NORDEX

# Interim Report of the Nordex Group as of 31 March 2012

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## Key figures

| Earnings | | 01.01.-31.03.2012 | 01.01.-31.03.2011 |
|---|---|---|---|
| Sales | EUR million | 198.3 | 183.1 |
| Total revenue | EUR million | 191.1 | 192.3 |
| EBITDA | EUR million | -2.0 | 6.5 |
| EBIT | EUR million | -9.0 | 0.4 |
| Cash flows[1] | EUR million | 19.6 | -5.8 |
| Capital spending | EUR million | 8.8 | 10.6 |
| Consolidated net loss | EUR million | -14.0 | -1.8 |
| Earnings per share[2] | EUR | -0.19 | -0.03 |
| EBIT margin | % | -4.7 | 0.2 |
| Return on sales | % | -4.5 | 0.2 |

| Balance sheet | | 31.03.2012 | 31.12.2011 |
|---|---|---|---|
| Total assets | EUR million | 980.6 | 1,029.0 |
| Equity | EUR million | 362.3 | 376.6 |
| Equity ratio | % | 37.0 | 36.6 |
| Working Capital | EUR million | 206.6 | 255.4 |

| Employees | | 01.01.-31.03.2012 | 01.01.-31.03.2011 |
|---|---|---|---|
| Employees | Ø | 2,540 | 2,603 |
| Staff costs | EUR million | 32.8 | 32.6 |
| Sales per employee | EUR thousand | 78 | 70 |
| Staff cost ratio | % | 17.2 | 17.0 |

| Performance indicators | | 01.01.-31.03.2012 | 01.01.-31.03.2011 |
|---|---|---|---|
| Order intake | EUR Mio. | 312.3 | 154.2 |
| Foreign business | % | 85 | 91 |

[1] Change in cash and cash equivalents
[2] Based on a weighted average of 73.529 million shares (2011: 66,920 million shares)

Dear shareholders and business associates,

The international market for wind power is currently facing numerous challenges but also offers several opportunities which we want to utilise. For this reason, we reorganised material parts of the Nordex Group at the end of last year, creating the basis for a return to sustained profitability.

One crucial aspect of this reorganisation is linked to our strategic reorientation which we are systematically continuing this year. Thus, we have made a decision for Nordex to concentrate on its profitable core business and to form alliances with strong partners for individual activities. This has met with a mixed response on the part of the general public. Thus, our decision to discontinue our offshore activities has attracted particular criticism. This step was primarily motivated by our aim of channelling all our resources into our core onshore business and minimising strategic and operational risks. This is because it is currently not clear if and when our investments in the offshore segment would have yielded a return.

On the other hand, there are numerous growth markets in the onshore business. This is underlined by our strong order intake in the first quarter of 2012. Potential for further growth can be found both in the non-coastal regions of established markets as well as in new markets in Eastern Europe, Asia and Africa. Consequently, our engineers are now devoting their attention to developing new products with which we will be able to reinforce our good position in the onshore segment.

At the same time, we are working intensively on creating a solid basis for our Asian business. Here, we are engaged in constructive negotiations for an alliance with a state-owned power station operator which will give us improved access to the world's largest market for wind turbines.

Another important goal is to strengthen our balance sheet. We made some successful initial steps in this respect in the first quarter of 2012. Thus, we were able to boost our liquidity to over EUR 230 million thanks to successful working capital management.

We want to continue with this course this year and increase sales by 10 to 20%. Indeed, we made good progress in the first quarter towards achieving this goal. The basis for this is our substantially higher order backlog of almost EUR 840 million.

The senior management team is convinced that we must focus systematically on profitable growth markets and products. Nordex has a lot of potential: great products, interesting ideas for product development and highly committed employees. In May, a group of 25 senior executives met to initiate a strategy review process. The aim is to develop a clear, even more customer-orientated and market-driven profile and to increase efficiency at the same time.

We expect to make an operating profit in the current year and we are confident that Nordex will achieve its excellent potential in the coming years.

Yours sincerely,

Jürgen Zeschky
Chief Executive Officer

## The stock

According to the International Monetary Fund (IMF), the global economy will grow by 3.5% in 2012. This marks a slight increase of 0.2 percentage points over the IMFôs January 2012 forecast. In this connection, it expects growth to be materially underpinned by the emerging markets, which will grow by 5.7%. By comparison, the gross domestic product of the industrialisation nations is set to expand by only 1.4%. Given the protracted debt crisis afflicting the southern countries such as Italy, Spain and Greece, the Eurozone economy will continue to contract slightly by 0.3%. However, the general situation in Europe has improved since the reinforcement of the euro stability mechanism. At the moment, the persistently high oil prices pose a key risk for the economy and were one of the drivers causing inflation to climb to 2.6% in Europe in March.

The global equities indices generally entered 2012 on an upbeat note. On 31 March 2012, the DAX, the German blue chip benchmark index, closed at 6,947 points, i.e. up 17.8% on the final day of trading in 2011. The TecDax, Deutsche Bº rseôs technology stock index, reached almost 790 points at the end of the first quarter, up around 15.3% on the end of 2011. On the other hand, the RENIXX, the global equities index for the renewable energies sector, shed just under 6% of its value, dropping to just under 227 points at the end of the quarter.

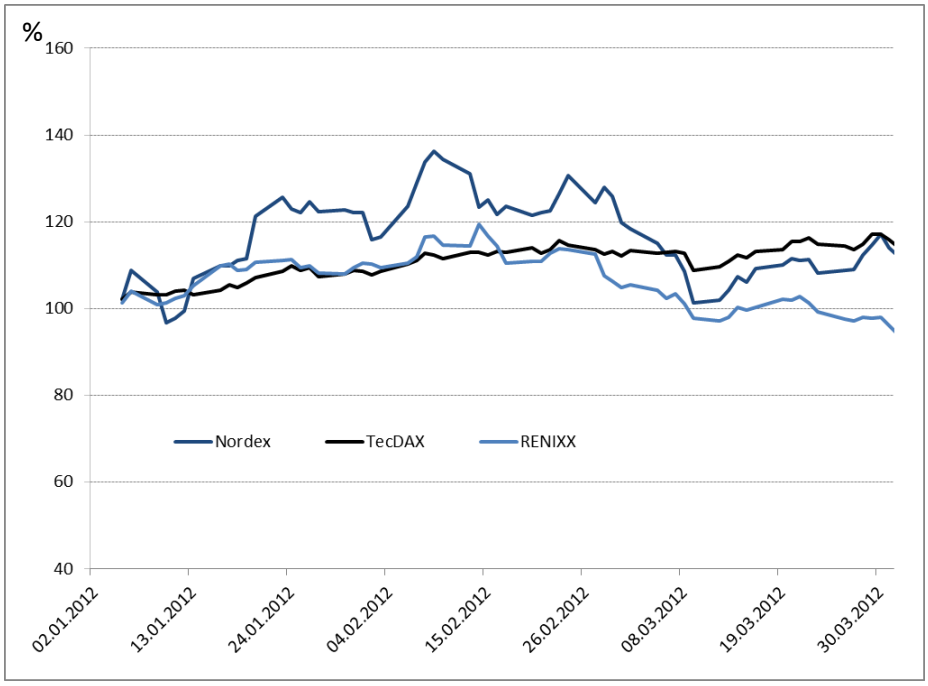
Nordex SE stock largely took its cues from the TecDAX in the period under review, closing the quarter on 31 March 2012 at EUR 4.53, roughly 14.8% up on the closing price for 2011 (EUR 3.95). It reached a high for the first quarter of EUR 5.38 on 6 February 2012 and a low of EUR 3.82 on 5 January 2012.

Average daily trading volumes on the Xetra electronic trading platform came to around 393,339 shares, down just under 30% on the full-year average for 2011.

At the beginning of the year, the Company attended various capital market conferences and events attracting international audiences. In addition, it reported on its recent performance at a press and analyst conference held in Frankfurt am Main on 2 April 2012.

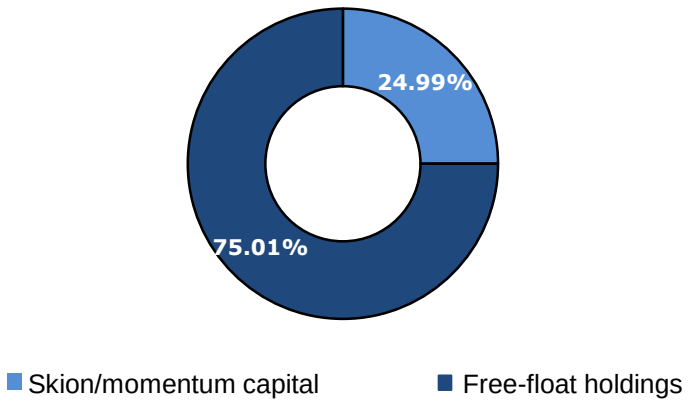
In addition, ongoing coverage by more than 15 research institutions ensures that Nordex SEôs business performance remains transparent. Information on Nordex stock as well as news, reports and presentations on the Company are available from the Investor Relations section of the Nordex Groupôs website at www.nordex-online.com/de/investor-relations.

## Performance of Nordex stock from 02 January 2012 until 31 March 2012




Sources: Deutsche Börse; International Economic Forum Renewable Energies (IWR)

## Shareholder structure as of 31 March 2012



# Group interim management report as of 31 March 2012

## Economic conditions

According to the International Monetary Fund (IMF), the global economy was growing at a moderate rate at the beginning of 2012, albeit with reduced momentum compared with 2011. The protracted sovereign debt crisis and the continued high oil prices prevented a greater upswing from emerging in the industrialised nations in particular.

In the period under review, the European Central Bank (ECB) left its base rate unchanged at 1%, with US base rates also remaining at a low 0.25%. The euro appreciated by a slight 3% against the US dollar in the first quarter, rising from USD 1.296 to USD 1.334 per euro. With a low of USD 1.266 and a high of USD 1.345, it was relatively volatile.

Electricity prices in Europe initially rose sharply, with average monthly prices standing at EUR 57.42 (APX ï Amsterdam Power Exchange) and EUR 54.93 (EEX ï European Energy Exchange in Leipzig) per MWh in February 2012, an increase of 25.9% and 28%, respectively, over the end of 2011. However, prices slipped again substantially in March to EUR 44.69 (APX) and EUR 41.12 (EEX) per MWh.

In the quarter under review, gas prices in the United States, which are a crucial driver of new production capacity, receded by a further 28% from USD 2.97 per MMBtu (million British Thermal Units) at the beginning of 2012 to USD 2.13 per MMBtu at the end of March 2012 on account of the mild winter weather and the implementation of new sources.

According to the German Federal Plant and Mechanical Engineering Association (VDMA), production output in the German plant and mechanical engineering sector was up 9% in the first two months of the year. By contrast, order receipts had contracted by 4% in the first three months of 2011, causing the German domestic market to shrink by 9%, while foreign orders dropped by only 2%.

Bloomberg New Energy Finance (BNEF) reports that funding volumes for investments in renewable energies were 13% down on the first quarter of 2011 and 30% down on the fourth quarter of 2011. The main reasons for this are more restrictive lending practices on the part of banks and other financial institutions as well as protracted uncertainty surrounding the subsidisation conditions for renewable energies which are soon to expire or change. Generally speaking, this reflects the fact that in 2012 the wind power sector will expand sharply by up to 23% over 2011 according to Danish consulting and research company MAKE, but will stop for a breather in 2013 before returning to a flatter growth trajectory of around 6% per year in the medium term.

## Business performance

Nordex was able to shrug off the effects of the aforementioned decline in demand, with order receipts continuing to grow in the first quarter of 2012. At EUR 312.3 million, new business exceeded the previous yearôs figure of EUR 154.2 million by 103%, making the period under review the best first quarter for Nordex SE in three years. 100% of orders arose in Europe, chiefly breaking down into Turkey (34%), the United Kingdom (22%), Poland (18%) and France (12%).

Consolidated sales came to EUR 198.3 million in the period under review (previous year: EUR 183.1 million), equivalent to an increase of a good 8%. This growth was particularly underpinned by European business. The share of sales accounted for by Nordexôs core region widened by 5 Percen-

tage points to 85%, while the proportion of American business remained more or less steady at 14% (previous year: 15%) and Asian business shrank from 5% to just under 1%. The share of exports came to around 85% (previous year: 91%). Service business accounted for around 14% of consolidated sales.

### Turbine engineering sales by region

| | 01.01.-31.03.2012 % | 01.01.-31.03.2011 % |
|---|---|---|
| Europe | 85 | 80 |
| America | 14 | 15 |
| Asia | 1 | 5 |

Changes in inventories and other own work capitalised declined by EUR 7.2 million, thus falling short of the previous year's figure of EUR 9.1 million. Total revenues dropped marginally by 0.6% from EUR 192.3 million to EUR 191.1 million.

Turbine production output contracted by 29.6% to 147.5 MW (first quarter of 2011: 209.5 MW), while rotor blade production came to 66.7 MW, i.e. just under 20% down on the previous year (first quarter of 2011: 83.2 MW). This reflects the fact that in contrast to earlier years management pursued the goal of investing only a small volume of funds in preliminary work on projects to be realised in the second half of the year in the interests of preserving working capital.

In the first three months of 2012, Nordex installed new capacity of around 113.8 MW for its customers, a decline of 47.7% over the previous year's figure of 217.5 MW. Europe accounted for a good 70% of total installed capacity, followed by America with just under 18% and Asia with 12%.

### Production output

| | 01.01.-31.03.2012 MW | 01.01.-31.03.2011 MW |
|---|---|---|
| Turbine assembly | 147.5 | 209.5 |
| of which United States | 32.5 | 45.0 |
| of which China | 0 | 19.5 |
| Rotor blade production | 66.7 | 83.2 |
| of which China | 0 | 21.5 |

Firmly financed orders were valued at EUR 837 million at the end of the quarter, almost 20% compared with 31 December 2011 (EUR 698 million) and up 108% on the previous year (first quarter of 2011: EUR 402 million).

## Results of operations and earnings

The gross margin contracted to 20.8% in the period under review (first quarter of 2011: 28.2%) primarily as a result of work performed on projects with comparatively narrower margins due to persistent price pressure. Other operating expenses net of other operating income dropped from EUR 15 million in the previous year to EUR 8.8 million, while structural costs declined by 9.7%, coming to EUR 48.6 million (first quarter of 2011: EUR 53.8 million). At EUR 32.8 million, staff costs were more or less unchanged over the previous year (first quarter of 2011: EUR 32.7 million).

The cost-cutting effects of the reorganisation programme launched in September 2012 will not show up until the third quarter of 2012 as Nordex had continued to increase its employee numbers up until August 2011.

In the period under review, a loss of EUR 9.0 million was sustained at the EBIT level, marking a deterioration over the previous year (first quarter of 2011: EBIT of EUR 0.4 million).

After interest and taxes, Nordex posted consolidated net loss of EUR 14.0 million (first quarter of 2011: net loss of EUR 1.8 million). At the same time, finance expense net of finance income rose to EUR 5.1 million (first quarter of 2011: EUR 3.1 million).

## Financial condition and net assets

As of 31 March 2012, the Nordex Group had an equity ratio of 37.0% (31 December 2011: 36.6%). Total assets stood at EUR 980.6 million, down 4.7% on the end of 2011 (EUR 1,029.0 million). Cash and cash equivalents rose by just under 9% over the end of 2011 to EUR 230.7 million. At EUR 205.2 million, inventories were 9.8% down on the previous year (31 December 2011: EUR 227.4 million). Trade receivables and future receivables from construction contracts dropped by EUR 45.3 million to EUR 214.8 million, while trade payables declined by 7.8% from EUR 109.7 million to EUR 101.1 million. This resulted in a decline of just under 40% in working capital to EUR 206.6 million (first quarter of 2011: EUR 342.4 million). As a result, the working capital ratio improved substantially to 19.7% (first quarter of 2011: 37.2%).

The turnaround in cash flow was particularly encouraging. In the period under review, the Group recorded a net cash inflow from operating activities of EUR 34.8 million (first quarter of 2011: net cash outflow of EUR 84.5 million). This was chiefly due to the reduction in working capital as a result of improved working capital management.

## Capital spending

Capital spending on property, plant and equipment and intangible assets came to EUR 8.8 million in the period under review, roughly 17% down on the same period of the previous year (first quarter of 2011: EUR 10.6 million). The main focus was on capitalised development expense on product engineering (EUR 5.3 million) and a cumulative figure of EUR 1.7 million for rotor blade production in Europe and China.

## Research and development

In the period under review, engineering concentrated on new onshore turbines as well as the development of and enhancements to individual system components.

The focus in the 2.5 MW platform class was on further improvements to turbine efficiency especially in connection with the tower as one of the main components. Two new tower models were developed to heighten the market appeal of the N117/2400 weak-wind turbine - the 120m steel tube tower and the 141m hybrid tower made from concrete and steel elements, both of which allow wind turbines to be deployed in forested regions. The second main aspect concerned the development of the Nordex anti-icing system to prevent the accumulation of ice on the aerodynamically important parts of the rotor blade as a means of boosting turbine yields in cold regions.

In addition, activities to additionally broaden the onshore portfolio, specifically in the IEC 1 and IEC 2 wind classes, were launched on the basis of a feasibility study which had been completed in 2011.

Engineering activities are still being included in the Group-wide cost-cutting programme. Measures affecting the design of the tower, nacelle and rotor blade have been defined and adopted to harness further potential for optimising costs.

## Employees

As of the balance sheet date, the Nordex Group had 2,515 employees, a decline of 3.4% over the previous year (31 March 2011: 2,603). Following the launch of the reorganisation programme in the third quarter of 2011, employee numbers were down 4.7% on the headcount of 2,640 at the end of 2011. The regional focus in this connection was on Europe (down 3.3% compared with the first quarter of 2011) and Asia (down 8.1% compared with the first quarter of 2011). At the end of the period under review, just under 78% of Nordexõs employees were based in Europe (31 March 2011: 78%), a good 14% in Asia (31 March 2011: 15%) and 8% in the United States (31 March 2011: 7%).

## Risks and opportunities

In the period under review, there were no material changes in the risks to the Groupõs expected performance described in detail in the Nordex SE annual report for 2011. However, special note should be made of the greater risk of legislative changes. Thus, France, one of Nordexõs key markets, announced a review of the feed-in remuneration scheme due following the rejection by the European Union.

There are no risks to the Groupõs going-concern status. Nor are any discernible at the moment.

## Outlook

The International Monetary Fund (IMF) has raised its growth forecast for the global economy slightly by 0.2% since the previous yearõs forecast to 3.5%. However, this expansion will be underpinned by the emerging markets, which will grow by 5.7%, whereas the industrialised nations will expand by only 1.4%.

The ifo index, a key indicator of sentiment in the German economy, has recently weakened somewhat, although it still points to marginal growth. The April purchasing manager indices signal a sustained economic slump in the Eurozone caused by the debt crisis afflicting a number of member countries.

Moreover, the ECB forecasts an inflation rate of 2.7% for the Eurozone economies in 2012 as a result of the high energy and fuel costs.

The German Mechanical and Plant Engineering Association (VDMA) expects the economy as a whole to weaken in 2012 due to slower growth in the main export markets. Consequently, production will hold steady rather than expanding any further.

Danish research and consulting company MAKE Consulting expects growth of around 23% in the wind power sector in 2012, equivalent to new installed capacity of 50 GW. This growth will be chiefly driven by the Americas as new capacity in the United States alone is expected to come to around 10 GW in view of the soon-to-expire subsidisation scheme. Onshore turbines will account for more than 96% of new installed capacity in the global markets.

Nordex continues to expect sales to grow to between EUR 1,000 and 1,100 million in 2012 accompanied by order receipts of between EUR 1,000 and 1,100 million. The working capital ratio should come to roughly 20% by the end of 2012.

Firmly financed contracts rose by 20% to EUR 837 million as of 31 March 2012 (31 December 2011: EUR 698 million) due to strong new business in tandem with a high book-to-bill ratio of 1.6. In addition, Nordex held contingent orders of EUR 1.3 billion as of the balance sheet date. However, these are contracts for which not all conditions required for direct execution have yet been fulfilled.

Given the weaker capacity utilisation in the first two quarters of the year, management expects a turnaround with rising sales to emerge in the second half of the year. The return on sales before interest and taxes should rise to 1 - 3%, although current low price levels in the market are exerting heavy pressure on margins.

## Events after the conclusion of the period under review

On 10 April 2012, Nordex reported that it had signed a contract for the delivery of twelve N90/2500 wind turbines for the Chinese power station operator Zhongmin Wind Power, a subsidiary of the Fujian Investment Group. The 30 MW project is to be assembled on the coast near Zhongcuo by the end of 2012. It is the first commercial project in China utilising the 2.5 MW platform.

On 12 April 2012, Nordex announced a contract for ten turbines from the new N117/2400 series awarded by Neue Energien GmbH and Honold GmbH Windkraftanlagen, which will be finalised in the third quarter. Located in the north west of the shire of Dillingen in Germany, the 24 MW ñZº schingenò project will be the largest wind farm in Bavaria.

On 13 April 2012, Nordex reported that it had received contracts for four related projects in the Netherlands. With a capacity of 72.5 MW, the ñKreekraksluisò wind farm is being fitted with 29 N100/2500 turbines for the two Dutch utilities DELTA NV and Eneco NV as well as the private operators Winvast BV and Schedewind BV for completion by autumn 2013. Nordex had already been awarded three of the four contracts in December 2011, with the final six turbines reported as order intake in March 2012.

On 18 April 2012, Nordex announced the end of the negotiations for the transfer of all of its offshore activities to a joint venture. The offshore-related assets are now to be sold to other interested parties in the short to medium term so that Nordex is able to devote all of its attention to the onshore segment once more.

## Consolidated balance sheet

as of 31 March 2012

| Assets | 31.03.2012<br>EUR thousand | 31.12.2011<br>EUR thousand |
|---|---|---|
| Cash and cash equivalents | 230,742 | 211,977 |
| Trade receivables and future receivables from construction contracts | 214,827 | 260,078 |
| Inventories | 205,198 | 227,422 |
| Income tax refund claims | 0 | 276 |
| Other current financial assets | 21,229 | 22,744 |
| Other current non-financial assets | 40,584 | 37,719 |
| **Current assets** | **712,580** | **760,216** |
| Property, plant and equipment | 131,910 | 133,915 |
| Goodwill | 11,648 | 11,648 |
| Capitalised development expense | 65,018 | 62,140 |
| Other intangible assets | 4,835 | 5,532 |
| Financial assets | 5,209 | 5,289 |
| Investments in associates | 7,658 | 7,263 |
| Other non-current financial assets | 1,310 | 2,250 |
| Other non-current non-financial assets | 313 | 4 |
| Deferred income tax assets | 40,143 | 40,730 |
| **Non-current assets** | **268,044** | **268,771** |
| **Assets** | **980,624** | **1,028,987** |

| Equity and liabilities | 31.03.2012<br>EUR thousand | 31.12.2011<br>EUR thousand |
|---|---|---|
| Current bank borrowings | 34,773 | 76,239 |
| Trade payables | 101,110 | 109,744 |
| Income tax liabilities | 2.924 | 4,315 |
| Other current provisions | 52,831 | 54,064 |
| Other current financial liabilities | 12,530 | 174,962 |
| Other current non-financial liabilities | 168,504 | 174,123 |
| **Current liabilities** | **372,672** | **593,447** |
| Non-current bank borrowings | 36,066 | 0 |
| Pensions and similar obligations | 860 | 862 |
| Other non-current provisions | 17,966 | 21,941 |
| Other non-current financial liabilities | 170,677 | 14,762 |
| Other non-current non-financial liabilities | 4,371 | 4,634 |
| Deferred income tax liabilities | 15,689 | 16,788 |
| **Non-current liabilities** | **245,629** | **58,987** |
| Subscribed capital | 73,529 | 73,529 |
| Share premium | 204,867 | 204,798 |
| Other equity components | -10,530 | -10,530 |
| Foreign-currency adjustment item | 2,971 | 3,247 |
| Consolidated profit/loss carried forward | 103,318 | 103,318 |
| Consolidated net profit/loss | -13,758 | 0 |
| Share in equity attributable to parent company's equity holders | 360,397 | 374,362 |
| Non-controlling interests | 1,926 | 2,191 |
| **Equity** | **362,323** | **376,553** |
| **Equity and liabilities** | **980,624** | **1,028,987** |

## Consolidated income statement

for the period from 1 January to 31 March 2012

| | 01.01.2012 - 31.03.2012 EUR thousand | 01.01.2011 - 31.03.2011 EUR thousand |
|---|---|---|
| Sales | 198,313 | 183,137 |
| Changes in inventories and other own work capitalised | -7,183 | 9,130 |
| **Total revenues** | **191,130** | **192,267** |
| Other operating income | 5,942 | 4,480 |
| Cost of materials | -151,462 | -138,098 |
| Personnel costs | -32,843 | -32,648 |
| Depreciation/amortisation | -6,996 | -6,105 |
| Other operating expenses | -14,723 | -19,494 |
| **Earnings before interest and taxes (EBIT)** | **-8,952** | **402** |
| Net profit/loss from at-equity valuation | -3 | 0 |
| Impairment of financial assets and securities held as current assets | -6 | 0 |
| Other interest and similar income | 569 | 245 |
| Interest and similar expenses | -5,714 | -3,298 |
| **Net finance income/expense** | **-5,154** | **-3,053** |
| **Profit/loss from ordinary activity** | **-14,106** | **-2,651** |
| Income taxes | 122 | 817 |
| **Consolidated loss** | **-13,984** | **-1,834** |
| Of which attributable to: | | |
| Parent company's equityholders | -13,758 | -1,781 |
| Non-controlling interests | -226 | -53 |
| | | |
| **Earnings/loss per share (in EUR)** | | |
| Basic* | -0,19 | -0,03 |
| Diluted* | -0,19 | -0,03 |

*based on a weighted average of 73.529 million shares (previous year 66.920 million shares)

## Consolidated statement of comprehensive income

for the period from 1 January to 31 March 2012

| | 01.01.2012 - 31.03.2012 EUR thousand | 01.01.2011 - 31.03.2011 EUR thousand |
|---|---|---|
| **Consolidated loss** | **-13,984** | **-1,834** |
| Other comprehensive income | | |
| Foreign currency translation difference | -315 | -1,808 |
| Interest-rate swaps | 0 | 489 |
| Deferred income taxes | 0 | -147 |
| **Consolidated comprehensive income** | **-14,299** | **-3,300** |
| Of which attributable to: | | |
| Parent company's equityholders | -14,034 | -3,106 |
| Non-controlling interests | -265 | -194 |

## Consolidated cash flow statement

for the period from 1 January to 31 March 2012

| | | 01.01.2012 - 31.03.2012 EUR thousand | 01.01.2011 - 31.03.2011 EUR thousand |
|---|---|---|---|
| | **Operating activities:** | | |
| | Consolidated loss | -13,984 | -1,834 |
| + | Depreciation on non-current assets | 7,002 | 6,105 |
| = | **Consolidated loss plus depreciation** | **-6,982** | **4,271** |
| +/- | Decrease/increase in inventories | 22,224 | -1,703 |
| + | Decrease in trade receivables and future receivables from construction contracts | 45,251 | 1,587 |
| - | Decrease in trade payables | -8,634 | -47,509 |
| - | Decrease in prepayments received | -9,990 | -50,133 |
| = | **Payments received/made from changes in working capital** | **48,851** | **-97,758** |
| + | Decrease in other assets not allocated to investing or financing activities | 1,515 | 865 |
| -/+ | Decrease/increase in pension provisions | -2 | 3 |
| - | Decrease in other provisions | -5,208 | -8,176 |
| -/+ | Increase/decrease in other liabilities not allocated to investing or financing activities | -8,217 | 14,481 |
| + | Losses from the disposal of non-current assets | 390 | 389 |
| - | Other interest and similar income | -569 | -245 |
| + | Interest received | 396 | 205 |
| + | Interest and similar expenses | 5,714 | 3,298 |
| - | Interest paid | -1,859 | -2,818 |
| - | Income taxes | -122 | -817 |
| -/+ | Taxes paid/refunded | -80 | 74 |
| + | Other non-cash expenses | 940 | 1,706 |
| = | **Payments made/received from remaining operating activities** | **-7,102** | **8,965** |
| = | **Cash flow from operating activities** | **34,767** | **-84,522** |
| | **Investing activities:** | | |
| + | Payments received from the disposal of property, plant and equipment/ intangible assets | 77 | 170 |
| - | Payments made for investments in property, plant and equipment/ intangible assets | -8,833 | -10,578 |
| + | Payments received from the disposal of financial assets | 74 | 38 |
| - | Payments made for investments in financial assets | -397 | 0 |
| = | **Cash flow from investing activities** | **-9,079** | **-10,370** |
| | **Financing activities:** | | |
| + | Payments received from equity issues | 0 | 53,278 |
| + | Bank loans raised | 0 | 35,859 |
| - | Bank loans repaid | -6,053 | 0 |
| = | **Cash flow from financing activities** | **-6,053** | **89,137** |
| | **Cash change in cash and cash equivalents** | **19,635** | **-5,755** |
| + | Cash and cash equivalents at the beginning of the period | 211,977 | 141,050 |
| - | Exchange rate-induced change in cash and cash equivalents | -870 | -1,413 |
| = | **Cash and cash equivalents at the end of the period (Cash and cash equivalents carried on the face of the consolidated balance sheet)** | **230,742** | **133,882** |

# Consolidated statement of changes in equity

| | Subscribed capital | Share premium | Other equity components | Foreign currency adjustment item |
|---|---|---|---|---|
| | EUR thousand | EUR thousand | EUR thousand | EUR thousand |
| **01.01.2012** | **73,529** | **204,798** | **-10,530** | **3,247** |
| Employee stock option programme | 0 | 69 | 0 | 0 |
| Consolidated comprehensive income | 0 | 0 | 0 | -276 |
| Consolidated loss | 0 | 0 | 0 | 0 |
| Other comprehensive income | | | | |
| Foreign currency translation difference | 0 | 0 | 0 | -276 |
| **31.03.2012** | **73,529** | **204,867** | **-10,530** | **2,971** |

| | Consolidated net profit/loss carried forward | Consolidated net profit/loss | Capital attributable to the parent companyôs equity holders | Non-controlling interests | Total equity |
|---|---|---|---|---|---|
| | EUR thousand | EUR thousand | EUR thousand | EUR thousand | EUR thousand |
| **01.01.2012** | **103,318** | **0** | **374,362** | **2,191** | **376,553** |
| Employee stock option programme | 0 | 0 | 69 | 0 | 69 |
| Consolidated comprehensive income | 0 | -13,758 | -14,034 | -265 | -14,299 |
| Consolidated loss | 0 | -13,758 | -13,758 | -226 | -13,984 |
| Other comprehensive income | | | | | |
| Foreign currency translation difference | 0 | 0 | -276 | -39 | -315 |
| **31.03.2012** | **103,318** | **-13,758** | **360,397** | **1,926** | **362,323** |

# Consolidated statement of changes in equity

| | Subscribed capital | Share premium | Other retained earnings | Cash flow hedge (interest-rate swap) | Other equity components | Foreign currency adjustment item |
|---|---|---|---|---|---|---|
| | EUR thousand | EUR thousand | EUR thousand | EUR thousand | EUR thousand | EUR thousand |
| **01.01.2011** | **66,845** | **158,080** | **30,997** | **-502** | **-10,530** | **4,332** |
| Issue of new equity | 6,684 | 46,594 | 0 | 0 | 0 | 0 |
| Employee stock option programme | 0 | 293 | 0 | 0 | 0 | 0 |
| Consolidated comprehensive income | 0 | 0 | 0 | 342 | 0 | -1,667 |
| Consolidated loss | 0 | 0 | 0 | 0 | 0 | 0 |
| Other comprehensive income | | | | | | |
| Foreign currency translation difference | 0 | 0 | 0 | 0 | 0 | -1,667 |
| Interest-rate swaps | 0 | 0 | 0 | 489 | 0 | 0 |
| Deferred income taxes | 0 | 0 | 0 | -147 | 0 | 0 |
| Consolidated profit/loss carried forward | 0 | 0 | 0 | 0 | 0 | 0 |
| **31.03.2011** | **73,529** | **204,967** | **30,997** | **-160** | **-10,530** | **2,665** |

| | Consolidated net profit/loss carried forward | Consolidated net profit/loss | Capital attributable to the parent company's equity holders | Non-controlling interests | Total equity |
|---|---|---|---|---|---|
| | EUR thousand | EUR thousand | EUR thousand | EUR thousand | EUR thousand |
| **01.01.2011** | **97,974** | **20,875** | **368,071** | **2,764** | **370,835** |
| Issue of new equity | 0 | 0 | 53,278 | 0 | 53,278 |
| Employee stock option programme | 0 | 0 | 293 | 0 | 293 |
| Consolidated comprehensive income | 0 | -1,781 | -3,106 | -194 | -3,300 |
| Consolidated loss | 0 | -1,781 | -1,781 | -53 | -1,834 |
| Other comprehensive income | | | | | |
| Foreign currency translation difference | 0 | 0 | -1,667 | -141 | -1,808 |
| Interest-rate swaps | 0 | 0 | 489 | 0 | 489 |
| Deferred income taxes | 0 | 0 | -147 | 0 | -147 |
| Consolidated profit/loss carried forward | 20,875 | -20,875 | 0 | 0 | 0 |
| **31.03.2011** | **118,849** | **-1,781** | **418,536** | **2,570** | **421,106** |

# Notes on the interim consolidated financial statements (IFRS)

as of 31 March 2012

## I. General

The abridged consolidated interim financial statements of Nordex SE and its subsidiaries for the first three months as of 31 March 2012, which were not audited or reviewed by a statutory auditor, were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as endorsed by the EU. In this connection, all International Financial Reporting Standards and interpretations of the International Financial Reporting Interpretations Committee binding as of 31 March 2012 were applied. In addition, IAS 34 ñInterim Financial Reportingò as published by the International Accounting Standards Committee (IASC) was observed.

These interim financial statements must be read in conjunction with the consolidated financial statements for 2011. Further information on the accounting principles applied can be found in the notes to the consolidated financial statements. The consolidated financial statements for 2011 are available on the Internet at www.nordex-online.com in the Investor Relations section.

In the absence of any express reference to any changes, the recognition and measurement principles applied to the consolidated financial statements as of 31 December 2011 are also used in the interim financial statements as of 31 March 2012.

The income statement has again been prepared in accordance with the total cost method.

The business results for the first three months of 2012 are not necessarily an indication of expected results for the year as a whole. Any irregular expenses occurring in the year are only included or deferred in the interim financial report to the extent that such inclusion or deferral would also be reasonable at the end of the year.

The interim financial statements were prepared in the Group currency, i.e. the euro.

## II. Notes on the balance sheet

### Current assets

Trade receivables stood at EUR 71.4 million as of 31 March 2012 (31 December 2011: EUR 77.8 million) and include impairments of EUR 4.1 million as of 31 March 2012 (31 December 2011: EUR 4.8 million).

Of the future gross receivables from construction contracts of EUR 728.1 million (31 December 2011: EUR 834.3 million), prepayments received of EUR 584.7 million (31 December 2011: EUR 652.0 million) were netted. In addition, prepayments received of EUR 112.3 million (31 December 2011: EUR 122.3 million) are reported within other current non-financial liabilities.

### Non-current assets

Changes in non-current assets are analysed in the statement of changes in property, plant and equipment and intangible assets (see below). As of 31 March 2012, capital spending was valued at EUR 8.8 million, while depreciation/amortisation expense came to EUR 7.0 million. Of the additions, a sum of EUR 5.3 million particularly relates to capitalised development expenses and a sum of EUR 1.8 million to prepayments made and assets under construction.

Deferred income tax assets primarily comprise unused tax losses which the Company expects to be able to utilise against domestic corporate and trade tax.

### Statements of changes in property, plant and equipment and intangible assets

| | Historical cost | | | | | |
|---|---|---|---|---|---|---|
| | Initial amount 01.01.2012 EUR thousand | Additions EUR thousand | Disposals EUR thousand | Reclassi-fication EUR thousand | Foreign currency EUR thousand | Closing amount 31.03.2012 EUR thousand |
| **Property, plant and equipment** | | | | | | |
| Land and buildings | 82,298 | 59 | 4 | 38 | -755 | 81,636 |
| Technical equipment and machinery | 63,179 | 743 | 7 | 933 | -420 | 64,428 |
| Other equipment, operating and business equipment | 41,745 | 820 | 243 | -43 | -223 | 42,056 |
| Prepayments made and assets under construction | 8,384 | 1,771 | 0 | -928 | -56 | 9,171 |
| **Total property, plant and equipment** | **195,606** | **3,393** | **254** | **0** | **-1,454** | **197,291** |
| | | | | | | |
| **Intangible assets** | | | | | | |
| Goodwill | 16,149 | 0 | 0 | 0 | 0 | 16,149 |
| Capitalised development expense | 99,139 | 5,297 | 4,236 | 0 | 0 | 100,200 |
| Other intangible assets | 24,780 | 143 | 9 | 0 | -90 | 24,824 |
| **Total intangible assets** | **140,068** | **5,440** | **4,245** | **0** | **-90** | **141,173** |