



Power solutions

Result for the period

In the second quarter of 2019, revenue from the Power solutions business amounted to EUR 1,645m, which is below second quarter of 2018. Comparing the second quarter of 2019 to the same period last year, there was a positive impact of approx. EUR 19m from foreign exchange rate development primarily from USD.

The Power solutions business reported in the first half of 2019 revenue of EUR 2,951m compared to EUR 3,175m in the same period last year. The decrease is driven by the decrease of revenue in the second quarter of 2019, whereas the first quarter of 2019 was on par with the first quarter of 2018.

EBIT amounted to EUR 47m in the second quarter of 2019, equal to an EBIT margin of 2.9 percent. Compared to the second quarter of 2018, this is a decline of 8.6 percentage points, driven by lower average project margins, which mainly reflects increased competition and costs related to trade tariffs, transportation, and raw material prices.

In the first half of 2019, EBIT amounted to EUR 35m and an EBIT margin of 1.2 percent. Compared to the same period last year, the EBIT margin decreased 7.9 percentage points driven by an increased competition and costs related to trade tariffs, transportation and raw material prices in both the first and second quarter of 2019.

Power solutions revenue and EBIT margin before special items

mEUR and percentage

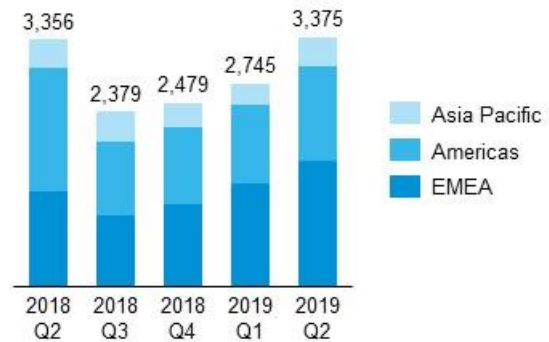


Level of activity

In the second quarter of 2019, Vestas produced and shipped wind turbines with an aggregated output of 3,375 MW against 3,356 MW in the second quarter of 2018, which corresponds to an increase of 1 percent.

Produced and shipped

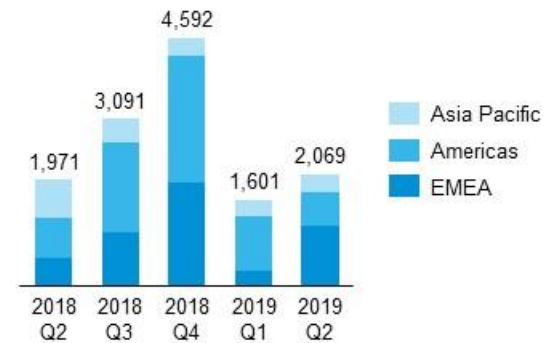
MW



Deliveries to customers amounted to 2,069 MW in second quarter of 2019, compared to 1,971 MW in the second quarter of 2018. The increase was mainly driven by deliveries in Europe, Middle-east, and Africa region which reflects a large share of deliveries in France, Italy, and Spain.

Deliveries

MW



The level of activity of both produced and shipped wind turbines and deliveries to customers in the first half of 2019 exceeded the activity level in the same period of 2018.

Produced and shipped wind turbines amounted to 6,120 MW compared to 5,819 MW in the first two quarters of 2018. The positive development was primarily driven by higher deliveries in the Americas region in the first quarter of 2019. Deliveries to customers increased with 16 percentage in the two first quarters of 2019 and amounted to 3,670 MW, compared to the same period last year of

3,163 MW. The increase in produced and shipped wind turbines was derived by an increase in the EMEA region in both the first quarter and the second quarter of 2019.

By the end of June 2019, Vestas had installed a total of 105 GW onshore capacity in 80 countries.

Wind turbine order intake

In the second quarter of 2019, wind turbine order intake amounted to 5,696 MW, corresponding to EUR 4.3bn, which reflects an increase of 50 percent compared to an order intake of 3,807 MW in the second quarter of 2018 and was in particular driven by the US and Brazil.

Order backlog

At the end of the second quarter of 2019, the wind turbine order backlog amounted to 20,753 MW, which equals EUR 15.9bn. This is an increase of 56 percent compared to EUR 10.2bn at the end of second quarter of 2018.