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 Vestas’ potential exposure to market risks and statements expressing management’s expectations, beliefs, estimates, forecasts, projections and assumptions. A number of factors that affect Vestas’ future operations and could cause Vestas’ results to differ materially from those expressed in the forward-looking statements included in this document, include (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, including adverse weather conditions; (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; and (m) customer created delays affecting product installation, grid connections and other revenue-recognition factors.

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 2019 (available at www.vestas.com/investor) and these factors also should 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 other than as 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.
KEY HIGHLIGHTS IN Q2 2020

Strong performance in a challenging environment without state aid
Revenue of EUR 3.5bn; up 67 percent compared to Q2 2019

Order intake continues at high level with stable prices
Firm order intake of 4.1 GW; all-time high combined order backlog of more than EUR 35bn

Underlying EBIT margin of 5.9 percent
Impacted by extraordinary warranty provisions of EUR 175m; reported EBIT margin of 1.0 percent

Solid performance in Service
Organic growth of 6 percent in Service compared to Q2 2019; EBIT margin of 28.5 percent

CO₂ targets scientifically approved and verified as Paris Agreement compliant
Carbon emission reduction targets approved by the Science Based Targets initiative
AGENDA

Orders and markets

Financials

Outlook & Q&A
IMPACT OF THE COVID-19 CRISIS

Vestas performs strongly in a challenging market without state aid

Global situation and business environment

- COVID-19 epi-centres are now Americas, India and South Africa; all important markets for Vestas
- Suppliers generally running and many have caught up with production plans; increased focus on suppliers based in exposed markets
- Most markets allow construction and service; reduced mobility still impact the value chain, causing project delays

Relentless focus on our business continuity and safety

- Comprehensive safety measures implemented to prevent spread; also during re-opening
- All Vestas manufacturing running, though factories in epi-centres are constantly monitored
- 9.6 GW produced and shipped so far in 2020; up close to 60 percent compared to 2019
SECOND QUARTER ORDER INTAKE

Order intake at 4.1 GW, with an average selling price of EUR 0.78m per MW

Order intake
MW

<table>
<thead>
<tr>
<th></th>
<th>Q2 2019</th>
<th>Q3 2019</th>
<th>Q4 2019</th>
<th>Q1 2020</th>
<th>Q2 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>5,696</td>
<td>4,738</td>
<td>4,439</td>
<td>3,311</td>
<td>4,148</td>
</tr>
</tbody>
</table>

Average selling price of order intake
mEUR per MW

<table>
<thead>
<tr>
<th></th>
<th>Q2 2019</th>
<th>Q3 2019</th>
<th>Q4 2019</th>
<th>Q1 2020</th>
<th>Q2 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price per MW</td>
<td>0.75</td>
<td>0.75</td>
<td>0.79</td>
<td>0.72</td>
<td>0.78</td>
</tr>
</tbody>
</table>

Key highlights

- Q2 2020 order intake decreased 27 percent compared to highest ever level in Q2 2019
- USA, Vietnam, Netherlands, and Poland were the main contributors to the order intake in Q2 2020
- Price per MW remained underlying stable in Q2 2020
- Geography, turbine type, scope, and uniqueness of the offering still a factor
ALL-TIME HIGH ORDER BACKLOG OF MORE THAN EUR 35BN

Combined backlog increased by EUR 3.6bn YoY, a growth of 11 percent

Wind turbines:
- EUR 16.2bn
- EUR +0.3bn*

Service:
- EUR 18.9bn
- EUR +3.3bn*

* Compared to Q2 2019.
POWER SOLUTIONS

Leveraging our global leadership position

GW of installed turbines globally

Countries with installed turbines

Million tonnes of displaced CO₂ emissions – every year

Q2 2020 highlights

- Strong efforts globally to secure business continuity despite the COVID-19 situation
- Broad-based increase in orders in EMEA; EU Green Deal and stimulus packages becoming more tangible and can accelerate investments
- Pipeline starts to build for US 2021 deliveries with more than 1 GW order intake
- Increasing activity levels in Asia Pacific; strong orders secured in Vietnam and China

<table>
<thead>
<tr>
<th>Region</th>
<th>Order intake</th>
<th>Deliveries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>1,346 MW</td>
<td>2,563 MW</td>
</tr>
<tr>
<td>EMEA</td>
<td>1,647 MW</td>
<td>859 MW</td>
</tr>
<tr>
<td>APAC</td>
<td>1,155 MW</td>
<td>598 MW</td>
</tr>
</tbody>
</table>

* Compared to Q2 2019

Source: Wood Mackenzie

Classification: Public
SERVICE BUSINESS

100 GW milestone highlights leadership

Q2 2020 highlights

- Signed a 30-year AOM 5000 service contract in the US for the new V162-5.6 MW EnVentus™ turbine
- Long-term commitment to Multibrand demonstrated in Asia Pacific through the closure of four contracts on Senvion turbines with a duration of up to 20 years
- Approx. 70 percent of service order intake with duration over 20 years; duration in the service backlog increased to nine years

Service fleet

**AMERICAS**
- 41 GW
- 9 GW*

**EMEA**
- 51 GW
- 7 GW*

**APAC**
- 12 GW
- 2 GW*

* Compared to Q2 2019

GW of onshore turbines with active service contracts

- 104

Years of average duration on new contracts signed

- 19

Countries with active service contracts

- 74
MHI VESTAS OFFSHORE WIND

Scotland’s largest offshore wind project secured

Q2 2020 highlights

- Firm order signed for the 1,140MW Seagreen project (114 V164-10 MW™ turbines), MVOW’s 4th project in Scotland, with a 15-year service agreement

- Northwestern 2 installation complete with 23 V164-9.5 MW™; installation started for the 732 MW Borssele III/IV project

- 3rd and final floating turbine towed to site in WindFloat Atlantic project

Projects in progress

- Borssele II/IV (NL)
  - 731.5 MW
  - V164-9.5 MW™

- Northwestern 2 (BE)
  - 219 MW
  - V164-9.5 MW™

- WindFloat Atlantic (PT)
  - 25 MW
  - V164-8.4 MW™

- Moray East (UK)
  - 950 MW
  - V164-9.5 MW™

- Borssele V (NL)
  - 19 MW
  - V164-9.5 MW™

- Kincardine (UK)
  - 50 MW
  - V164-9.5 MW™

- Triton Knoll (UK)
  - 860 MW
  - V164-9.5 MW™

GW installed; more than 1,230 turbines

GW under installation/unconditional orders

GW of conditional orders/preferred supplier agreements
VESTAS’ AMBITIOUS SUSTAINABILITY JOURNEY CONTINUES

The first wind turbine manufacturer with validated strategy in line with 1.5°C global warming scenario

"The 1.5°C target classification is the most ambitious designation available through the SBTi validation process and covers Vestas’ targets to reduce emissions from direct operations (scope 1 and 2 emissions) by 100 percent by 2030 from a 2019 base year.”

Around 100 electric service vehicles introduced in Vestas in 2020 – all new service and benefit cars to be EVs by 2025
**INCOME STATEMENT**

Strong activity levels in Power solutions albeit lower profitability

<table>
<thead>
<tr>
<th>mEUR</th>
<th>Q2 2020</th>
<th>Q2 2019</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>3,541</td>
<td>2,121</td>
<td>67%</td>
</tr>
<tr>
<td>Production costs</td>
<td>(3,313)</td>
<td>(1,820)</td>
<td>82%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>228</td>
<td>301</td>
<td>(24)%</td>
</tr>
<tr>
<td>SG&amp;A costs*</td>
<td>(194)</td>
<td>(173)</td>
<td>12%</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>34</td>
<td>128</td>
<td>(73)%</td>
</tr>
<tr>
<td>Special items</td>
<td>(0)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EBIT after special items</td>
<td>34</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income from investments in joint ventures and associates</td>
<td>(6)</td>
<td>9</td>
<td>(167)%</td>
</tr>
<tr>
<td>Net profit</td>
<td>(5)</td>
<td>90</td>
<td>(105)%</td>
</tr>
</tbody>
</table>

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross margin</td>
<td>6.4%</td>
<td>14.2%</td>
<td>(7.8)%-pts</td>
</tr>
<tr>
<td>EBITDA margin before special items</td>
<td>5.3%</td>
<td>12.0%</td>
<td>(6.7)%-pts</td>
</tr>
<tr>
<td>EBIT margin before special items</td>
<td>1.0%</td>
<td>6.0%</td>
<td>(5.0)%-pts</td>
</tr>
</tbody>
</table>

*R&D, administration, and distribution.

**Key highlights**

- **Revenue increased 67 percent** mainly driven by high activity levels in **Power solutions**
- **Gross margin down by 7.8 percentage points** mainly driven by increased warranty provisions and negative impact from COVID-19; higher share of Power solutions revenue also a factor
- **EBIT margin before special items decreased by 5 percentage points**, mainly driven by lower gross profit
- **Underlying EBIT margin before special items of 5.9 percent** when adjusting for extraordinary provisions
**SG&A COSTS**

SG&A costs under control

**Key highlights**

- Continuing to **leverage on SG&A costs**
- Depreciation and amortisation (excluding impairments) increased EUR 27m YoY primarily due to introduction of new products
- Relative to activity levels, SG&A costs amounted to **5.7 percent** – a decrease of **1.5 percentage points** compared to Q2 2019

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*R&D, administration, and distribution on a 12 months basis.*
SERVICE BUSINESS

Strong service performance

Service revenue and EBIT margin, onshore
mEUR and percent

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Service Revenue (mEUR)</th>
<th>EBIT Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2019</td>
<td>476</td>
<td>28.4%</td>
</tr>
<tr>
<td>Q3 2019</td>
<td>442</td>
<td>28.3%</td>
</tr>
<tr>
<td>Q4 2019</td>
<td>529</td>
<td>20.8%</td>
</tr>
<tr>
<td>Q1 2020</td>
<td>474</td>
<td>26.2%</td>
</tr>
<tr>
<td>Q2 2020</td>
<td>505</td>
<td>28.5%</td>
</tr>
</tbody>
</table>

Key highlights

- Service revenue increased by 6 percent compared to Q2 2019, mainly driven by higher activity levels
- 2020 Q2 EBIT before special items: EUR 144m
  2020 Q2 EBIT margin before special items: 28.5 percent
MHI VESTAS OFFSHORE WIND

Activity levels down as expected YoY

Revenue and net result*
EURm

<table>
<thead>
<tr>
<th></th>
<th>Q2 2019</th>
<th>Q3 2019</th>
<th>Q4 2019</th>
<th>Q1 2020</th>
<th>Q2 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>534</td>
<td>399</td>
<td>90</td>
<td>220</td>
<td>196</td>
</tr>
<tr>
<td>Net profit</td>
<td>22</td>
<td>4</td>
<td>6</td>
<td>(30)</td>
<td>(12)</td>
</tr>
</tbody>
</table>

Key highlights

- Revenue in the JV of EUR 196m: down 63 percent from Q2 2019 as 2020 expectedly will see lower activity levels
- Net profit of negative EUR 12m

* Vestas accounting for MHI Vestas Offshore Wind: The joint venture is accounted for using the equity method.
CHANGE IN NET WORKING CAPITAL

Inventory increased to cater for increasing activity levels

NWC change over the quarter
mEUR

<table>
<thead>
<tr>
<th></th>
<th>Q1 2020</th>
<th>Q2 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables</td>
<td>359</td>
<td>(232)</td>
</tr>
<tr>
<td>Inventories and contract costs</td>
<td>461</td>
<td>(374)</td>
</tr>
<tr>
<td>Contract assets / liabilities</td>
<td>(374)</td>
<td>(232)</td>
</tr>
<tr>
<td>Payables</td>
<td>359</td>
<td>(232)</td>
</tr>
<tr>
<td>Other receivables and liabilities</td>
<td>(411)</td>
<td>(411)</td>
</tr>
</tbody>
</table>

Net working capital negatively impacted by increased level of inventory and contract assets to cater for high activity levels; partly offset by higher payables and other liabilities.
### CASH FLOW STATEMENT

Positive cash flow from operating activities in the quarter

<table>
<thead>
<tr>
<th>mEUR</th>
<th>Q2 2020</th>
<th>Q2 2019</th>
<th>Abs. Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities before change in net working capital</td>
<td>296</td>
<td>178</td>
<td>118</td>
</tr>
<tr>
<td>Change in net working capital*</td>
<td>(245)</td>
<td>(78)</td>
<td>(167)</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>51</td>
<td>100</td>
<td>(49)</td>
</tr>
<tr>
<td>Cash flow from investing activities**</td>
<td>(129)</td>
<td>(175)</td>
<td>46</td>
</tr>
<tr>
<td>Free cash flow before financial investments**</td>
<td>(78)</td>
<td>(75)</td>
<td>(3)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>96</td>
<td>120</td>
<td>(24)</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>(190)</td>
<td>(175)</td>
<td>(15)</td>
</tr>
<tr>
<td>Net interest-bearing position</td>
<td>1,145</td>
<td>1,679</td>
<td>(534)</td>
</tr>
</tbody>
</table>

**Key highlights**

- **Free cash flow** before financial investments of EUR (78)m compared to EUR (75)m in 2019; positively impacted by cash flow from EBITDA but offset by change in net working capital.
- Net interest-bearing position of EUR 1.1bn; constant focus on cash discipline.

* Change in net working capital impacted by non-cash adjustments and exchange rate adjustments with a total amount of net EUR (25)m.
** Excl. investments in marketable securities and short-term financial investments.
TOTAL INVESTMENTS

Investments stable year-over-year

Key highlights

- Investments of **EUR 129m** in Q2 2020; down from underlying EUR 175m in Q2 2019
- Optimisation of product portfolio to **reduce total investment need**; focus on 2020 execution and long-term competitiveness remains

Total net investments*
EURm

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Acquisitions</th>
<th>Cash flow from investing activities*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2019</td>
<td>195</td>
<td>20</td>
</tr>
<tr>
<td>Q3 2019</td>
<td>175</td>
<td>146</td>
</tr>
<tr>
<td>Q4 2019</td>
<td>232</td>
<td>(66)</td>
</tr>
<tr>
<td>Q1 2020</td>
<td>159</td>
<td>129</td>
</tr>
<tr>
<td>Q2 2020</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Excl. any investments in marketable securities and short-term financial investments.
WARRANTY PROVISIONS AND LOST PRODUCTION FACTOR

Warranty provisions increased in the quarter

Key highlights

- Warranty provisions made increased to EUR 283m; extraordinary provisions of EUR 175m to cover a specific blade repair and upgrade
- Warranty provisions made expected to decline to 3.1 percent of revenue for the second half of 2020

Lost Production Factor (LPF)

Key highlights

- LPF increased in the quarter as a consequence of the extraordinary repair and upgrade level; overall, the LPF continues at a low level for the wind power plants where Vestas guarantees the performance
- LPF measures potential energy production not captured by Vestas’ wind turbines
CAPITAL STRUCTURE

Net debt to EBITDA well below threshold

Net debt to EBITDA before special items

Key highlights

- Net debt to EBITDA remains at low level of (0.8) in Q2 2020
- Liquidity position remains strong with close to EUR 2bn cash at hand
AGENDA

Orders and markets

Financials

Outlook & Q&A
## OUTLOOK 2020

<table>
<thead>
<tr>
<th></th>
<th>Outlook</th>
<th>Initial outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue (bnEUR)</strong></td>
<td>14 – 15</td>
<td>14 - 15</td>
</tr>
<tr>
<td>- Service is expected to grow approx. 7 percent</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EBIT margin before special items (%)</strong></td>
<td>5 – 7</td>
<td>7 - 9</td>
</tr>
<tr>
<td>- Service margin is expected to be approx. 25 percent</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total investments (mEUR)</strong></td>
<td>Below 700</td>
<td>Approx. 700</td>
</tr>
<tr>
<td>Excl. investments in marketable securities and short-term financial investments.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- EBIT margin before special items includes **extraordinary warranty provisions** of EUR 175m recognised in Q2 2020. For the second half of the year, warranty provisions are expected to be in line with past quarters corresponding to 3.1 percent of revenue.
- Important to note that basic assumptions behind the guidance are more uncertain than normal

*The 2020 outlook is based on current foreign exchange rates*
Financial calendar 2020:

- Disclosure of Q3 2020 (4 November)
THANK YOU FOR YOUR ATTENTION