



GLOBAL MARKETS
SUMMARY OF INVESTMENT ANALYSIS

Name of the company: Vestas Wind Systems A/S (ADR)

Ticker (Exchange)/Price of share: VWDY.PK (USA Pink Sheets)/23.34 USD (closing price at 24.09.09)

Sector: Energy

Industry: Wind Turbines

Description:

Vestas Wind is the largest producer of wind turbines in the world. The company's business is related to the development, production, sale, installation and maintenance of turbines for producing electricity from wind. So far, Vestas has installed over 39 000 turbines in 63 countries on 5 continents. For 2008, the company has installed a new turbine every three hours. Total electricity generated by Vestas turbines is more than 60 million MWh per year which literally can provide electricity to 45 million people. Vestas main office is located in Denmark. Its shares are traded both on Copenhagen Stock Exchange and United States.

Commentary:

- Vestas Wind announced a contract with the Kenyan Turkana Wind Power Company to supply 353 wind turbines for construction of a 300 MW wind farm in Kenya. The final signing of the agreement is expected by the end of October. The total project cost is estimated at 760 million dollars and most of the money is cost for purchasing of the turbines. The deal is pretty big and important for both sides. Kenyan company has plans to increase the energy produced from wind by 2013 to 2000 MW.
- For 2008 net income of the company is 511 mln. dollars compared to 291 mln. dollars in 2007 which is a 75% growth.
- The US Department of Energy (DOE) has announced in July the selection of 28 new wind energy projects for up to 13.8 mln. dollars in funding. DOE also is starting a new partnership with 6 largest wind turbines manufacturers and Vestas Wind is one of them. The US Department of Energy announced that the ultimate goal is to provide 20% of nation's energy from wind by 2030. For 2008, total investment in wind energy in USA is 16.4 billion dollars, a drastic downturn it is not expected for 2009. The government policy of United States in this regard is very positive for Vestas Wind

Graph:



Short-term target price, defined using both technical and fundamental analysis: \$ 30*

** A potential risk for the company and for the stock price could be the following: slowing economy, decreasing revenues, lower cash flows, decreasing recommendations of analysts and others. Due to a great number of factors reaching the target price is not guaranteed, all data are based on the expectations for the company development. In case of short-term speculations and abrupt changes we recommend selling in order to minimize the loss to 10%.*



Basic fundamental data:

Market Capitalization:	14.18 bln. USD	P/E (price/earnings) (TTM):	18.06
Beta:	1.61	P/S (price/sales) (TTM):	1.41
ROA(TTM):	9.37%	P/B (price/book value) MRQ:	3.52
ROE (TTM):	22.85%	Net Profit margin (TTM):	7.81%

Main competitors and related companies:

GE Energy (GE)
Siemens Power Generation (SI)
Gamesa Corp. (GAM.MC)

Updated at: 25.09.09

Sources: <http://www.vestas.com/en/>, www.bloomberg.com, www.reuters.com, www.yahoo.com, www.biqcharts.com, www.kitco.com, www.windenergynews.com

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