Vestas®

Wind. It means the world to us.™

THIRD QUARTER 2020

Copenhagen, 4 November 2020

Vestas Wind Systems A/S

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

Highest ever quarterly deliveries
Continued strong activity level in a challenging COVID-19 environment

Revenue increase of 31 percent compared to Q3 2019
Revenue of EUR 4.8bn; EBIT margin before special items of 8.6 percent

Solid performance in Service
Revenue growth of 14 percent in Service compared to Q3 2019; EBIT margin of 28.6 percent

Continued contribution to Paris Agreement target
Vestas' installed fleet at the end of Q3 displaces 165m tonnes of CO_2 on an annual basis

Vestas and Mitsubishi Heavy Industries to strengthen partnership
Long-term move to increase competitiveness and leadership in growing offshore wind market

AGENDA

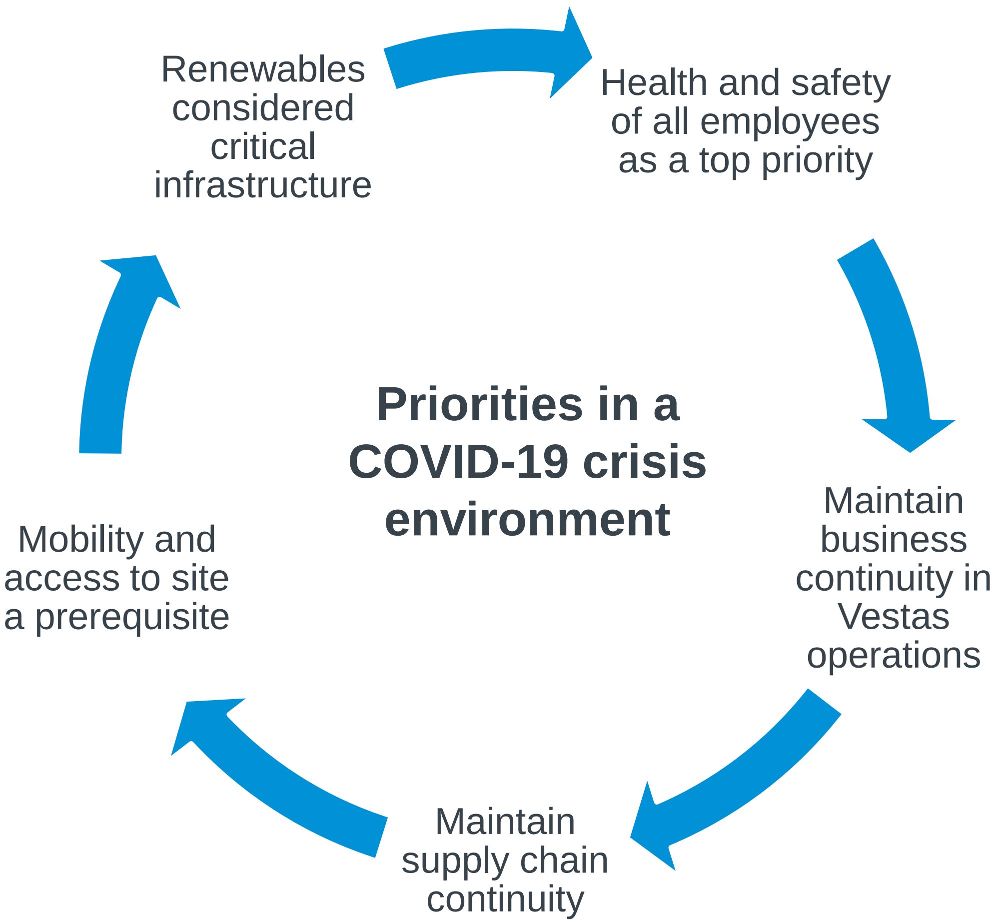
Orders and markets

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

- Second wave of COVID-19 spread in Europe; Americas and India still impacted; 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

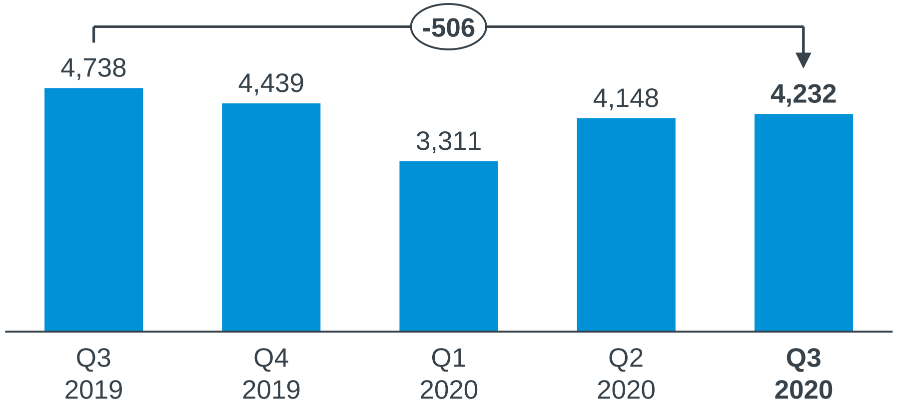
Relentless focus on our business continuity and safety

- Comprehensive safety measures implemented to prevent spread; also during re-opening
- All Vestas manufacturing running, though factories in epi-centres are constantly monitored
- 12.2 GW delivered to customers so far in 2020; up more than 50 percent compared to 2019

THIRD QUARTER ORDER INTAKE

Order intake at 4.2 GW, with an average selling price of EUR 0.73 per MW

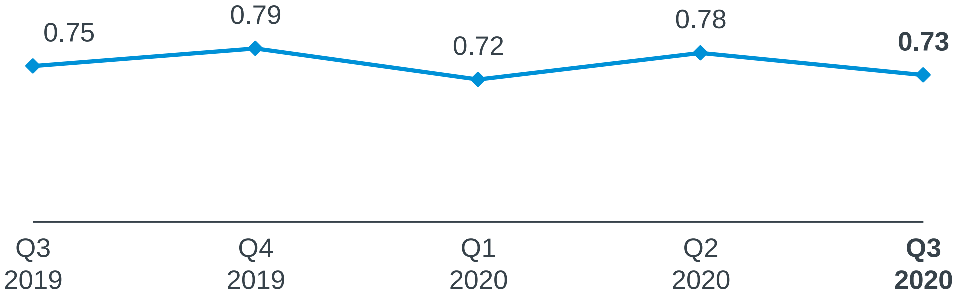
Order intake
MW



Key highlights

- Q3 2020 order intake decreased 11 percent compared to record high Q3 in 2019
- USA, Brazil, and the UK were the main contributors to the order intake in Q3 2020

Average selling price of order intake
mEUR per MW



Key highlights

- Price per MW remained underlying stable in Q3 2020; excluding FX impact average selling price would have been EUR 0.75 per MW
- Geography, turbine type, scope, and uniqueness of the offering still a factor

ORDER BACKLOG OF EUR 34BN

Combined backlog increased by EUR 1.1bn YoY despite negative FX impact of approx. EUR 700m

Wind turbines:

EUR 14.6bn

EUR (1.9)bn*

Service:

EUR 19.3bn

EUR +3.0bn*

* Compared to Q3 2019.

POWER SOLUTIONS

Leveraging our global leadership position

123 GW of installed onshore turbines globally

82 Countries with installed turbines

165 Million tonnes of displaced CO_2 emissions – every year

Source: International Energy Agency, Data and statistics.

Q3 2020 highlights

- Higher climate ambitions around the World: EU Green Deal and stimulus packages becoming more tangible with EUR 550bn to be allocated over the next 7 years; South Korea and Japan pledging carbon neutrality by 2050 and China by 2060
- Pipeline builds up for US 2021 deliveries with close to 1.5 GW order intake; first PTC qualification orders secured enabling 2023 and 2024 projects
- Increasing activity levels in Europe and Asia Pacific; strong orders secured in UK, Poland, Vietnam, and China

	Americas	EMEA	APAC
Order intake	1,247 MW ↓ 51%*	2,202 MW ↑ 7%*	783 MW ↑ 476%*
Deliveries	3,287 MW ↑ 57%*	1,773 MW ↑ 18%*	931 MW ↑ 67%*

* Compared to Q3 2019.

SERVICE BUSINESS

Fleet under service continues to expand

108 GW of onshore turbines with active service contracts

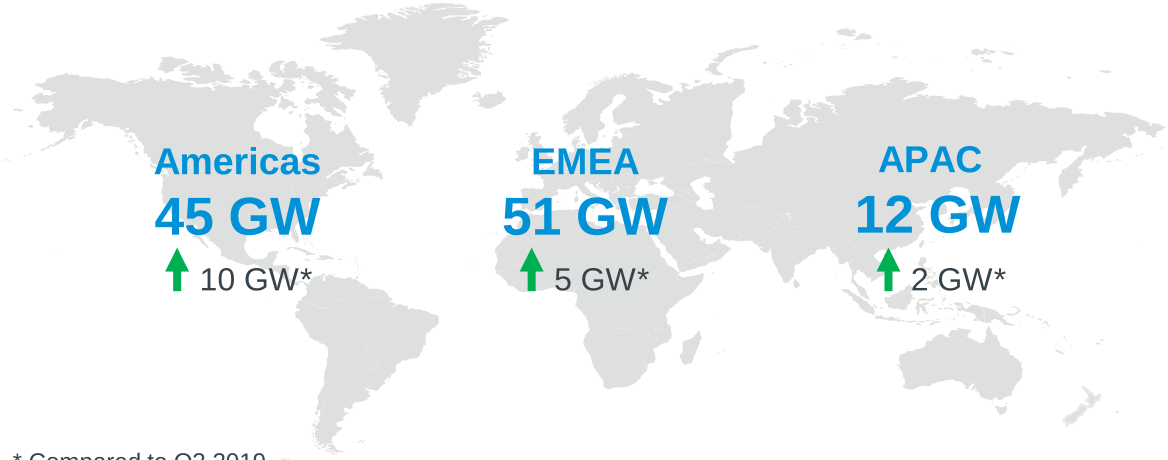
19 Years of average duration on new contracts signed

75 Countries with firm service contracts

Q3 2020 highlights

- Viking order in Shetland Islands with 443 MW and 30-year AOM 5000 service agreement
- Increased long-term commitments in China, with additional orders of approx. 150 MW signed with +15 years service agreements
- Approx. 750 MW of new Multibrand service contracts across different geographies and platforms

Service fleet



* Compared to Q3 2019

MHI VESTAS OFFSHORE WIND

MHI VESTAS OFFSHORE WIND

Vestas and Mitsubishi Heavy Industries agree to strengthen partnership

5.6 **GW installed; more than 1,230 turbines**

3.9 **GW under installation/ unconditional orders**

1.3 **GW of conditional orders/ preferred supplier agreements**

Q3 2020 highlights

- Supply chain progress was made in Taiwan as several industrial partners were announced to provide components to meet localisation requirements
- WindFloat Atlantic, fully operational as three V164-8.4 MW™ turbines are now generating power to the Portuguese grid
- Installation and commissioning of 731.5 MW Borssele III/IV offshore wind project in the Netherlands ongoing, featuring 77 V164-9.5 MW™ turbines

Projects in progress in Q3 2020

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

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

Kincardine (UK)
50 MW
V164-9.5 MW™

Moray East (UK)
950 MW
V164-9.5 MW™

Borssele V (NL)
19 MW
V164-9.5 MW™

Måde (DK)
16.8 MW
V164-8.4 MW™

Triton Knoll (UK)
860 MW
V164-9.5 MW™

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Classification: Public

INCOME STATEMENT

Strong activity levels in Power solutions albeit lower profitability

mEUR	Q3 2020	Q3 2019	% change
Revenue	4,770	3,646	31%
Production costs	(4,158)	(3,031)	37%
Gross profit	612	615	(0)%
SG&A costs*	(200)	(186)	8%
EBIT before special items	412	429	(4)%
Special items	6	-	-
EBIT after special items	418	429	(3)%
Income from investments in joint ventures and associates	1	4	(75)%
Net profit	290	303	(4)%
Gross margin	12.8%	16.9%	(4.1)%-pts
EBITDA margin before special items	12.1%	15.5%	(3.4)%-pts
EBIT margin before special items	8.6%	11.8%	(3.2)%-pts

*R&D, administration, and distribution.

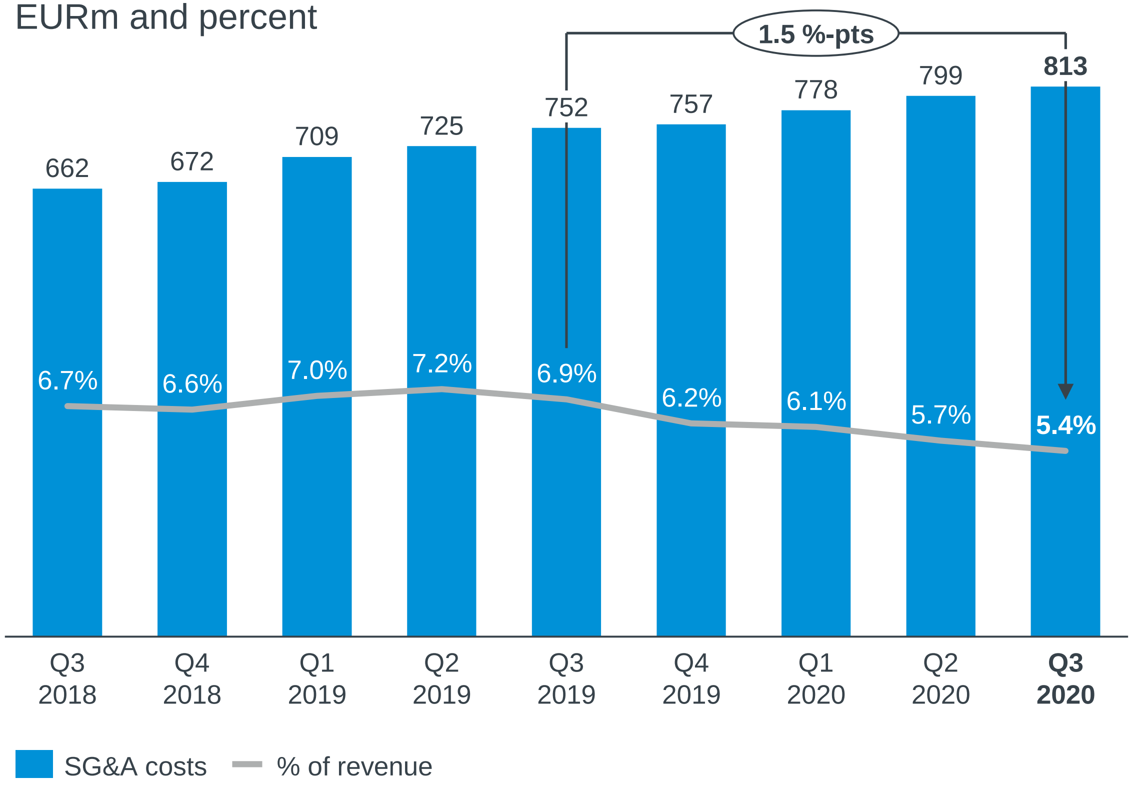
Key highlights

- Revenue increased 31 percent mainly driven by high activity levels in Power solutions
- Gross margin down by 4.1 percentage points impacted by logistical challenges and supply chain bottlenecks which is amplified by COVID-19; negative comparison also driven by reversal of inventory write down in Romania in Q3 2019
- EBIT margin before special items decreased by 3.2 percentage points, mainly driven by lower gross profit

SG&A COSTS

SG&A costs under control

SG&A costs (TTM)*
EURm and percent



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 5.4 percent – a decrease of 1.5 percentage points compared to Q3 2019

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

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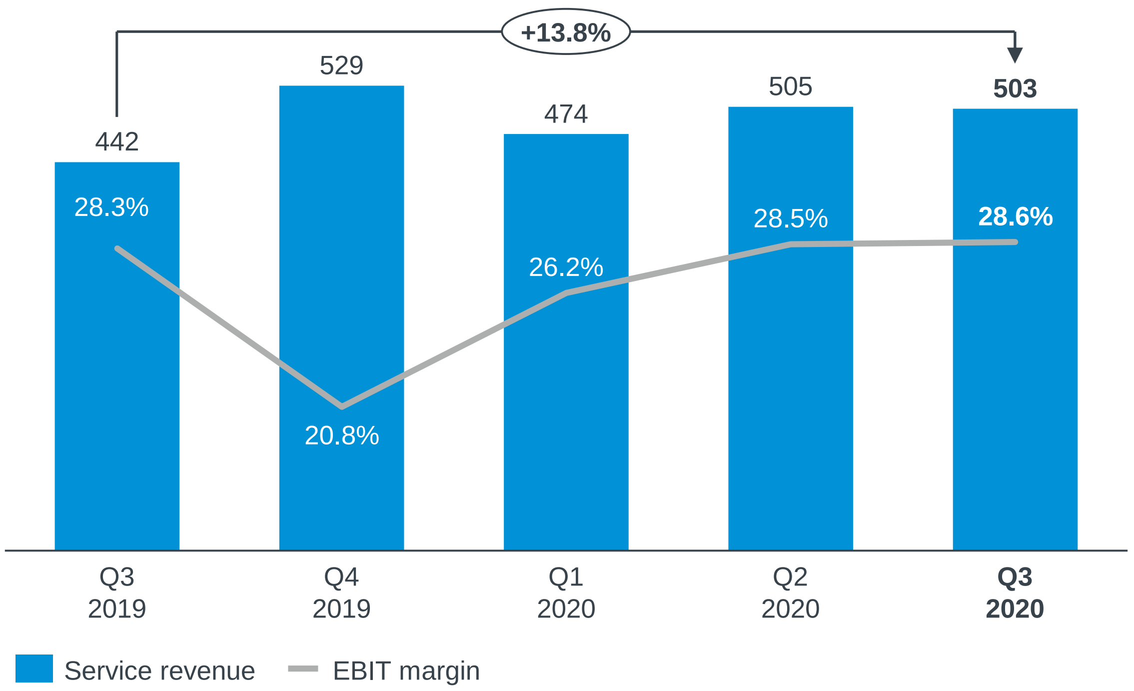
SERVICE BUSINESS

Strong service performance

Service revenue and EBIT margin, onshore
mEUR and percent



Key highlights

- Service revenue increased by 14 percent compared to Q3 2019, mainly driven by higher activity levels
- 2020 Q3 EBIT before special items: EUR 144m
  2020 Q3 EBIT margin before special items: 28.6 percent

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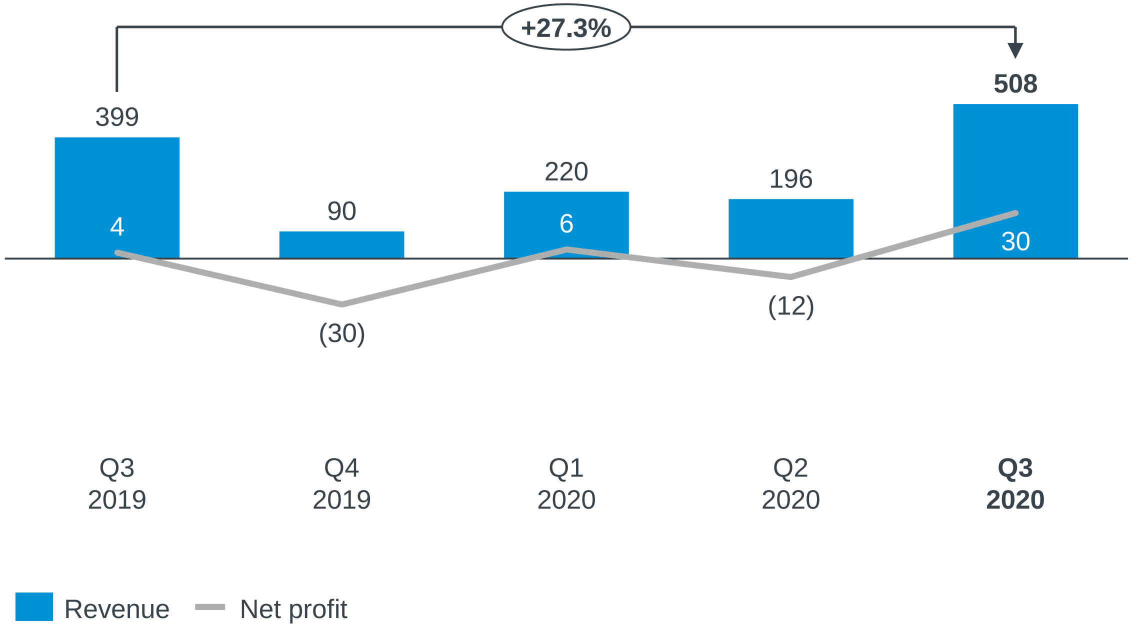
MHI VESTAS OFFSHORE WIND

Strong quarterly performance in the offshore JV

Revenue and net result*
EURm



Key highlights

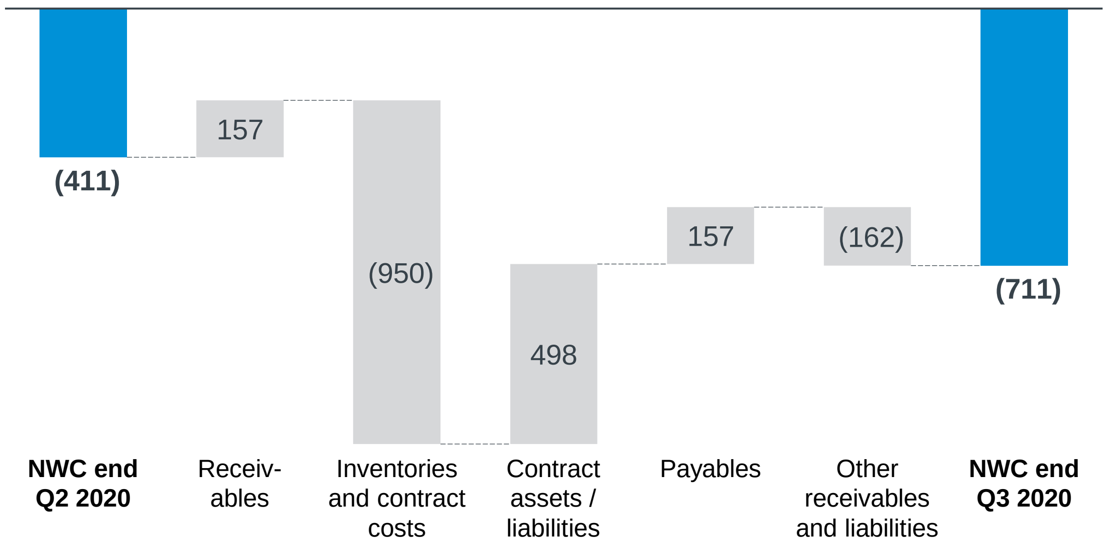
- Revenue in the JV of EUR 508m; up 27 percent from Q3 2019 driven by high level of activity in the quarter
- Net profit of positive EUR 30m

* Vestas accounting for MHI Vestas Offshore Wind: The joint venture is accounted for using the equity method.

CHANGE IN NET WORKING CAPITAL

Positive net working capital development as activity levels increased in the quarter

NWC change over the quarter
mEUR



Key highlights

- Net working capital positively impacted by decreased level of inventory and contract assets as deliveries increased; partly offset by lower down- and milestone payments

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CASH FLOW STATEMENT

Strong cash flow from operating activities in the quarter

mEUR	Q3 2020	Q3 2019	Abs. Change
Cash flow from operating activities before change in net working capital	611	450	161
Change in net working capital*	77	(99)	176
Cash flow from operating activities	688	351	337
Cash flow from investing activities**	(142)	(146)	4
Free cash flow before financial investments**	546	205	341
Free cash flow	546	265	281
Cash flow from financing activities	(38)	17	(55)
Net interest-bearing position	1,615	1,849	(234)

Key highlights

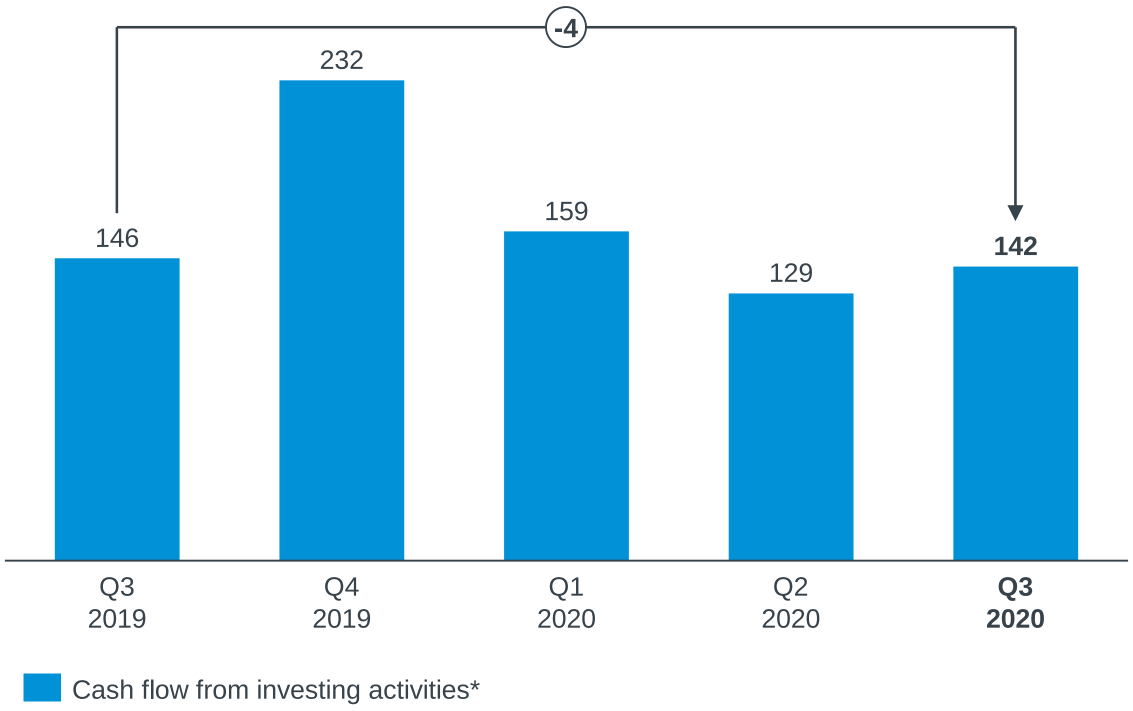
- Free cash flow before financial investments of EUR 546m compared to EUR 205m in 2019; positively impacted by cash flow from EBITDA and change in net working capital
- Net interest-bearing position of EUR 1.6bn; constant focus on cash discipline

* Change in net working capital impacted by non-cash adjustments and exchange rate adjustments with a total amount of net EUR (223)m.
** Excl. any investments in marketable securities and short-term financial investments.

TOTAL INVESTMENTS

Investments stable YoY

Total net investments*
EURm



Key highlights

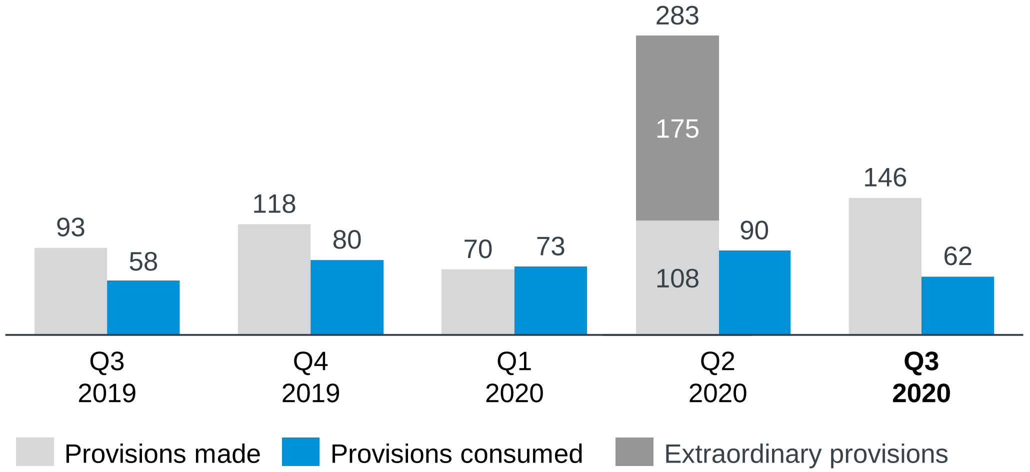
- Investments of EUR 142m in Q3 2020; in line with EUR 146m in Q3 2019
- Optimisation of product portfolio to reduce total investment need; focus on 2020 execution and long-term competitiveness remains

* Excl. any investments in marketable securities and short-term financial investments.

WARRANTY PROVISIONS AND LOST PRODUCTION FACTOR

Warranty provisions increased YoY

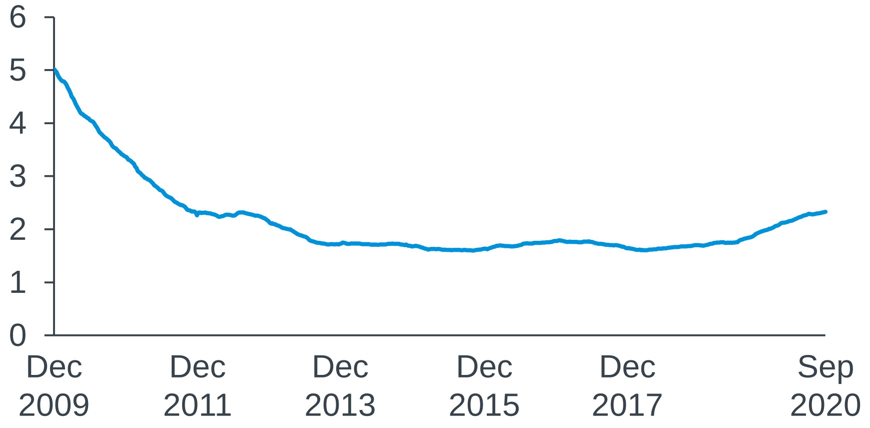
Warranty provisions made and consumed
mEUR



Key highlights

- Warranty provisions made of EUR 146m corresponding to 3.1 percent of revenue as communicated
- Warranty provisions consumed of EUR 62m

Lost Production Factor (LPF)
Percent



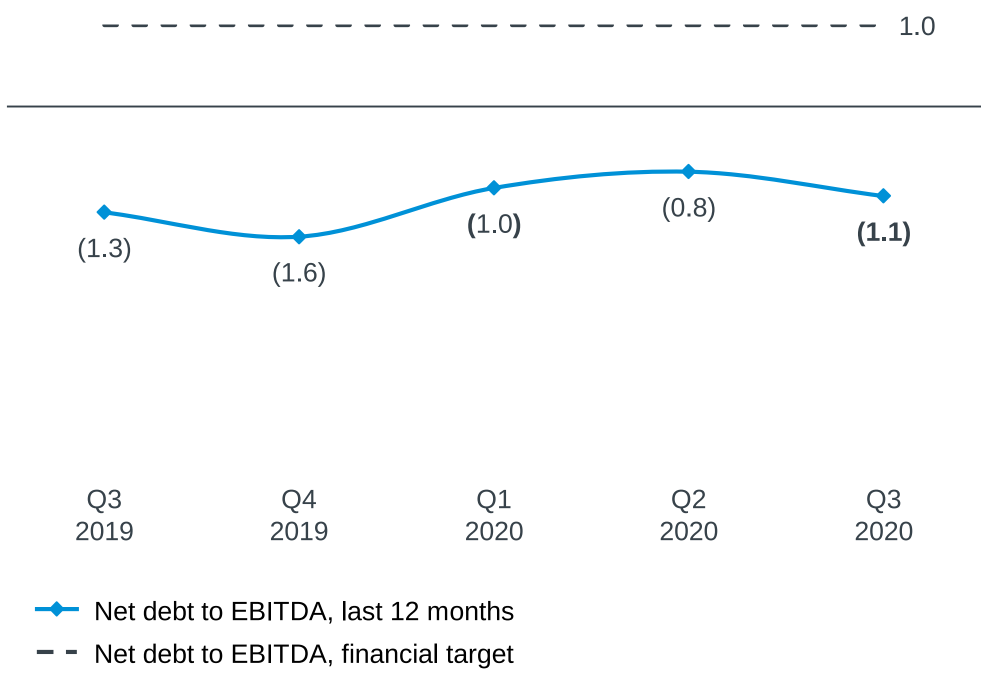
Key highlights

- 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 (1.1) in Q3 2020
- Liquidity position remains strong with close to EUR 2bn cash at hand

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OUTLOOK 2020

	Outlook
Revenue (bnEUR) - Service is expected to grow minimum 7 percent	**14 – 15**
EBIT margin before special items (%) - Service margin is expected to be minimum 25 percent	**5 – 7**
Total investments (mEUR) Excl. any investments in marketable securities and short-term financial investments.	**Below 700**

- EBIT margin before special items includes extraordinary warranty provisions of EUR 175m recognised in Q2 2020. For the fourth quarter 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

Q&A

Financial calendar 2021:

- Disclosure of Annual report 2020 (10 February)
- Annual General Meeting 2021 (8 April)
- Disclosure of Q1 2021 (5 May)
- Disclosure of Q2 2021 (11 August)
- Disclosure of Q3 2021 (3 November)

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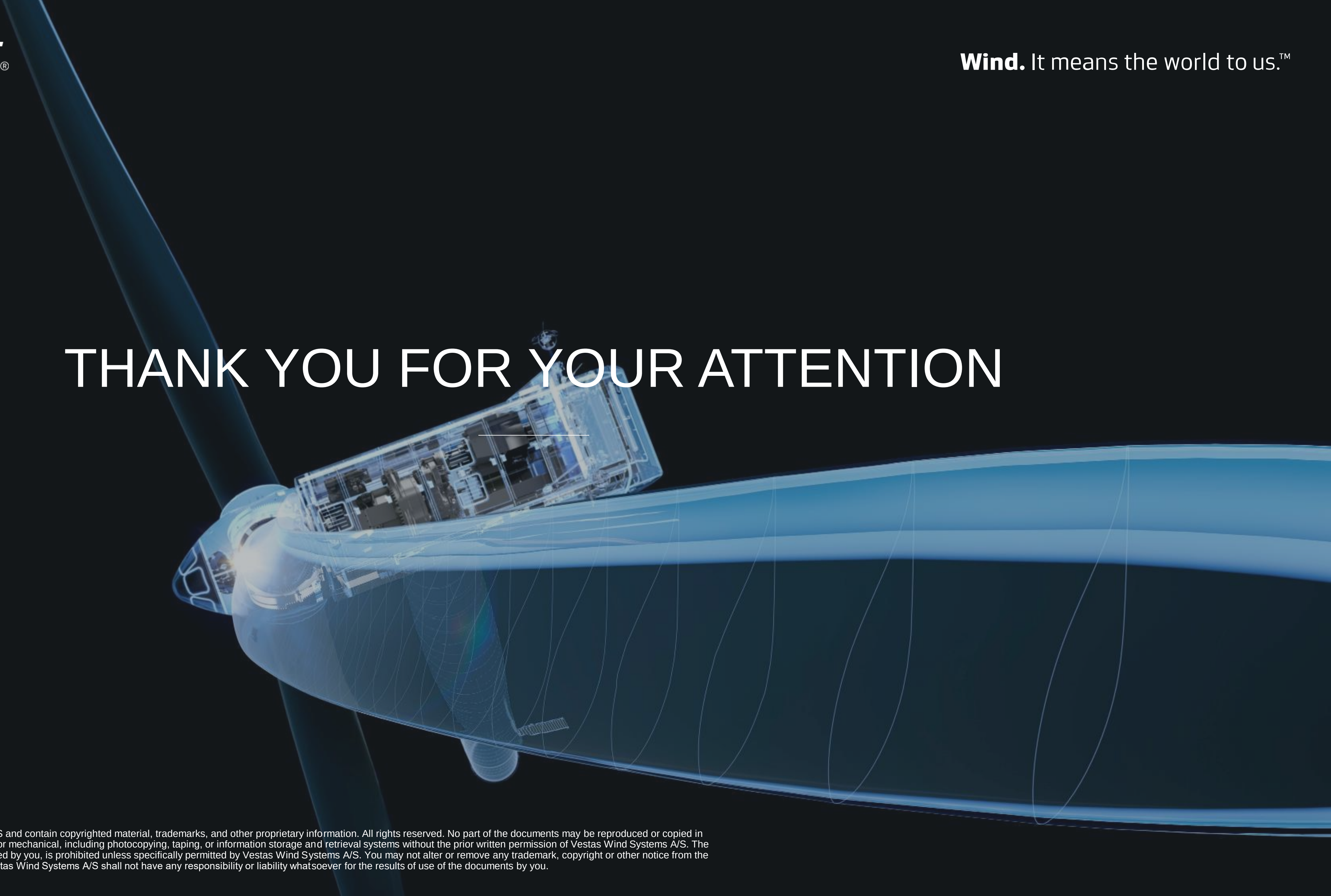

THANK YOU FOR YOUR ATTENTION