

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.

Vestas Wind Systems A/S
Hedeager 42 . 8200 Aarhus N . Danmark
Tlf: +45 9730 0000 . Fax: +45 9730 0001
vestas@vestas.com . vestas.com

© 2015 Vestas Wind Systems A/S. All rights reserved.

This document was created by Vestas Wind Systems A/S on behalf of the Vestas Group and contains copyrighted material, trademarks and other proprietary information. This document or parts thereof may not be reproduced, altered or copied in any form or by any means without the prior written permission of Vestas Wind Systems A/S. All specifications are for information only and are subject to change without notice. Vestas Wind Systems A/S does not make any representations or extend any warranties, expressed or implied, as to the adequacy or accuracy of this information. This document may exist in multiple language versions. In case of inconsistencies between language versions the English version shall prevail. Certain technical options, services and wind turbine models may not be available in all locations/countries.