs associated with turbine repairs, and any reimbursement is not offset unless a written agreement has been made with the supplier to that effect. Warranty provisions of EUR 46m in the second quarter, equivalent to 4.6 per cent of revenue, cover possible costs for remedy and other costs in accordance with specific agreements. Provisions are based on estimates, and actual costs may deviate substantially from such estimates. The typical warranty period is currently two years as opposed to previously, up to five years, and that reduces Vestas' risk exposure.

Changes in equity
Vestas' equity amounted to EUR 3,175m at 30 June 2010, an increase of EUR 299m on 30 June 2009. Vestas' Board of Directors believes that a solvency ratio of at least 40 per cent is a prerequisite for paying dividend. To this should be added the investment requirement and the goal of maintaining strong liquidity resources. To this should be added an assessment of the investment requirement and the goal of maintaining strong liquidity resources. The solvency ratio was 47 per cent at 30 June 2010.

Cash flow and investments
As a result of the slowing order intake from the autumn of 2008 to the end of 2009, Vestas draws on its credit facilities. Longer term, Vestas will to be able to finance its organic growth through operations. Cash flows from operating activities including changes in working capital amounted to EUR (309)m, against EUR (180)m in the second quarter of 2009. Cash flows from investing activities amounted to EUR (202)m. The investments were made primarily in equipment and development projects.

Vestas Wind Systems A/S
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Capital Markets Day – 1-2 September 2010 in Colorado, USA
Vestas will host a Capital Markets Day for institutional investors, analysts and the press on Wednesday, 1 September and Thursday, 2 September 2010 in Colorado, USA. The programme includes a review of the principal markets and the V112 turbine, and the new production facilities in Colorado, which also will be producing the V112-3.0 MW turbine, will be presented. It is no longer possible to register for the arrangement, but presentations and video footage will subsequently be uploaded on Vestas' website on vestas.com/investor.

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Press and analyst meeting in London
Wednesday, 18 August 2010 at 2 p.m. GMT (London time)/3 p.m. CET

In connection with the announcement of this interim financial report, an information meeting will be held today, Wednesday at 2 p.m. GMT (London time)/3 p.m. CET for analysts, investors and the press at the **London Marriott West India Quay Hotel, 22 Hertsmere Rd, Canary Wharf, London, E14 4ED, England.**

The information meeting will be held in English and webcast live with simultaneous interpretation into Danish, German, Italian, Spanish and Mandarin via vestas.com/investor.

The meeting may be attended electronically, and questions may be asked through a conference call. The telephone numbers for the conference call are +45 7026 5040 (DK), +44 208 817 9301 (UK), +1 718 354 1226 (USA).

A replay of the information meeting will subsequently be available on vestas.com/investor.

The Vestas Group

Interim financial report for the period 1 January 2010-30 June 2010

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The interim financial report has neither been audited nor reviewed.

Consolidated income statement

mEUR	Q2 2010	Q2 2009	1 half year 2010	1 half year 2009
Revenue	**1,007**	**1,211**	**1,762**	**2,316**
Cost of sales	(963)	(988)	(1,674)	(1,877)
Gross profit	**44**	**223**	**88**	**439**
Research and development costs	(44)	(35)	(62)	(60)
Selling and distribution expenses	(46)	(45)[1)]	(90)	(84)[1)]
Administrative expenses	(102)	(65)[1)]	(180)	(141)[1)]
Operating profit/(loss)	**(148)**	**78**	**(244)**	**154**
Income from investments in associates	0	0	0	0
Net financials	(17)	(19)	(35)	(17)
Profit/(loss) before tax	**(165)**	**59**	**(279)**	**137**
Corporation tax	46	(16)	78	(38)
Net profit/(loss) for the period	**(119)**	**43**	**(201)**	**99**
Earnings per share (EPS)				
Earnings per share for the period (EUR), basic	(0.58)	0.22	(0.99)	0.52
Earnings per share for the period (EUR), diluted	(0.58)	0.22	(0.99)	0.52

1) Costs amounting to EUR 23m (EUR 6m for Q2) have been re-classified from selling and distribution expenses to administrative expenses for first half year 2009. For full year 2009, the re-classification means that selling and distributions costs are EUR 54m lower than disclosed in the annual report for 2009 and administrative expenses EUR 54m higher.

Consolidated statement of comprehensive income

mEUR	1 half year 2010	1 half year 2009
Profit/(loss) for the period	**(201)**	**99**
Exchange rate adjustments relating to foreign entities	37	12
Fair value adjustments of derivative financial instruments for the period	(41)	(14)
Fair value adjustments of derivative financial instruments transferred to the income statement (cost of sales)	8	38
Tax on derivative financial instruments	8	(6)
Other comprehensive income after tax for the period	12	30
Total comprehensive income for the period	**(189)**	**129**

Consolidated balance sheet – Assets

mEUR	30 June 2010	30 June 2009	31 December 2009
Goodwill	320	320	320
Completed development projects	128	88	99
Software	73	66	73
Development projects in progress	379	236	320
Total intangible assets	**900**	**710**	**812**
Land and buildings	747	543	661
Plant and machinery	262	172	230
Other fixtures, fittings, tools and equipment	240	210	216
Property, plant and equipment in progress	456	390	354
Total property, plant and equipment	**1,705**	**1,315**	**1,461**
Investments in associates	1	1	1
Other receivables	20	24	16
Deferred tax	125	89	110
Total other non-current assets	**146**	**114**	**127**
Total non-current assets	**2,751**	**2,139**	**2,400**
Inventories	1,937	2,386	1,663
Trade receivables	470	587	525
Construction contracts in progress	972	383	1,032
Other receivables	238	217	234
Corporation tax	116	64	93
Cash at bank and in hand	218	274	488
Total current assets	**3,951**	**3,911**	**4,035**
TOTAL ASSETS	**6,702**	**6,050**	**6,435**

Consolidated balance sheet – Equity and liabilities

mEUR	30 June 2010	30 June 2009	31 December 2009
Share capital	27	27	27
Other reserves	(29)	(48)	(41)
Retained earnings	3,177	2,897	3,378
Total equity	**3,175**	**2,876**	**3,364**
Deferred tax	0	9	121
Provisions	55	72	82
Pension obligations	2	2	2
Financial liabilities	1,109	111	339
Total non-current liabilities	**1,166**	**194**	**544**
Prepayments from customers	145	133	123
Construction contracts in progress	763	1,226	598
Trade payables	873	1,022	1,062
Provisions	98	146	151
Financial liabilities	5	7	12
Other liabilities	314	388	436
Corporation tax	163	58	145
Total current liabilities	**2,361**	**2,980**	**2,527**
Total liabilities	**3,527**	**3,174**	**3,071**
TOTAL EQUITY AND LIABILITIES	**6,702**	**6,050**	**6,435**

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Consolidated statement of changes in equity – six months 2010

mEUR	Share capital	Translation reserve	Cash flow hedging reserve	Retained earnings	Total
Equity at 1 January 2010	**27**	**(35)**	**(6)**	**3,378**	**3,364**
Capital increase	0	-	-	0	0
Acquisition of treasury shares	0	-	-	0	0
Share based payments	0	-	-	0	0
Total comprehensive income for the period	0	37	(25)	(201)	(189)
Equity at 30 June 2010	**27**	**2**	**(31)**	**3,177**	**3,175**

Consolidated statement of changes in equity – six months 2009

mEUR	Share capital	Translation reserve	Cash flow hedging reserve	Retained earnings	Total
Equity at 1 January 2009	**25**	**(50)**	**(28)**	**2,008**	**1,955**
Capital increase	2	-	-	790	792
Acquisition of treasury shares	0	-	-	(1)	(1)
Share based payments	0	-	-	1	1
Total comprehensive income for the period	0	12	18	99	129
Equity at 30 June 2009	**27**	**(38)**	**(10)**	**2,897**	**2,876**

Summarised consolidated cash flow statement

mEUR	Q2 2010	Q2 2009	1 half year 2010	1 half year 2009
Profit/(loss) for the period	(119)	43	(201)	99
Adjustments for non-cash transactions	(160)	72	(154)	95
Corporation tax paid	33	(36)	(56)	(62)
Net interest	(9)	(8)	(9)	(2)
Cash flow from operating activities before change in working capital	(255)	71	(420)	130
Change in working capital	(54)	(251)	(287)	(505)
Cash flow from operating activities	**(309)**	**(180)**	**(707)**	**(375)**
Net investment in intangible and other non-current assets	(70)	(51)	(136)	(93)
Net investment in property, plant and equipment	(129)	(208)	(211)	(353)
Other	(3)	(1)	(4)	1
Cash flow from investing activities	**(202)**	**(260)**	**(351)**	**(445)**
Capital increase	0	792	0	792
Acquisition of treasury shares	0	0	0	(1)
Repayment of non-current liabilities	0	(252)	0	(252)
Raising of non-current liabilities	248	0	768	309
Cash flow from financing activities	**248**	**540**	**768**	**848**
Change in cash at bank and in hand less current portion of bank debt	**(263)**	**100**	**(290)**	**28**
Cash at bank and in hand less current portion of bank debt at 1 January	459	159	479	219
Exchange rate adjustments of cash at bank and in hand	19	13	26	25
Cash at bank and in hand less current portion of bank debt at 30 June	**215**	**272**	**215**	**272**
The amount can be specified as follows:				
Cash at bank and in hand	200	261	200	261
Cash at bank and in hand with disposal restrictions	18	13	18	13
	218	274	218	274
Current portion of bank debt	(3)	(2)	(3)	(2)
	215	**272**	**215**	**272**

Accounting policies

Basis of preparation

The interim report comprises a summary of the Consolidated Financial Statements of Vestas Wind Systems A/S.

Accounting policies

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 reports of listed companies.

Apart from the effect of new IFRS/IAS implemented in the period, the accounting policies are unchanged from those applied to the annual report for 2009 prepared under the International Financial Reporting Standards (IFRS) approved by the EU. Reference is made to pages 71-77 of the annual report for 2009 for a complete description of the Group’s accounting policies.

There has been a slight change in classification between selling and distribution expenses and administrative expenses.

New IFRS/IAS implemented in the period

With effect from 1 January 2010, Vestas implemented amendments to IAS 27 consolidated and separate financial statements, amendments to IAS 39 financial instruments, recognition and measurement, IFRS 2 share-based payment, IFRS 3 business combinations, IFRIC 12 service concession arrangements and similar constructions contracts, IFRIC 17 distributions of non-cash assets to owners and IFRIC 18 transfer of assets from customers as part of the sales transaction.

New accounting regulations

The International Accounting Standards Board (IASB) has adopted the following standards and new interpretations, not yet approved by the EU, which will take effect at 1 January 2010 or later: Amendment to IFRS 1 first-time adoption of international financial reporting standards.

The changes are not relevant to Vestas at present.

Reference is made to page 112 of the annual report for 2009 for more details of the aforementioned standards and interpretations.

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Company Reg. Name: Vestas Wind Systems A/S

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 June 2010.

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 reports of listed companies. The interim financial report has neither been audited nor reviewed.

In our opinion the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position at 30 June 2010 and of the results of the Group's operations and cash flow for the period 1 January to 30 June 2010.

Further, in our opinion the Management's review 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.

Randers, 18 August 2010

Executive Management

Ditlev Engel
President and CEO

Henrik Nørremark
Executive Vice President and CFO

Board of Directors

Bent Erik Carlsen
Chairman

Torsten Erik Rasmussen
Deputy Chairman

Elly Smedegaard Rex

Freddy Frandsen

Håkan Eriksson

Jørgen Huno Rasmussen

Jørn Ankær Thomsen

Kim Hvid Thomsen

Kurt Anker Nielsen

Michael Abildgaard Lisbjerg

Ola Rollén

Sussie Dvinge Agerbo

Vestas Wind Systems A/S
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Company announcements published by Vestas Wind Systems A/S from 1 January 2010 to 17 August 2010

First quarter 2010

06.01.2010	01	Vestas receives 80 MW ordre for Germany
14.01.2010	02	Vestas Wind Systems A/S' Extraordinary General Meeting
10.02.2010	03	Annual report 2009: Strong foundation for Triple15
10.02.2010	04	Vestas receives 99 MW order for the USA
17.02.2010	05	Major shareholder announcement – BlackRock, Inc.
15.03.2010	06	Vestas Wind Systems A/S to issue Eurobonds
15.03.2010	07	Vestas successfully places a EUR 600m Eurobond
17.03.2010	08	Vestas Wind Systems A/S' annual general meeting
23.03.2010	09	Major shareholder announcement – BlackRock, Inc.
24.03.2010	10	Major shareholder announcement – BlackRock, Inc.
25.03.2010	11	Vestas receives 145 MW order for the USA
26.03.2010	12	Major shareholder announcement – BlackRock, Inc.
31.03.2010	13	Vestas receives its largest single order in Australia

Second quarter 2010

01.04.2010	14	Major shareholder announcement – BlackRock, Inc.
07.04.2010	15	Vestas signs 93 MW contract in Turkey
09.04.2010	16	Major shareholder announcement – BlackRock, Inc.
12.04.2010	17	Major shareholder announcement – BlackRock, Inc.
15.04.2010	18	Major shareholder announcement – BlackRock, Inc.
26.04.2010	19	Vestas signs order for 1,500 MW with an option for an additional 600 MW
27.04.2010	20	Vestas received four orders totalling 198 MW in China
28.04.2010	21	Interim financial report, first quarter 2010
28.05.2010	22	Major shareholder announcement – BlackRock, Inc.
02.06.2010	23	Major shareholder announcement – BlackRock, Inc.
11.06.2010	24	Major shareholder announcement – BlackRock, Inc.
23.06.2010	25	Vestas receives 142 MW order for British Columbia, Canada
30.06.2010	26	Vestas receives 250 MW order for Colorado, USA

Company announcements published after the interim reporting period

21.07.2010	27	Vestas receives record-setting order — 570 MW in California, USA
12.08.2010	28	Vestas lands order for the largest wind power project in Australia – with the new V112 turbine now released for sale both on and offshore

Sales (deliveries)

Sales in MW	Q2 2010	Q2 2009	1 half year 2010	1 half year 2009	Full year 2009
Belgium	0	9	0	40	49
Bulgaria	40	22	217	30	64
Denmark	3	2	3	3	57
France	66	28	108	62	157
Greece	30	38	50	70	177
The Netherlands	0	0	0	4	26
Ireland	68	9	68	9	45
Italy	44	59	90	128	419
Poland	85	143	87	145	145
Portugal	0	81	0	84	84
Romania	0	0	0	0	43
Spain	0	132	82	162	762
Great Britain	183	6	197	71	122
Sweden	26	53	102	94	144
Czech Republic	12	4	14	4	22
Turkey	15	60	42	60	111
Germany	66	81	140	220	320
Hungary	4	0	4	1	25
Total Europe	**642**	**727**	**1,204**	**1,187**	**2,772**
Aruba	0	0	0	0	30
Brazil	0	0	74	38	51
Canada	48	18	48	18	380
Chile	3	0	3	0	94
Uruguay	10	0	10	0	0
USA	2	158	59	345	749
Total Americas	**63**	**176**	**194**	**401**	**1,304**
Azerbaijan	0	0	0	2	2
India	64	5	129	46	97
China	70	152	70	214	584
Total Asia/Pacific	**134**	**157**	**199**	**262**	**683**
Kenya	0	0	0	0	5
Total Africa	**0**	**0**	**0**	**0**	**5**
Total world	**839**	**1,060**	**1,597**	**1,850**	**4,764**

MW overview per quarter 2010

(MW)	Europe	Americas	Asia/ Pacific	Total
Q1				
MW under completion, 1 January 2010	2,883	315	571	3,769
Delivered to customers during the period	(562)	(131)	(65)	(758)
Produced and shipped during the period	228	60	99	387
MW under completion, 31 March 2010	**2,549**	**244**	**605**	**3,398**
Q2				
MW under completion, 1 April 2010	2,549	244	605	3,398
Delivered to customers during the period	(642)	(63)	(134)	(839)
Produced and shipped during the period	277	208	103	588
MW under completion, 30 June 2010	**2,184**	**389**	**574**	**3,147**

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Warranty Provisions

mEUR	30 June 2010	30 June 2009	31 Dec. 2009
Warranty provisions, 1 January	161	183	183
Exchange rate adjustments	0	0	0
Provisions for the period	69	81	233
Warranty provisions used during the period	(132)	(122)	(257)
Adjustments relating to the change in discounting of warranty provisions	0	0	2
Warranty provisions, 30 June/31 December	**98**	**142**	**161**
The provisions are expected to be payable as follows:			
< 1 year	68	99	111
> 1 year	30	43	50

Segment information

mEUR	Europe sales units	Americas sales units	Asia/Pacific sales units	Production units	Total reportable segments
Q2 2010					
External revenue	486	418	100	3	**1,007**
Internal revenue	124	27	16	640	**807**
Total segment revenue	**610**	**445**	**116**	**643**	**1,814**
Reportable segments' operating results (EBIT)	**36**	**2**	**(16)**	**(55)**	**(33)**
Total assets	**1,880**	**494**	**671**	**2,515**	**5,560**
Q2 2009					
External revenue	952	133	123	3	**1,211**
Internal revenue	140	37	13	952	**1,142**
Total segment revenue	**1,092**	**170**	**136**	**955**	**2,353**
Reportable segments' operating results (EBIT)	**79**	**2**	**(13)**	**(17)**	**51**
Total assets	**1,484**	**687**	**407**	**2,572**	**5,150**

Reconciliation	**Q2 2010**	**Q2 2009**
Reportable segments' EBIT	(33)	51
All other operating segments' EBIT*)	(115)	27
Consolidated operating profit (EBIT)	**(148)**	**78**

*) Includes parent company income (management fee, service, royalty and other rental income from Group companies) reduced by costs related to Vestas Technology R&D and Group staff functions.

Alsvej 21, 8940 Randers SV, Denmark
Tel: +45 9730 0000, Fax: +45 9730 0001, vestas@vestas.com, www.vestas.com
Bank: Nordea Bank Danmark A/S, Reg. No.: 2100, Account No.: DKK 0651 117097 - EUR 5005 677997
Company Reg. No.: 10 40 37 82
Company Reg. Name: Vestas Wind Systems A/S

Segment information

mEUR	Europe sales units	Americas sales units	Asia/Pacific sales units	Production units	Total reportable segments
Half year 2010					
External revenue	941	556	262	3	**1,762**
Internal revenue	277	56	28	960	**1,321**
Total segment revenue	**1,218**	**612**	**290**	**963**	**3,083**
Reportable segments' operating results (EBIT)	**44**	**(1)**	**(22)**	**(152)**	**(131)**
Total assets	**1,880**	**494**	**671**	**2,515**	**5,560**
Half year 2009					
External revenue	1,423	687	199	7	**2,316**
Internal revenue	262	83	22	1,643	**2,010**
Total segment revenue	**1,685**	**770**	**221**	**1,650**	**4,326**
Reportable segments' operating results (EBIT)	**113**	**28**	**(27)**	**(10)**	**104**
Total assets	**1,484**	**687**	**407**	**2,572**	**5,150**

Reconciliation	**Half year 2010**	**Half year 2009**
Reportable segments' EBIT	(131)	104
All other operating segments' EBIT*)	(113)	50
Consolidated operating profit (EBIT)	**(244)**	**154**

*) Includes parent company income (management fee, service, royalty and other rental income from group companies) reduced by costs related to Vestas Technology R&D and Group staff functions.

Vestas Wind Systems A/S
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Tel: +45 9730 0000, Fax: +45 9730 0001, vestas@vestas.com, www.vestas.com
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