Management's Review

The outlook for the wind industry continues to show signs of improvement. Global economic fundamentals such as the increasing demand for energy and regulatory stability in certain key markets underpin this progress. The benefits are beginning to accrue in the supply chain as LM Wind Power's customers look to secure more volume in their existing markets while addressing new opportunities in emerging markets and offshore.

The performance of LM Group Holding A/S and its subsidiaries ("LM Wind Power", the "Company" or the "Group") continues to improve in the third quarter of 2014. Sales were EUR 149.0 million (an increase of 27.1% on the comparable period). The US, India and China all delivered strong growth in the quarter, compared with prior year, with Europe showing a small decline.

EBITDA for Q3 was EUR 19.4 million, EUR 5.7 million higher than the comparable period in 2013. 2014 year to date EBITDA was EUR 48.5 million, EUR 2.5 million higher than the previous year. This YTD comparison has been heavily impacted by:

• The slower than expected ramp up of production facilities in Brazil (loss of EUR 6.1 million to Q3 2014) although production rates have now increased significantly.

• A stronger Euro against all currencies, particularly in H1 (translation effect of EUR 5.1 million to Q3).

The company produced positive year to date operating cash flows of EUR 20.9 million versus EUR 6.9 million last year and group liquidity was EUR 66.9 million at the end of Q3 2014, compared with EUR 62.7 million at the end of Q2 2014, an improvement of EUR 4.2 million.

Forward Looking Statements

This report may be deemed to include forward-looking statements, such as statements that relate to the listing of the corporate bonds, the performance of LM Wind Power. Forward-looking statements are typically identified by words or phrases, such as "about", "believe," "expect," "plan," "goal," "target," "strategy," and similar expressions or future or conditional verbs such as "may," "will," "should," "would," and "could." Forward-looking statements are LM Wind Power's current estimates or expectations of future events or future results. Actual results could differ materially from those indicated by these statements because the realization of those results is subject to many risks and uncertainties, including the risk that the bonds may not be listed on the date referenced herein. All forward-looking statements included in this press release are based on information available at the time of the release, and LM Wind Power assumes no obligation to update any forward-looking statement.

Interim Report for Q3 2014
(1 July 2014 - 30 September 2014)

LM Wind Power reports revenue of EUR 149.0 million and EBITDA of EUR 19.4 million for Q3 2014.

Highlights:

- Q3 and YTD group revenue was EUR 149.0 million and EUR 422.0 million respectively
- Q3 and YTD EBITDA was EUR 19.4 million and EUR 48.5 million respectively
- Group liquidity comprising cash and undrawn credit facility amounted to EUR 66.9 million at the end of Q3 2014

EUR millions	**3rd quarter**		**January to September**	
	2014	**2013**	**2014**	**2013**
Revenue	149.0	117.2	422.0	350.6
Operating profit before depreciation and amortization (EBITDA)	19.4	13.7	48.5	46.0
Operating profit before special items	9.3	0.3	15.4	5.4
Net finance costs	3.8	(10.9)	(5.5)	(27.6)
Profit/(Loss) before income tax	12.6	(10.8)	7.8	(23.4)
Profit/(Loss) for the period from continuing operations	5.5	(6.3)	(4.9)	(14.5)
Profit/(Loss) for the period	5.5	(67.1)	(4.4)	(72.7)
EBITDA:				
Results from operating activities before special items	9.3	0.3	15.4	5.4
Depreciation and amortization	10.1	13.4	33.1	40.6
EBITDA	19.4	13.7	48.5	46.0

This interim report for Q3 2014 has not been audited or reviewed.

There will be a conference call on 21 November 2014, at 2:30pm (CET) where the CFO, Nick Smith, will go through the Q3 interim report. The conference call will be in English. To participate, please call one of the following numbers (the one closest to your location).

+45 3271 3505 (Denmark)
+31 (0) 207 085 041 (Netherlands)
+44 (0) 203 140 8110 (United Kingdom)
+1 347 532 1792 (United States)

If prompted, enter the Meeting Number: * 606279 * (Be sure to enter the * star key before and after the Meeting Number).

Contact details:

Chris Springham
VP Global Communication & HR
+31 6 14814919

Lene Mi Ran Kristiansen
Manager, Global Communications
+ 45 5138 8236

Financial Review

To facilitate a like-for-like comparison, the Q3 2013 income statement figures have been restated to reflect the disposal of the Svendborg Brakes business which took place in December 2013. The Svendborg Brakes operating result in 2013 is presented as a separate item under “discontinued operations” in the consolidated income statement.

Revenue

Revenue in Q3 2014 increased EUR 31.8 million or 27.1% to EUR 149.0 million compared with EUR 117.2 million in Q3 2013. YTD revenue was EUR 422.0 million versus EUR 350.6 million in the same period last year, an increase of EUR 71.4 million or 20.3%.

The US, India and China all delivered strong growth in the quarter, compared with prior year, with Europe showing a small decline.

Share of loss of equity accounted investment

In Q3 2014, the Group’s 51% share of the loss in the joint venture in Brazil was EUR 2.4 million. YTD share of loss amounted to EUR 6.1 million. This continued loss was caused by slower than expected ramp-up to full production. However, production rates have now increased significantly, although not yet to the expected levels.

Operating expenses

Q3 2014 cost of sales of EUR 68.5 million represented 46.0% of revenue, compared with 44.3% in Q3 2013. The YTD cost of sales was EUR 179.1 million (42.4% of revenue) against EUR 140.1 million (40.0%) in 2013. The key driver for this increase in percentage is start-up costs for new blade types and new manufacturing processes to meet strong market demand in the USA.

Other external expenses of EUR 21.0 million (14.1% of revenue) in Q3 2014 were EUR 3.0 million higher than EUR 18.0 million (15.4%) in Q3 2013. For the YTD, costs of EUR 68.8 million (16.3% of revenue) were EUR 7.8 million higher than EUR 60.9 million (17.4%) in the same period of 2013. As a percentage of revenue, the Group’s performance improved compared with the same quarter last year, and on the YTD basis.

Third quarter staff expenses were EUR 38.0 million (25.5% of revenue) against EUR 34.6 million (29.5%) in the same quarter last year. For the YTD, the staff expenses of EUR 119.9 million (28.4% of revenue) were 13.5 million higher than EUR 106.4 million (30.3%) in 2013. The year-on-year increase is largely direct labour in the US due to increased volume, as outlined above. As a percentage of revenue, the Group performed better both on the quarter and YTD basis.

The depreciation and amortization charges of EUR 10.1 million in Q3 2014 were EUR 3.3 million lower than Q3 2013. The Group recorded YTD charges of EUR 33.1 million compared with EUR 40.6 million last year. The decrease in depreciation and amortization charges is largely due to the revision of the useful lives. In Q2 2014, the Group has revised the useful lives for certain fixed asset categories. Further information on the revised useful lives is disclosed in the Q2 Interim Report.

EBITDA (defined as results from operating activities before special items, after adding back depreciation and amortization)

EBITDA for Q3 was EUR 19.4 million, EUR 5.7 million higher than the same period in 2013. 2014 YTD EBITDA was EUR 48.5 million, EUR 2.5 million higher than the previous year. This YTD comparison has been heavily impacted by:
• The slower than expected ramp up of production facilities in Brazil (YTD loss of EUR 6.1 million in 2014)
• A stronger Euro against all currencies, particularly in H1 (YTD translation effect of EUR 5.1 million).

Special items

Included within special items charged below EBITDA are costs mainly related to management restructuring. Special items for Q3 2014 was EUR 0.5 million compared with EUR 0.2 million in Q3 2013. For the YTD, EUR 2.2 million was charged in 2014 versus EUR 1.2 million in YTD 2013.

Financial income and expenses

Net finance costs for Q3 2014 were an income of EUR 3.8 million (FX gain of EUR 6.9 million offsetting interest expense of EUR 2.8 million and amortization of borrowing costs of EUR 0.3 million) compared with an expense of EUR 10.9 million in Q3 2013 (FX loss of EUR 5.9 million, interest expense of EUR 3.2 million and amortization of borrowing costs of EUR 1.8 million).

On a YTD basis, net finance costs amounted to EUR 5.5 million (FX gain of EUR 8.1 million; amortization of borrowing costs of EUR 6.3 million largely due to the redemption of Senior Facilities; interest expense of EUR 7.3 million) versus EUR 27.6 million in 2013 (FX loss of EUR 11.5 million; amortization of borrowing costs of EUR 5.2 million; interest expense of EUR 10.9 million).

Tax

In the third quarter, the Group incurred a tax expense of EUR 7.2 million compared with a tax gain of EUR 4.4 million in the same quarter last year. YTD the Group incurred a EUR 12.7 million tax expense compared with a tax gain of EUR 9.0 million in 2013. The movement from a tax gain in 2013 to a tax expense this year is the result of:

- The improved results of the Group. In 2013 the result before income tax was a loss versus a profit in 2014.
- A more conservative approach towards recognition of a deferred tax asset for tax losses realized by the Group.

Net result

The net result for Q3 2014 was a profit of EUR 5.5 million compared with a loss of EUR 67.1 million in Q3 2013. The YTD net result was a loss of EUR 4.4 million versus a loss of EUR 72.7 million in 2013. The higher net loss in 2013 was mainly caused by the goodwill impairment of EUR 62.9 million related to the Svendborg Brakes business, which the Group sold at the end of 2013 and which is now presented as discontinued operations.

Net debt

At the end of Q3 2014, the Group had net debt of EUR 98.0 million.

In March 2014, the Company redeemed its senior facilities of EUR 158.4 million, partly through issuance of a corporate bond with a nominal value of EUR 130 million and a fixed interest rate of 8% per annum. The corporate bond has a 5 year term. The interest is payable on a semi-annual basis in arrears; the first interest was paid in September 2014. The corporate bond was listed on NASDAQ OMX Copenhagen in May.

In connection with the corporate bond, the Company also entered into a revolving credit facility agreement for an amount of EUR 35 million, which can be used for general corporate and working capital purposes. This facility continues through to December 2018.

Cash flows

For the YTD 2014, the operating activities before financial items and tax resulted in a cash inflow of EUR 44.5 million compared with a cash inflow of EUR 33.2 million in 2013, an improvement of EUR 11.3 million.

Financial expenses have resulted in a YTD cash outflow of EUR 9.7 million compared with a cash outflow of EUR 11.2 million in the same period last year. The decrease was mostly attributable to the different financing structure compared with 2013 that led to lower interest payments in 2014.

For the YTD, the cash outflow from investing activities was EUR 19.4 million, EUR 6.6 million lower than the same period in 2013 as a result of management's strategy to reduce capital expenditure.

Group liquidity

Q3 2014 net cash and cash equivalents were EUR 32.2 million, compared with EUR 60.6 million at year-end 2013. This reduction in net cash and cash equivalents was mainly driven by the repayment of the Senior Facilities in March 2014 (see net debt commented upon earlier). In addition to the gross cash balance of EUR 33.1 million (net EUR 32.2 million), the Group had unutilized credit facilities of EUR 33.8 million, giving a total liquidity position of EUR 66.9 million at the end of Q3 2014, compared with EUR 62.7 million at the end of Q2 2014.

Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Interim Report of LM Group Holding A/S for the financial period 1 January 2014 – 30 September 2014.

The Interim Report is prepared in accordance with IAS 34 as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act. Management's Review is also prepared in accordance with Danish disclosure requirements of the Danish Financial Statements Act.

In our opinion, the Interim Report gives a true and fair view of the financial position as at 30 September 2014 of the Group and of the results of the Group's operations and the cash flows for the financial period 1 January 2014 – 30 September 2014.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group, of the results for the financial period and of the financial position of the Group as well a description of the most significant risks and elements of uncertainty facing the Group. Besides what has been in the Interim Report, no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the consolidated financial statements for 2013.

Kolding, 14 November 2014

Executive Board of Management

Leo Schot
Chief Executive Officer

Supervisory Board

John Leahy Chairman	Leo Schot	Nick Smith
Søren Høffer		

General information

1. Reporting entity

LM Group Holding A/S (the **"Company") is a company domiciled in Denmark.** These **condensed consolidated interim financial statements** ('interim financial statements") as at and for the nine months ended 30 September 2014 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in a joint venture. The Group is primarily involved in manufacturing wind turbine blades.

The Company's functional currency is Danish kroner. These interim financial statements are, however, presented in Euro rounded up to the nearest thousand.

2. Basis of preparation

(a) Statement of compliance

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of IFRS financial statements. Any events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2013 are disclosed in the "Financial Review". These interim financial statements were authorized for issue by the Company's Board of Directors on 14 November 2014.

(b) Judgments and estimates

In preparing these interim financial statements, Management makes judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Except for the revised useful lives for certain fixed assets mentioned in the Q2 interim report, the significant judgments made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2013 on pages 40-41.

3. Significant accounting policies

Except for the changes in estimated useful lives of certain fixed assets outlined above, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2013 on pages 26-32.

4. Segment information

The Group is a supplier of wind turbine blades for the global market. Besides offering different types of blade products, no structural or organizational aspects are taken by the Group's management in terms of earning segmentation. In addition, production processes, internal controls and reporting are identical throughout the whole group. Therefore, the Group has not presented a segmental analysis.

5. Contingent liabilities

As previously reported, a tax audit, mainly relating to transfer pricing, in relation to LM Wind Power A/S was commenced in June 2012. On 1 May 2014, the Danish tax authorities notified LM through a pre-assessment notice of their intention to increase their assessment of pre-tax income for the years 2008 through 2012. The LM group strongly disagrees with the views of the Danish tax authorities as expressed in the pre-assessment notice and has entered into a dialogue with the authorities with the intention of clarifying the claim's factual background. To the extent additional tax liabilities crystallize, the Group would seek to reduce such liabilities against any available tax loss carry-forwards and recover such liabilities in other jurisdictions in accordance with OECD guidance. The Group does not intend to quantify any contingent tax liabilities regarding this assessment at this time due to impracticability. To the extent the group is unable to reduce or offset any such additional liability, this may have a material adverse effect on the group, including on its financial position and liquidity.

Consolidated income statement

EUR thousands	3rd quarter 2014	3rd quarter 2013	January to September 2014	January to September 2013
Revenue	148.964	117.201	421.983	350.638
Share of profit/(loss) of equity accounted investment	(2.350)	-	(6.100)	-
Other income	360	1.056	367	2.836
Operating Income	**146.974**	**118.257**	**416.250**	**353.474**
Cost of sales	68.455	51.916	179.096	140.094
Other external expenses	21.030	18.024	68.751	60.921
Staff expenses	38.028	34.592	119.903	106.406
Depreciation and amortization	10.145	13.449	33.060	40.608
Operating expenses before special items	**137.658**	**117.981**	**400.810**	**348.029**
Results from operating activities before special items	**9.316**	**276**	**15.440**	**5.445**
Special items	511	150	2.158	1.246
Results from operating activities	**8.805**	**126**	**13.282**	**4.199**
Net finance costs	3.833	(10.886)	(5.480)	(27.641)
Profit/(Loss) before income tax	**12.638**	**(10.760)**	**7.802**	**(23.442)**
Income tax	7.157	(4.430)	12.736	(8.967)
Profit/(Loss) for the period from continuing operations	**5.481**	**(6.330)**	**(4.934)**	**(14.475)**
Discontinued operations				
Profit/(loss) for the period from discontinued operations	-	(60.758)	539	(58.251)
Profit/(Loss) for the period	**5.481**	**(67.088)**	**(4.395)**	**(72.726)**

Consolidated statement of comprehensive income

EUR thousands	3rd quarter 2014	3rd quarter 2013	January to September 2014	January to September 2013
Profit/(Loss) for the period	**5.481**	**(67.088)**	**(4.395)**	**(72.726)**
Other comprehensive income				
Items that may be subsequently reclassified to income statement:				
Exchange rate adjustments at period end	587	39	872	181
Exchange rate adjustment, foreign entities	4.585	(2.832)	5.181	(5.651)
Fair value adjustment of hedge instruments	(1.742)	-	(1.514)	453
Income tax on other comprehensive income	390	-	376	(61)
Other comprehensive income for the period, net of income tax	**3.820**	**(2.793)**	**4.915**	**(5.078)**
Total comprehensive income for the period	**9.301**	**(69.881)**	**520**	**(77.804)**

Consolidated balance sheet

EUR thousands	30 September 2014	31 December 2013
Assets		
Goodwill	244.755	244.368
Completed development projects	20.159	23.237
Development projects in progress	4.567	1.471
Intangible assets	**269.481**	**269.076**
Land and buildings	91.651	89.899
Plant and machinery	57.785	64.141
Fixtures, fittings and equipment	4.226	5.076
Leasehold improvements	3.722	5.551
Property, plant and equipment under construction	17.799	18.068
Property, plant and equipment	**175.183**	**182.735**
Equity accounted investment	-	-
Other securities	642	355
Deferred tax asset	42.400	36.142
Other non-current assets	**43.042**	**36.497**
Total non-current assets	**487.706**	**488.307**
Inventories	87.562	71.823
Trade and other receivables	147.699	157.532
Receivables from Group companies	67.343	63.536
Income taxes	1.846	20.890
Prepayments	5.330	4.541
Cash & cash equivalents	32.236	60.640
Total current assets	**342.016**	**378.962**
Total assets	**829.722**	**867.269**

Consolidated balance sheet

EUR thousands	30 September 2014	31 December 2013
Liabilities and equity		
Share capital	9.399	9.378
Other reserves	2.595	(1.445)
Retained earnings	381.750	385.291
Total equity	**393.744**	**393.224**
Provisions	29.350	32.138
Loans and borrowings	129.689	4.211
Finance leases	140	275
Prepayments from customers	30.574	26.527
Deferred tax liabilities	-	53
Deferred income	18.853	21.522
Total non-current liabilities	**208.606**	**84.726**
Provisions	31.368	29.674
Loans and borrowings	248	152.864
Finance leases	182	208
Prepayments from customers	22.609	19.616
Income taxes	17.300	32.495
Trade payables	108.142	92.526
Other payables	44.860	58.895
Deferred income	2.663	3.040
Total current liabilities	**227.372**	**389.319**
Total liabilities	**435.978**	**474.045**
Total equity and liabilities	**829.722**	**867.269**

Consolidated statement of changes in equity

EUR thousands	Share capital	Translation reserve	Hedging reserve	Retained earnings	Total
Equity at 31 December 2013	**9.378**	**(2.581)**	**1.136**	**385.291**	**393.224**
Profit for the period	-	-	-	(4.395)	(4.395)
Exchange rate adjustment at period-end rates	21	(5)	2	854	872
Exchange rate adjustment, foreign entities	-	5.181	-	-	5.181
Fair value adjustment of hedge instruments	-	-	(1.514)	-	(1.514)
Income tax on other comprehensive income	-	-	376	-	376
Total comprehensive income	21	5.176	(1.136)	(3.541)	520
Equity at 30 September 2014	**9.399**	**2.595**	**-**	**381.750**	**393.744**
Equity at 31 December 2012	**9.378**	**5.560**	**654**	**465.378**	**480.970**
Profit for the period	-	-	-	(72.726)	(72.726)
Exchange rate adjustment at period-end rates	4	2	-	175	181
Exchange rate adjustment, foreign entities	-	(5.651)	-	-	(5.651)
Fair value adjustment of hedge instruments	-	-	453	-	453
Income tax on other comprehensive income	-	-	(61)	-	(61)
Total comprehensive income	4	(5.649)	392	(72.551)	(77.804)
Equity at 30 September 2013	**9.382**	**(89)**	**1.046**	**392.827**	**403.166**

Consolidated statements of cash flows

EUR thousands	January to September 2014	January to September 2013
Loss for the period	**(4.395)**	**(72.726)**
Adjustments for non-cash transactions	46.980	103.441
Changes in working capital	1.962	2.450
Cash flows from operations before financial items and tax	**44.547**	**33.165**
Net financial expenses	(9.654)	(11.223)
Cash flows from operations before tax	**34.893**	**21.942**
Income tax paid	(13.967)	(15.037)
Cash flow from operating activities	**20.926**	**6.905**
Purchase of property, plant and equipment	(14.815)	(18.333)
Purchase of intangible assets	(4.584)	(7.703)
Cash flow from investing activities	**(19.399)**	**(26.036)**
Repayment of long term debt	(29.931)	(19.854)
Cash flow from financing activities	**(29.931)**	**(19.854)**
Net change in cash and cash equivalents	**(28.404)**	**(38.985)**
Cash and cash equivalents beginning of year	60.640	90.303
Net change in cash and cash equivalents	(28.404)	(38.985)
Cash and cash equivalents at period end	**32.236**	**51.318**