

Company announcement from Vestas Wind Systems A/S

Randers, 15 August 2008
Interim financial report, second quarter 2008
Company announcement No. 40/2008
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Interim financial report, second quarter 2008

No. 1 in Modern Energy: Financial guidance retained

Summary: Vestas generated second-quarter revenue of EUR 1,094m against EUR 1,067m in the second quarter of 2007, which was in line with expectations. EBIT rose from EUR 90m to EUR 92m, corresponding to an EBIT margin of 8.4 per cent, consistent with expectations. In the second quarter of 2007, the EBIT margin was also 8.4 per cent. Net working capital stood at EUR (53)m, or (1) per cent of expected annual revenue against 5 per cent the year before. Cash flow from operating activities rose by EUR 174m to EUR 222m. Vestas retains its forecasts for 2008, with 69 per cent of revenue being generated in the second half. The order backlog at 30 June 2008 amounted to EUR 7.2bn, an increase of 67 per cent relative to June 2007.

The Group's financial performance in Q2 2008 (neither audited nor reviewed).

	Q2 2008	Q2 2007	H1 2008	H1 2007	Full year 2007
Revenue (mEUR)	1,094	1,067	1,795	1,827	4,861
EBIT (mEUR)	92	90	126	110	443
EBIT margin (%)	8.4	8.4	7.0	6.0	9.1
Profit after tax (mEUR)	65	51	98	68	291
Net working capital (% of revenue)	(1)	5	(1)	5	(1)
Cash flow from operating activities (mEUR)	222	48	98	36	701

The continuing improvement in profitability is attributable to the higher prices which Vestas initiated in 2005 and the ongoing enhancement of operational efficiency. Cash flows from operating activities amounted to EUR 222m in the second quarter of 2008 against EUR 48m in the second quarter of 2007. The EUR 277m decrease in net working capital from June 2007 to June 2008 represents a EUR 643m increase in customer prepayments including construction contracts and a strong increase in inventories, which amounted to EUR 1,839m at 30 June 2008. The large inventories help to stabilise production capacity and Vestas' ability to supply in the second half of 2008.

Outlook for 2008

The EBIT margin will continue to improve as expected to 10-12 per cent on revenue of EUR 5.7bn. Net working capital is expected to represent a maximum of 10 per cent of revenue by

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Company reg. name: Vestas Wind Systems A/S

the end of 2008. Total investments are expected to amount to EUR 620m, of which EUR 500m will be invested in property, plant and equipment. Financial items are estimated at EUR 0. The tax rate is expected to remain unchanged at 28 per cent. As previously announced, Vestas' market share is expected to rise to 25 per cent. Warranty provisions will represent 3-5 per cent of revenue in 2008. The goal is for Vestas to have a solvency ratio of at least 40 per cent.

Assumptions and risks

The overall demand pressure on the industry persists, and there are still long lead times for a number of key components; up to 15 months. This situation has triggered a price increase on a number of key components, although this is expected to be offset by higher prices on Vestas' products, as their value to the customers is determined by factors such as the price of the fossil fuels being replaced by wind power. Vestas expects that it will take some years before supply will match demand, even with the increasing number of manufacturers and sub-suppliers, especially from China.

Other than the aforementioned, the most important risk factors include additional warranty provisions, transport costs, disruptions in production and in relation to wind turbine installation, patents and movements in the USD/EUR. The latter is a challenge in the USA, where the price of wind turbines is rising in USD-terms. Finally, the large price increases of up to 50 per cent on raw materials, including steel, may cause supply difficulties in spite of long-term contracts entered into.

For the full year, supply-only orders, in which Vestas only supplies the wind turbines, are still expected to account for more than 30 per cent of revenue, reducing the underlying operating risk, but increasing quarter-on-quarter fluctuations in revenue and EBIT as revenue from this type of order is not recognised until all the turbines have been delivered. In "supply and install" and turnkey projects, revenue from the orders is recognised as the work is performed, and for accounting purposes this provides a more balanced income flow even though the orders are more complex than supply-only orders. There are no differences between the contract types in terms of cash flows.

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Press and analyst meeting in London Friday, 15 August 2008 at 2 p.m. (London time)/3 p.m. (CET)

In connection with the announcement of this interim financial report, an information meeting will be held today, Friday, at 2 p.m. (London time)/3 p.m. (CET) for analysts, investors and the press at The Landmark London, "Ballroom", 222 Marylebone Road, London NW1 6JQ, England. Further details on page 11.

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.

Consolidated financial highlights

mEUR	Q2 2008	Q2 2007	1 half year 2008	1 half year 2007	Full year 2007
Highlights					
Income statement					
Revenue	1,094	1,067	1,795	1,827	4,861
Gross profit	228	188	351	279	825
Profit before financial income and expenses, depreciation and amortisation (EBITDA)	122	118	184	164	579
Operating profit (EBIT)	92	90	126	110	443
Profit of financial items	(2)	(11)	10	(7)	0
Profit before tax	90	78	136	102	443
Net profit for the period	65	51	98	68	291
Balance sheet					
Balance sheet total	4,875	3,864	4,875	3,864	4,296
Equity	1,606	1,308	1,606	1,308	1,516
Provisions	266	278	266	278	305
Average interest-bearing position (net)	434	104	484	141	179
Net working capital (NWC)	(53)	224	(53)	224	(68)
Investments in property, plant and equipment	94	74	159	108	265
Cash flow statement					
Cash flow from operating activities	222	48	98	36	701
Cash flow from investing activities	(136)	(91)	(216)	(139)	(317)
Cash flow from financing activities	(16)	(31)	(64)	(49)	(54)
Change in cash at bank and in hand less current portion of bank debt	70	(74)	(182)	(152)	330
Ratios					
Financial ratios					
Gross margin (%)	20.8	17.6	19.6	15.3	17.0
EBITDA (%)	11.2	11.1	10.3	9.0	11.9
Operating profit margin (EBIT) (%)	8.4	8.4	7.0	6.0	9.1
Return on invested capital (ROIC) (%)	5.7	4.6	7.9	5.7	30.9
Solvency ratio (%)	32.9	33.9	32.9	33.9	35.3
Return on equity (%)	4.5	4.1	6.7	5.5	21.0
Gearing (%)	6.1	11.8	6.1	11.8	9.9

Consolidated financial highlights

mEUR	Q2 2008	Q2 2007	1 half year 2008	1 half year 2007	Full year 2007
Share ratios					
Earnings per share (EUR)	0.4	0.3	0.5	0.4	1.6
Book value per share	8.7	7.1	8.7	7.1	8.2
Price/book value	9.6	6.9	9.6	6.9	9.0
Cash flow from operating activities per share	1.2	0.3	0.5	0.2	3.8
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 (EUR)	83.1	48.9	83.1	48.9	74.0
Average number of shares	185,204,103	185,204,103	185,204,103	185,204,103	185,204,103
Number of shares at the end of the period	185,204,103	185,204,103	185,204,103	185,204,103	185,204,103
Employees					
Number of employees, end of period	17,370	13,825	17,370	13,825	15,305
Average number of employees	17,067	13,435	16,476	13,040	13,820

Management report

The Wind, Oil and Gas vision is being achieved

Vestas has put wind power at the top of the global energy agenda. Wind power is modern energy because wind power is financially competitive, predictable, independent, fast and clean. Wind power involves no emissions of CO₂ or consumption of H₂O. Modern energy currently accounts for a little over 1 per cent of the world's power production. If the necessary political decisions are made now, opening up for massive investments for example in power grids, Vestas expects that modern energy will account for at least 10 per cent of global power production in 2020. To achieve this, more than 900,000 MW of modern energy must be installed over the next 12 years, which translates into annual growth in installed capacity of 20-25 per cent. The market will thus rise to an average of at least 80,000 MW per year over the next 12 years, against 20,000 MW in 2007. As a result, for many years going forward, Vestas will invest heavily in new capacity, developing its organisation and suppliers in order to enhance its position as the No. 1 in Modern Energy.

Vestas recruits new employees under the "People before megawatt" principle. People before megawatt is a commitment to ensuring flawless execution and effective utilisation of all Vestas' facilities. Under the existing set-up, Vestas' headcount of 17,370 people should rise at a lower rate than its business volume in the future. This goal is facilitated by the ongoing improvements. Accordingly, by 2010 Vestas aims, together with its sub-suppliers, to be able to manufacture, ship and install 10,000 MW. In 2007, Vestas shipped a total of 4,974 MW.

Vestas aims to create the world's strongest energy brand, and that requires growth at least on a level with that achieved in recent years as well as significantly improved profitability. Vestas and its suppliers must therefore achieve a quality level of at least 4 Sigma by the end of 2008. The typical level at Vestas' major suppliers today is 3-4 Sigma. 4 Sigma is thus a prerequisite for increasing the EBIT margin substantially in the years after 2008, with 6 Sigma being the ultimate goal. At the same time, improved profitability is to strengthen Vestas' competitiveness as new players enter the market.

No. 1 in Modern Energy is more growth-focused than The Will to Win strategy from May 2005, but the priorities remain the same: 1) EBIT margin, 2) Net working capital, 3) Market share.

Board resolutions

Investments

USA

On 2 June 2008, the US Department of Energy and five wind turbine manufacturers, including Vestas, signed a letter of intent with a view to jointly seeking to increase the proportion of wind power relative to overall US power production from the current level of 1 per cent to 20 per cent by 2030. This first long-term federal initiative in the USA is supported by corresponding local targets of renewable energy's share of the energy mix in 25 states. As a result of Vestas' strong confidence in the US market, its blade factory in Windsor, Colorado, which has an annual capacity of 1,800 blades, will be complemented by another blade factory near Brighton, Colorado, doubling Vestas' annual production capacity in

Colorado from the first half of 2010 to 3,600 blades. The new blade factory will cost EUR 125m.

At the same time, Vestas has resolved to build its first US nacelle factory adjacent to the new blade factory in Brighton. The factory will have an annual capacity of 1,400 nacelles, or about half of Vestas' production in 2007, and will cost EUR 75m. The factory is expected to be fully commissioned in mid-2010. Finally, as previously announced, Vestas has decided to build the world's largest tower factory in Colorado. From the middle of 2010, the facility will be able to process 200,000 tonnes of steel into about 900 towers, which equals about half of Vestas Towers' current annual steel consumption.

Together with Vestas' R&D facilities in Houston, Texas, and the sales and service organisation in the USA, Vestas expects to employ overall more than 4,000 people in the USA by the end of 2010. To this should be added employment with European sub-suppliers that establish US operations as a result of increased Vestas demand. The favourable long-term prospects of the US market justify the investments, in spite of the prevailing uncertainty as regards the extension of the PTC scheme. A coherent US energy policy with clear and ambitious sub-targets that effectively implement the letter of intent with the US Department of Energy will result in more investments and further strengthen job creation in the industry.

China

Vestas has resolved to extend its generator and machining factories in Tianjin. The new capacity is expected to be ready for commissioning in mid-2009. China's most recent statement regarding wind power is to have an installed capacity of 100,000 MW by 2020, which is largely the same as the global capacity at the end of 2007. Vestas' expansion in China is underpinned by the establishment of a Chinese supplier base and investments in China made by European collaborative partners.

The expansion in the USA and China will contribute to ensuring improved currency mix between income and expenses. In 2007, Vestas generated 58 per cent of its revenue in eurozone countries. The share of costs in the eurozone is significantly higher.

United Kingdom

On 26 June 2008, the UK government announced its plan for how to ensure that the country will meet its obligations relating to the EU target of achieving 20 per cent renewable energy by 2020. Based on the announced expansion of wind power – onshore as well as offshore – Vestas has resolved to invest in a new blade technology centre on the Isle of Wight, where Vestas has manufactured blades since 2000. In addition to blade design activities, the centre will provide facilities for testing the world's longest wind turbine blades. The new development centre is expected to become operational in the second quarter of 2010. The expansion on the Isle of Wight is part of Vestas' global investment programme in new development units and collaborative relations aimed at ensuring that Vestas consistently strengthens its technology leadership position, a prerequisite for retaining the position as the No. 1 in Modern Energy. The Isle of Wight will become the fifth "major leg" of Vestas Technology R&D after Aarhus in Denmark, Singapore, Chennai in India and Houston in Texas, USA.

In parallel with the construction of the new R&D centre, Vestas has decided to change its current blade production on the Isle of Wight from blades for its V82 turbine to 44-metre blades for the V90 turbines. In recent years, the entire Isle of Wight production has been exported to the USA, but following the change in production a large number of blades are expected to be sold to the UK market as the V90-2.0 MW and 3.0 MW turbines are particularly well suited for this market, onshore as well as offshore. The production is expected to be changed during 2010.

As part of its production optimisation efforts and pursuant to Vestas' announcement of 24 August 2006, Vestas will be initiating consultations with the Campbeltown employees concerning the future of the factory, because the products for which the factory was designed and streamlined do not generate satisfactory earnings.

Vestas expects to employ up to 1,500 people in the UK in 2010, against 1,114 employees today.

Spain

The nacelle factory in León will be extended to boost annual output from 450 to 1,500 nacelles. The extension will cost EUR 50m, and the facility is expected to be fully commissioned by mid-2010. At the same time, Vestas will establish generator production in Spain from the first quarter of 2010. By the end of 2010, Vestas expects to employ about 2,500 people in Spain.

Denmark

Vestas Control Systems' new factory in Hammel, due to be officially inaugurated on 29 August 2008, has been running at full capacity since June. Vestas' new R&D centre in Aarhus, due to open on 27 November 2008, will be extended to provide room for up to 900 employees instead of the 500 originally planned from the second quarter of 2010.

Vestas' factory construction projects in Spain, the USA, China and Denmark will increase annualised capacity by 3,000 MW in the fourth quarter of 2008 and by at least 2,500 MW at the beginning of 2010 compared with 2006 and 2009, respectively. Total investments in new factories and development centres will amount to EUR 918m for 2006-2008.

Bonus programme

At 1 January 2008, Vestas launched a global employee bonus programme, in which eligible employees may achieve a bonus of up to 8 per cent of their base salary. The programme is divided into two components; 70 per cent depends on a number of joint Group targets, while 30 per cent depends on the performance of each employee's business unit. The Group targets are the expectations announced in respect of EBIT margin, net working capital, market share and customer satisfaction. When the programme was launched, the market share target was 30-32 per cent. This target has subsequently been reduced to 25 per cent, which is now also the target in the bonus programme that may trigger a total payment of up to EUR 72m in the spring of 2009.

Development, second quarter 2008

Activities and order backlog

In the second quarter of 2008, Vestas shipped wind power systems with an aggregate output of 1,458 MW (705 turbines) against 1,090 MW (629 turbines) in the second quarter of 2007. Final capacity delivered to the customers amounted to 1,154 MW, an increase of 39 per cent from the second quarter of 2007.

	Europe	Americas	Asia/ Pacific	Total
MW under completion, 1 April 2008	1,294	192	241	1,727
MW delivered to customers in the period	(669)	(167)	(318)	(1,154)
MW produced and shipped in the period	670	631	157	1,458
MW under completion, 30 June 2008	1,295	656	80	2,031

At the end of the quarter, turbine projects with a total output of 2,031 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 order backlog amounted to 6,529 MW at the end of June 2008, with Europe accounting for 58 per cent and the Americas and Asia/Pacific accounting for 28 and 14 per cent, respectively. Longer term, Vestas expects a more even distribution of revenue between the three segments. Vestas is recording a continuous strong increase in demand from energy companies and utilities, which combined represented 41 per cent of revenue in 2007.

The efficiency improvements at Vestas' facilities reduce the capital requirements per MW, owing to increasing production output per factory. The R&D centres are being expanded in an ongoing process to enhance turbine reliability and efficiency and reduce the environmental impact. The aim of the expansion is to strengthen Vestas' technological lead. Accordingly, Vestas expects to employ almost 1,000 people in the development of high-technology wind power plants by the end of 2008. The total number of employees is expected to reach 18,000 at the end of 2008, which represents an increase of 18 per cent relative to the end of 2007. In 2007, Vestas' headcount rose by 24 per cent.

Income statement

Europe accounted for 64 per cent of revenue in the second quarter. The Americas and Asia/Pacific each accounted for 18 per cent of revenue. Second-quarter revenue amounted to 19 per cent of the expected full-year revenue of EUR 5.7bn, against 22 per cent in 2007. Vestas is making a focused effort to obtain a more even distribution of activities over the year in order to achieve better resource utilisation and higher profits. However, postponed component shipments will make revenue in the second half of 2008 relatively bigger than the second half of 2007, preventing Vestas from optimising its resource utilisation.

The Group recorded a gross profit of EUR 228m in the second quarter of 2008 against EUR 188m in the year-earlier period, which equals a gross margin improvement from 18 per cent to 21 per cent over the past year. The improvement increasingly reflects our efficiency improvements in production as well as the better prices and conditions that Vestas initiated in the summer of 2005. The continuing improvement of Vestas' underlying profitability will be

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Company reg. No.: 10 40 37 82

Company reg. name: Vestas Wind Systems A/S

influenced by the business volume of the individual quarters, and therefore substantial quarter-on-quarter fluctuations in Vestas' profit margin are expected.

Due to exchange-rate movements, financial items amounted to a net expense of EUR 2m, against EUR 11m in the second quarter of 2007. Vestas' average interest-bearing net position in the second quarter of 2008 was positive and amounted to EUR 434m, against a positive net position of EUR 104m in the year-earlier period.

Balance sheet

Vestas had total assets of EUR 4,875m at 30 June 2008, against EUR 3,864m at 30 June 2007. During the first six months, Vestas achieved a return on invested capital of 8 per cent, as compared with 6 per cent in the second quarter of 2007 and 31 per cent for the full year 2007.

Net working capital

At 30 June 2008, Vestas' net working capital amounted to EUR (53)m, against EUR 224m at 30 June 2007. To ensure more balanced production without costly interruptions, Vestas is building buffer stocks which increase the net working capital. Inventories have thus increased by EUR 567m since June 2007. The benefits of stable production flows are substantially greater than the costs incurred from the increase in tied-up capital. The large prepayments from our customers are the primary explanation behind the reduction in working capital achieved in recent years. Vestas does not expect any change in payment patterns for its orders.

Trade receivables and construction contracts

Trade receivables amounted to EUR 509m at 30 June 2008, compared with EUR 531m at 30 June 2007. At 30 June 2008, construction contracts amounted to EUR (1,471)m, net, against EUR (751)m at 30 June 2007. Construction contracts comprise projects currently being installed, but for which the risk has not been transferred to the customers.

Warranty provisions

Vestas makes warranty provisions of 3-5 per cent of annual revenue. Provisions are made for all costs associated with turbine repairs, and any reimbursement is not offset unless a written agreement has been made to that effect. Warranty provisions, which amounted to 4.5 per cent of revenue in the second quarter of 2008, cover possible costs for remedy and other costs in accordance with specific agreements.

The warranty provisions are based on estimates, and therefore actual warranty costs may deviate substantially from such estimates because many solutions are dependent on supplies of components from an industry which is under pressure. As components are often a scarce resource, it might be necessary to use components for warranty work which otherwise would have been used in new turbines, and waiting times may be costly. As a result, the impact of repair work on Vestas' financial results may exceed the actual costs. Repair capacity and fast service are therefore key competitive parameters.

Longer term, Vestas expects a reduction in the need for warranty provisions as component quality is gradually enhanced throughout the supply chain and as the turbines are now physically tested using the industry's most advanced test facilities before new versions and generations are released for sale. To this should be added more strict contract terms and conditions; the typical warranty period is currently two years as opposed to previously two to five years, reducing Vestas' risk exposure. Finally, each individual project represents an ever-smaller proportion of the combined business volume.

Changes in equity

The Group's equity amounted to EUR 1,606m at 30 June 2008, an increase of EUR 298m over 30 June 2007.

Cash flow and investments

The much improved, albeit still not satisfactory, profitability is reflected in the better cash flow, which helps to ensure that Vestas will be able to finance organic growth in-house going forward. Cash flows from operating activities before changes in working capital fell to EUR 58m in the second quarter of 2008 from EUR 92m in the second quarter of 2007. Cash flows from operating activities including costs for warranty commitments amounted to EUR 222m in the second quarter of 2008, against EUR 48m the year before. Cash flows from investing activities amounted to EUR (136)m, and cash flows from financing activities amounted to EUR (16)m in the year's second quarter.

Ownership

At 31 July 2008, Vestas had approx 77,000 shareholders registered by name, and international investors held more than 70 per cent of the company's shares.

Capital markets day – 20 November 2008 in Aarhus/Hammel, Denmark

Vestas will host a capital markets day for institutional investors, analysts and the press on Thursday, 20 November 2008, in Aarhus/Hammel in Denmark. This is a full-day event commencing in Aarhus at 8.00 a.m. and ending with a dinner in the evening, also in Aarhus. The day will include presentations and a tour of Vestas Control Systems and Vestas Technology R&D. You may register for the arrangement by sending an e-mail to Vestas' Investor Relations department at ir@vestas.com not later than 1 September 2008, but as there is only room for a limited number of participants, registrations will be dealt with on a "first come, first served" basis.

Shareholders' day – 2 September 2008 in Ringkøbing/Lem, Denmark

Vestas will be hosting a visitors' day for its shareholders on Tuesday, 2 September 2008 from 10.30 a.m. to 4.30 p.m. in Ringkøbing/Lem, Denmark. In addition to a presentation by the management, the event will include a tour of Vestas' nacelle factory in Ringkøbing and its blade factory in Lem. Registration for the event must be made through www.vestas.com/investor. As there is only room for a limited number of participants, registrations will be dealt with on a "first come, first served" basis.

**Press and analyst meeting in London
Friday, 15 August 2008 at 2 p.m. (London time)/3 p.m. (CET)**

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

The Vestas Group
Interim financial report for the period
1 January 2008-30 June 2008

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The interim financial report has neither been audited nor reviewed.

Consolidated income statement

mEUR	Q2 2008	Q1 2007	1 half year 2008	1 half year 2007
Revenue	1,094	1,067	1,795	1,827
Cost of sales	(866)	(879)	(1,444)	(1,548)
Gross profit	228	188	351	279
Research and development costs	(36)	(30)	(61)	(53)
Selling and distribution expenses	(49)	(30)	(74)	(49)
Administrative expenses	(51)	(38)	(90)	(67)
Operating profit	92	90	126	110
Income from investments in associates	0	(1)	0	(1)
Net financials	(2)	(11)	10	(7)
Profit before tax	90	78	136	102
Corporation tax	(25)	(27)	(38)	(34)
Net profit for the period	65	51	98	68
Earnings per share (EPS)				
Earnings per share for the period (EUR), basic	0.35	0.28	0.53	0.37
Earnings per share for the period (EUR), diluted	0.35	0.28	0.53	0.37

Consolidated balance sheet
Assets

mEUR	30 June 2008	30 June 2007	31 December 2007
Goodwill	320	320	320
Completed development projects	55	57	48
Software	43	16	34
Development projects in progress	131	100	105
Total intangible assets	549	493	507
Land and buildings	315	249	261
Plant and machinery	145	129	143
Other fixtures, fittings, tools and equipment	122	107	116
Property, plant and equipment in progress	159	73	118
Total property, plant and equipment	741	558	638
Investments in associates	1	0	1
Other receivables	15	20	13
Deferred tax	131	162	154
Total other non-current assets	147	182	168
Total non-current assets	1,437	1,233	1,313
Inventories	1,839	1,272	1,107
Trade receivables	509	531	660
Construction contracts in progress	276	358	260
Other receivables	207	157	157
Corporation tax	34	24	35
Cash at bank and in hand	573	289	764
Total current assets	3,438	2,631	2,983
TOTAL ASSETS	4,875	3,864	4,296

**Consolidated balance sheet
Equity and liabilities**

mEUR	30 June 2008	30 June 2007	31 December 2007
Share capital	25	25	25
Other reserves	(12)	12	(3)
Retained earnings	1,593	1,271	1,494
Shareholders in Vestas Wind Systems A/S' share of equity	1,606	1,308	1,516
Minority interest	0	0	0
Total equity	1,606	1,308	1,516
Deferred tax	5	7	3
Provisions	85	102	107
Pension obligations	3	3	2
Financial liabilities	79	144	125
Total non-current liabilities	172	256	237
Prepayments from customers	85	80	82
Construction contracts in progress	1,747	1,109	1,010
Trade payables	763	721	889
Provisions	173	166	193
Financial liabilities	19	11	25
Other liabilities	289	185	271
Corporation tax	21	28	73
Total current liabilities	3,097	2,300	2,543
Total liabilities	3,269	2,556	2,780
TOTAL EQUITY AND LIABILITIES	4,875	3,864	4,296

Consolidated statement of changes in equity – six months 2008

mEUR	Share capital	Translation reserve	Cash flow hedging reserve	Retained earnings	Minority interests	Total
Equity at 1 January 2008	25	(7)	4	1,494	0	1,516
Exchange rate adjustment from translation into EUR	0	0	0	0	0	0
Exchange rate adjustment relating to foreign entities	0	(29)	0	0	0	(29)
Reversal of fair value adjustments of derivative financial instruments, transferred to the income statement	0	0	(4)	0	0	(4)
Fair value adjustments of derivative financial instruments	0	0	31	0	0	31
Tax of changes in equity	0	0	(7)	0	0	(7)
Net gains recognised directly in equity	0	(29)	20	0	0	(9)
Profit for the period	0	0	0	98	0	98
Total recognised income and expense	0	(29)	20	98	0	89
Acquisition of treasury shares	0	0	0	0	0	0
Share based payment	0	0	0	1	0	1
Other changes in equity	0	0	0	1	0	1
Equity at 30 June 2008	25	(36)	24	1,593	0	1,606

Consolidated statement of changes in equity – six months 2007

mEUR	Share capital	Translation reserve	Cash flow hedging reserve	Retained earnings	Minority interests	Total
Equity at 1 January 2007	25	3	3	1,231	0	1,262
Exchange rate adjustment from translation into EUR	0	0	0	1	0	1
Exchange rate adjustment relating to foreign entities	0	7	0	0	0	7
Reversal of fair value adjustments of derivative financial instruments, transferred to the income statement	0	0	(3)	0	0	(3)
Fair value adjustments of derivative financial instruments	0	0	1	0	0	1
Tax of changes in equity	0	0	1	0	0	1
Net gains recognised directly in equity	0	7	(1)	1	0	7
Profit for the period	0	0	0	68	0	68
Total recognised income and expense	0	7	(1)	69	0	75
Acquisition of treasury shares	0	0	0	(29)	0	(29)
Share based payment	0	0	0	0	0	0
Other changes in equity	0	0	0	(29)	0	(29)
Equity at 30 June 2007	25	10	2	1,271	0	1,308

Summarised consolidated cash flow statement

mEUR	Q2 2008	Q2 2007	1 half year 2008	1 half year 2007
Profit for the period	65	51	98	68
Adjustments for non-cash transactions	28	79	68	117
Corporation tax paid	(33)	(27)	(63)	(46)
Net interest	(2)	(11)	10	(8)
Cash flow from operating activities before change in working capital	58	92	113	131
Change in working capital	164	(44)	(15)	(95)
Cash flow from operating activities	222	48	98	36
Net investment in intangible and other non-current assets	(35)	(17)	(55)	(31)
Net investment in property, plant and equipment	(94)	(74)	(159)	(108)
Other	(7)	0	(2)	0
Cash flow from investing activities	(136)	(91)	(216)	(139)
Acquisition of treasury shares	0	(29)	0	(29)
Repayment of non-current liabilities	(16)	(2)	(64)	(20)
Cash flow from financing activities	(16)	(31)	(64)	(49)
Change in cash at bank and in hand less current portion of bank debt	70	(74)	(182)	(152)
Cash at bank and in hand less current portion of bank debt at 1 April/1 January	483	363	763	443
Exchange rate adjustments of cash at bank and in hand	7	(2)	(21)	(4)
Cash at bank and in hand less current portion of bank debt at 30 June	560	287	560	287
The amount can be specified as follows:				
Cash at bank and in hand	559	265	559	265
Cash at bank and in hand with disposal restrictions	13	24	13	24
	572	289	572	289
Current portion of bank debt	(12)	(2)	(12)	(2)
	560	287	560	287

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.

The accounting policies are unchanged from those applied to the Annual Report for 2007 prepared under the International Financial Reporting Standards (IFRS). Reference is made to pages 48-55 of the annual report for 2007 for a complete description of the Group's accounting policies.

New IASs/IFRSs implemented in the period

With effect from 1 January 2008, Vestas has implemented IFRIC 11 "Group and Treasury Share Transactions". The change does not affect net profit or equity.

New accounting standards

The IASB has adopted the following new standard, considered relevant to Vestas, which will take effect from 1 January 2008:

IFRS 8, on operating segments and related amendments to IAS 34 (with effect from 1 January 2009), which requires segment reporting is to be based on internal management reporting process. IFRS 8 will be further analysed to determine which disclosures are required. Reference is made to page 89 of the annual report for 2007 for a full description.

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 2008.

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 2008 and of the results of the Group's operations and cash flow for the period 1 January-30 June 2008.

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 and the Group's financial position as a whole and describes the significant risks and uncertainties pertaining to the Group.

Randers, 15 August 2008

Executive Management

Ditlev Engel
President and CEO

Henrik Nørreremark
Executive Vice President and CFO

Board of Directors

Bent Erik Carlsen
Chairman

Torsten Erik Rasmussen
Deputy Chairman

Arne Pedersen

Elly Smedegaard

Freddy Frandsen

Jørgen Huno Rasmussen

Jørn Ankær Thomsen

Kim Hvid Thomsen

Kurt Anker Nielsen

Michael Abildgaard Lisbjerg

Sussie Dvinge Agerbo

**Company announcements published by Vestas Wind Systems A/S
from 1 January 2008 to 15 August 2008**

First quarter 2008

02.01.2008	01	Vestas receives order in Kansas, USA
04.01.2008	02	Vestas receives large order for China
10.01.2008	03	Major shareholder announcement
16.01.2008	04	Status on patent disputes with Enercon GmbH, Mr Aloys Wobben
17.01.2008	05	Major shareholder announcement
28.01.2008	06	Major shareholder announcement
31.01.2008	07	Vestas' financial calendar 2008
31.01.2008	08	Major shareholder announcement
01.02.2008	09	Major shareholder announcement
04.02.2008	10	Vestas revises the result for 2007
18.02.2008	11	V90-3.0 MW offshore wind turbine back on the market again
18.02.2008	12	V90-3.0 MW order for Vestas in Canada
27.02.2008	13	Annual report 2007 – From The Will to Win to No. 1 in Modern Energy
27.02.2008	14	Vestas receives orders for a total of 82 MW in Poland
29.02.2008	15	Major shareholder announcement
29.02.2008	16	Vestas receives order for 32 wind turbines for Spain
03.03.2008	17	Vestas receives order for 109 turbines in the USA

Second quarter 2008

01.04.2008	18	Vestas receives large order in Sweden
02.04.2008	19	Status on patent disputes with Enercon GmbH, Mr Aloys Wobben
02.04.2008	20	Vestas Wind Systems A/S' annual general meeting on 2 April 2008
04.04.2008	21	Vestas receives order for 61 wind turbines for Spain
10.04.2008	22	Vestas receives 123 MW order from EDF Energies Nouvelles
11.04.2008	23	Vestas receives order for 34 V90-3.0 MW wind turbines in Portugal
15.04.2008	24	Updated status on patent issue with Enercon GmbH, Mr Aloys Wobben
08.05.2008	25	Interim financial report, first quarter 2008
15.05.2008	26	Major shareholder announcement
30.05.2008	27	Vestas receives order for 74 MW for the Spanish market
02.06.2008	28	Vestas receives order for 500 MW in the USA
06.06.2008	29	Vestas to deliver 92 V82-1.65 MW wind turbines to Brazil
11.06.2008	30	Major shareholder announcement – Marsico Capital Management, LLC
18.06.2008	31	Vestas receives order for 66 MW in Italy
20.06.2008	32	Vestas receives large order in Spain
27.06.2008	33	Vestas receives 100 MW order for China
27.06.2008	34	Vestas receives another large order for the Spanish market

**Company announcements published by Vestas Wind Systems A/S
from 1 January 2008 to 15 August 2008**

Company announcements published after the interim reporting period

01.07.2008	35	Major shareholder announcement – Fidelity International
08.07.2008	36	Vestas order for 44 wind turbines in the USA
15.07.2008	37	Vestas receives order for 79 MW in Spain
07.08.2008	38	Major shareholder announcement – Fidelity International
13.08.2008	39	Major shareholder announcement – Fidelity International

Sales (deliveries)

Sales in MW	Q2 2008	Q2 2007	1 half year 2008	1 half year 2007	Full year 2007
Bulgaria	2	0	9	0	14
Denmark	0	0	12	0	8
France	48	48	76	63	139
Greece	67	0	81	3	56
The Netherlands	42	30	87	45	156
Ireland	0	0	0	0	61
Italy	83	128	217	243	378
Lithuania	0	0	0	16	16
Poland	30	0	46	0	39
Portugal	0	10	0	10	14
Spain	90	145	213	165	551
Great Britain	54	12	67	12	114
Sweden	0	4	16	36	59
Czech Republic	0	0	4	4	6
Turkey	150	24	150	24	41
Germany	86	51	157	113	419
Hungary	17	0	23	0	2
Austria	0	0	0	0	14
Total Europe	669	452	1,158	734	2,087
Canada	38	30	38	70	110
Chile	0	0	0	0	18
USA	129	108	307	248	1,288
Total Americas	167	138	345	318	1,416
Australia	159	75	159	75	75
Philippines	0	0	8	0	0
India	25	19	70	98	150
Japan	0	2	0	2	97
China	94	11	154	82	458
New Zealand	0	93	0	93	151
South Korea	40	38	40	38	38
Taiwan	0	0	0	0	30
Total Asia/Pacific	318	238	431	388	999
Total world	1,154	828	1,934	1,440	4,502

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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

MW breakdown per quarter 2008

(MW)	Europe	Americas	Asia/ Pacific	Total
Q1				
MW under completion, 1 January 2008	1,441	172	210	1,823
Delivered to customers during the period	(489)	(178)	(113)	(780)
Produced and shipped during the period	342	198	144	684
MW under completion, 31 March 2008	1,294	192	241	1,727
Q2				
MW under completion, 1 April 2008	1,294	192	241	1,727
Delivered to customers during the period	(669)	(167)	(318)	(1,154)
Produced and shipped during the period	670	631	157	1,458
MW under completion, 30 June 2008	1,295	656	80	2,031

Warranty Provisions

mEUR	30 June 2008	30 June 2007	31 Dec. 2007
Warranty provisions, 1 January	232	205	205
Exchange rate adjustments	(2)	0	(1)
Provisions for the period	81	92	242
Warranty provisions used during the year	(113)	(82)	(214)
Warranty provisions, 30 June /31 December	198	215	232
The provisions are expected to be payable as follows:			
< 1 year	131	145	154
> 1 year	67	70	78

Segment information

mEUR	Europe	Americas	Asia/ Pacific	Not allocated	Total
Q2 2008					
Revenue	703	198	193	0	1,094
Profit before tax	51	19	22	(2)	90
Q2 2007					
Revenue	607	290	170	0	1,067
Profit before tax	37	23	29	(11)	78
1 half year 2008					
Revenue	1,203	287	305	0	1,795
Profit before tax	70	26	30	10	136
1 half year 2007					
Revenue	980	461	386	0	1,827
Profit before tax	44	32	34	(8)	102