



Introduction

- 2015 was a turning point and a year with consistently improving performance across the business

I was delighted to join LM Wind Power as Chief Executive Officer in June 2015 where I found a strong management team in place with a passion to improve the business. The last year has seen the company benefit from the overall growth in the global wind industry and both our top and bottom lines have increased significantly.

I believe that 2015 will prove to be a significant turning point for LM Wind Power and it saw us make a net profit for the first time since 2009. But that is only one indicator of the consistently improved performance across the company, which has seen us strengthen and leaves us well placed to embrace the significant growth opportunities we see for the business.

For example, we improved performance across the business in Quality; customer satisfaction; Health Safety and Environment (HSE); innovation and employee engagement, with some exceptional scores on satisfaction, motivation and loyalty among our workforce of more than 6,000 people.

LM Wind Power has a strong engineering, manufacturing and quality 'DNA' and it is clear that we need to continue our investment in research and development in order to maintain our position as a technology leader.

Innovations created new business

2015 was another strong year of innovation, with our talented engineers delivering significant progress on longer, lighter wind turbine blades and new approaches to manufacturing, including eight prototypes - a record for one year. These blades are the result of close collaboration with a wide range of customers and include significant contracted volumes for the years to come. We are pleased to see how these blades will be applied all over the world, enabled by LM Wind Power's high quality, global manufacturing footprint.

In addition to the new blade types, we also introduced a number of new technologies to enhance Annual Energy Production, reduce noise or improve the reliability of our blades. Innovation is firmly at the center of the business and it has created renewed interest in LM Wind Power's products and paved the way for business with new customers, in new markets.

Delivering on execution and expansions

In Operations, our Manufacturing organization and New Capacity function delivered almost 9,500 blades from our factories around the world while further rolling out new process capability - our Manufacturing 2.0 production program which significantly increases output from our existing global footprint - as well as expanding capacity for the future. This includes the decision to invest in a new manufacturing facility in Vadodara due to strong growth in the business with our customers in India.

Growing the business requires funding, and we successfully issued our first Green Bond on the NASDAQ Copenhagen Exchange to support our future expansion. Furthermore, at the end of 2015 we took full ownership of our Brazilian operation which was previously a joint venture.

Despite the strong performance in 2015, we are committed to capitalizing on the strong demand for our products, and further reducing the cost of wind energy. In doing so, we will further drive the top line and improve the bottom line result. A revised corporate strategy is already in place which clearly defines our path to achieve that success in the future.

The future is bright

We are confident that the future is bright for LM Wind Power and the wind industry. Wind remains one of the most economically attractive forms of renewable energy for large scale electricity generation and will develop further, not least offshore which is a key growth segment as traditional markets stabilize. LM Wind Power is a pioneer in offshore with a proven track

record dating back to the very early offshore wind projects. Over the years, we have invested substantially in the testing, validation and maturing of technologies, which now enable us to support our customers in developing the next generation offshore platforms.

The political commitment to support renewables has never been stronger. The Climate Deal at COP 21 in Paris at the end of last year and the extension of the Production Tax Credit (PTC) in the United States are clear testaments to that. We will ensure that we make the most of this commitment and further reduce the cost of energy to accelerate the transition to a low carbon economy.

Marc de Jong
Chief Executive Officer