

Company announcement from Vestas Wind Systems A/S

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Vestas to acquire Utopus Insights, a leading energy analytics and digital solutions company *The acquisition allows Vestas to seize digital opportunities and expand its service offering.*

Vestas has entered into an agreement for the acquisition of Utopus Insights, Inc., an energy analytics provider with 15 years of experience in solutions development, a suite of innovative digital products, over 30 patents, and a highly experienced team with data science expertise in analytics, power engineering, energy software development, and meteorology.

The acquisition price for Utopus Insights is approx. USD 100m (approx. EUR 80m) on a debt and cash free basis. The consideration will be paid in cash from readily available sources. For 2017, Utopus Insights is, on a stand-alone basis, expected to report consolidated revenues below USD 10m (approx. EUR 8m). Utopus Insights will be included in Vestas' financial reporting from the time of closing, which is expected to take place within the first quarter of 2018 and is subject to necessary third-party approvals being in place.

As the global energy sector is transforming, Vestas is looking to offer customers digital solutions to deliver greater predictability, increased renewable energy production, more efficient operations, and better integration with energy grids. This transformation means energy systems and power plant owners must improve forecasting accuracy for renewable production, optimise output from each individual generation asset and orchestrate a portfolio of resources across multiple sites and equipment types. They must also do so in a cost-effective manner that ensures grid stability as renewable energy sources gradually replace conventional, fossil-fuel generated power plants. With this purchase, Vestas seeks to seize the opportunity afforded by this ongoing transformation to deliver faster, smarter, and more holistic solutions.

"Vestas' strategic objective is to accelerate the transition towards a fully decarbonised energy sector in the most efficient and cost-effective way possible – both for our customers and for our planet", said Anders Runevad, Vestas' Group President and CEO. "Acquiring Utopus Insights significantly improves Vestas' existing market-leading capabilities for advanced analytics and integrated energy software solutions. We will now be able to provide our customers improved forecasting, output optimisation and coordination between assets, and support the larger energy ecosystem's increased uptake of renewable energy".

US-based Utopus Insights has its origins in IBM's Smarter Energy Research Institute and has a rich pedigree in data science, software, utility operations, meteorology, and renewable and distributed energy. Utopus Insights currently offers five powerful novel software tools for the renewable energy industry and continues to develop new products based on its store of over 30 issued patents related to energy innovation. Vestas and Utopus Insights will also sign joint development agreements that support

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advanced predictive and prescriptive analytics products. Utopus Insights will continue as a stand-alone entity under Vestas Service, including separate branding.

“Utopus Insight’s mission is to accelerate an era of distributed, reliable, clean and cost-effective energy”, said Utopus Insights CEO, Chandu Visweswariah. “Combining with Vestas represents a quantum leap forward in our ability to accomplish that mission. The significant synergies gained from applying our breakthrough tools to Vestas’ global-leading wind energy resources and existing offerings will demonstrably benefit customers and the grid. We are appreciative of the opportunity to work with a team and a company whose commitment, mission, vision and values align so perfectly with our own”.

“Vestas can now provide customers with additional digital tools that can further leverage available data, increase their operational agility and help them make smarter decisions to lower their costs, increase their revenues and better manage their power plants”, said Christian Venderby, Group Senior Vice President and Head of Service at Vestas. “Joining our unequalled experience and data repository with Utopus Insights’ incomparable data analytics expertise creates a digital solution powerhouse that will enable us to meet and exceed our customers’ needs”.

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