



Nordex SE Conference Call H1 2015



Hamburg
30 July 2015



- | | |
|---|--------------------------------|
| 1. Highlights | Lars Bondo Krogsgaard |
| 2. Operational progress and order intake | Lars Bondo Krogsgaard |
| 3. Financials H1 2015 | Bernard Schäferbarthold |
| 4. Market update and outlook | Lars Bondo Krogsgaard |
| 5. Appendix | |

- **Nordex in good shape**
- **Good H1 results**
 - **Strong increase in revenues and order intake**
 - **EBIT margin up to 5.6%**
 - **Positive free cash flow**
 - **Largest single order in Nordex history so far (Pampa, Uruguay)**
- **Strategic projects on track**
- **Guidance for FY 2015 raised for sales and order intake**
- **Update on strategy and medium-term targets during Capital Markets Day on 15 October**

- **New structure to increase operational and strategic responsibility of top managers**

Supervisory Board



Board

Lars Bondo Krogsgaard



Bernard Schäferbarthold



Executive Committee

Board

+

7 top managers with ~70 years of experience in wind

- | | |
|---|--------------------------------|
| 1. Highlights | Lars Bondo Krogsgaard |
| 2. Operational progress and order intake | Lars Bondo Krogsgaard |
| 3. Financials H1 2015 | Bernard Schäferbarthold |
| 4. Market update and outlook | Lars Bondo Krogsgaard |
| 5. Appendix | |

Production – Installations – Service



Turbine assembly: 1.013 MW (+ 75% yoy) – assembly of turbines for installations in H2

Blade production: 165 blades (- 29% yoy) – extension of facility in Rostock, ramp-up of NR 65.5



Installations: 611.2 MW (-8% yoy) – phasing of projects with a focus in H2

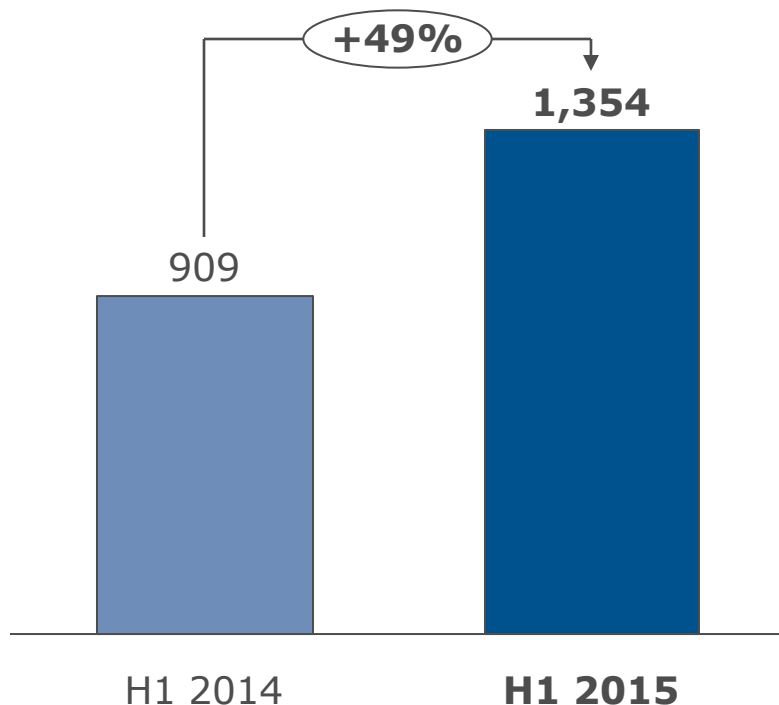
235 turbines installed in 12 countries – main markets Germany, Turkey and France



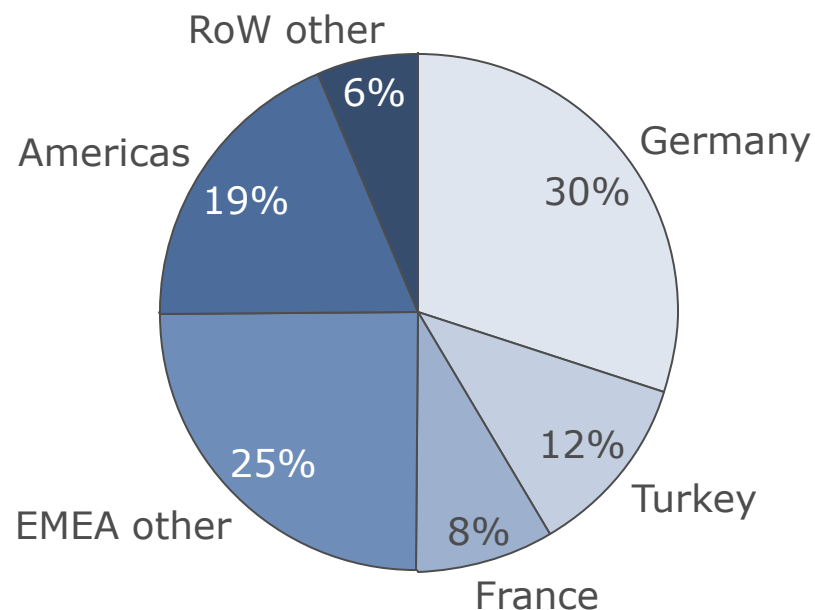
Service sales: EUR 92 mn (+24% yoy)

Renewal rate: 87% (-10 ppt)

Order intake H1/15 vs. H1/14 (in EUR mn)

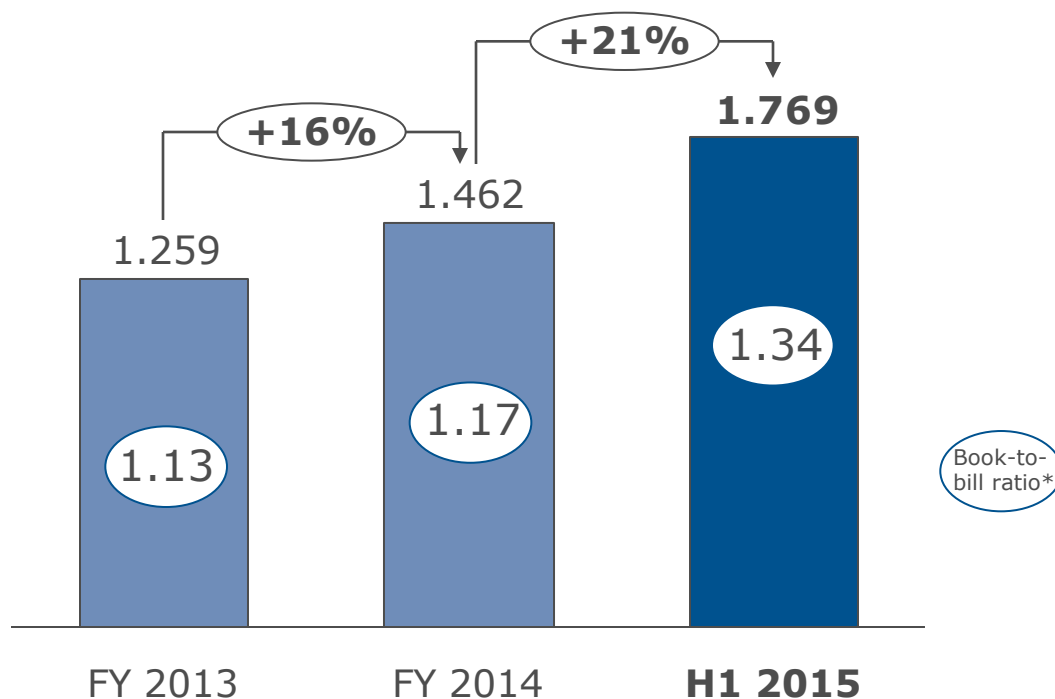


Order intake by areas H1/15



- **Order intake** of EUR 1.4 bn
- **Generation Delta** accounts for ~20% of new orders; bestselling WTG **N117/2400** (~ 40%)
- One third of the OI stems from **emerging markets** like South Africa, Uruguay and Pakistan

Development of the firm order book* 2013 – H1 2015 (in EUR mn)



- EMEA currently accounts for 78% of the firm order book, Americas 15% and Asia 7%
- **Book-to-bill ratio*** improvement to 1.34 (H1 2014: 1.17)
- **Conditional order back-log** at EUR 664 mn (H1 2014: EUR 720 mn; -7.7%)

* Turbine business, excluding service

- | | |
|---|--------------------------------|
| 1. Highlights | Lars Bondo Krogsgaard |
| 2. Operational progress and order intake | Lars Bondo Krogsgaard |
| 3. Financials H1 2015 | Bernard Schäferbarthold |
| 4. Market update and outlook | Lars Bondo Krogsgaard |
| 5. Appendix | |

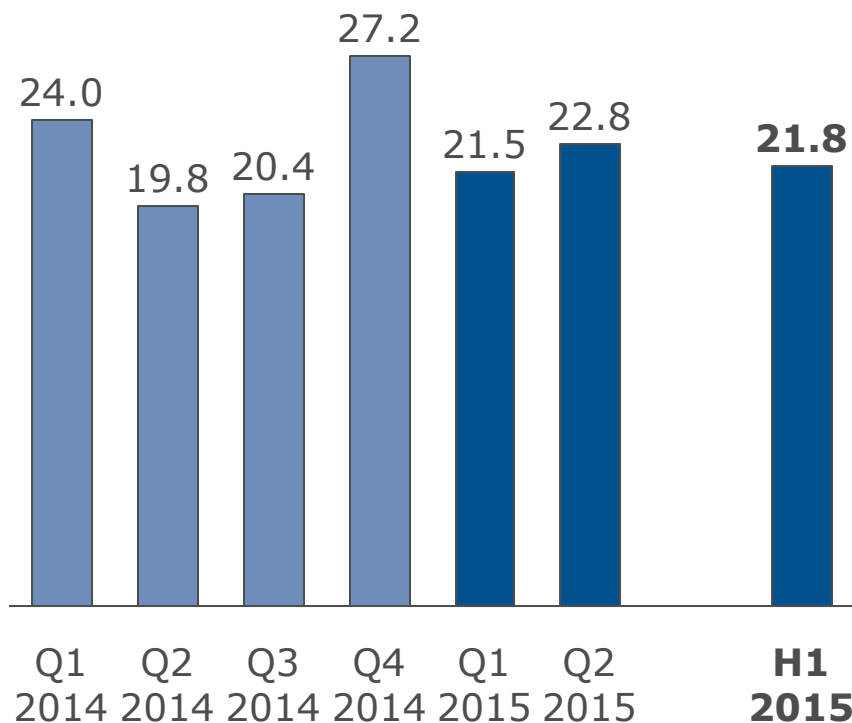
3. GROUP INCOME STATEMENT H1 2015

In EUR millions

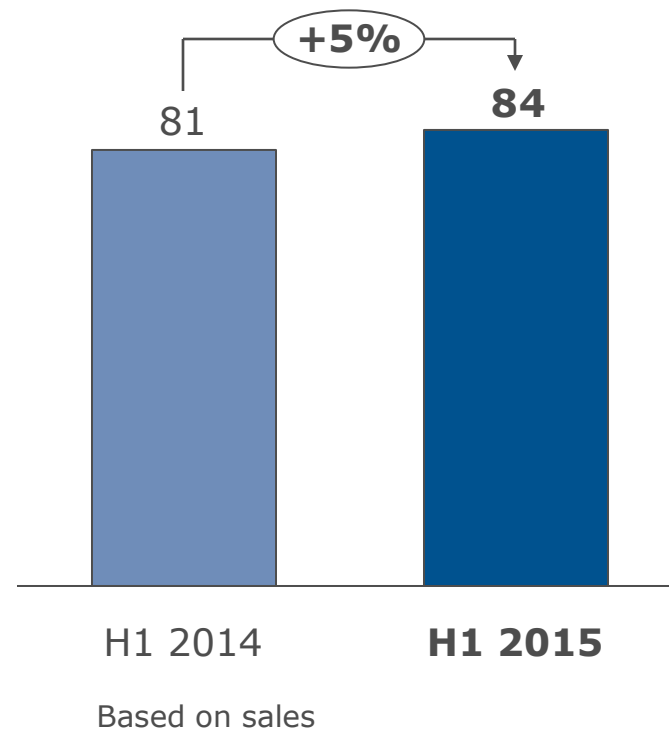
	H1 2015	H1 2014	Δ in %
Sales	1,100.3	815.4	34.9
Total revenues	1,083.8	774.5	39.9
Cost of materials	(847.9)	(597.7)	41.9
Gross profit	235.9	176.8	33.4
Personnel costs	(93.4)	(81.0)	15.3
Other operating (expenses)/income	(54.6)	(40.0)	36.5
EBITDA	87.9	55.8	57.5
Depreciation	(26.4)	(18.7)	41.2
EBIT	61.5	37.1	65.8
Net financial result	(10.3)	(12.9)	(20.2)
EBT	51.3	24.2	>100
Tax	(14.4)	(7.7)	87.0
Net profit	36.9	16.5	>100

- **Sales increase** reflects high order backlog and order intake as well as sales of large projects and increased production volume
- **Net profit** increase by 123 % due to higher volume and as a result of lower structural costs, relative to total revenues and optimized financial result
- **H1 EBIT margin** of 5.6 % well in the target range; EBIT margin in Q2 at 6.1 %

**Development of gross margin
Q1 2014 – H1 2015 (in %)**



Gross profit per employee (in TEUR)



- Some volatility of **gross margin** during the year, with 22 – 23 % expected for the full year
- Value added measured as **gross profit/employee** above last year

Key figures cash flow statement H1 2015

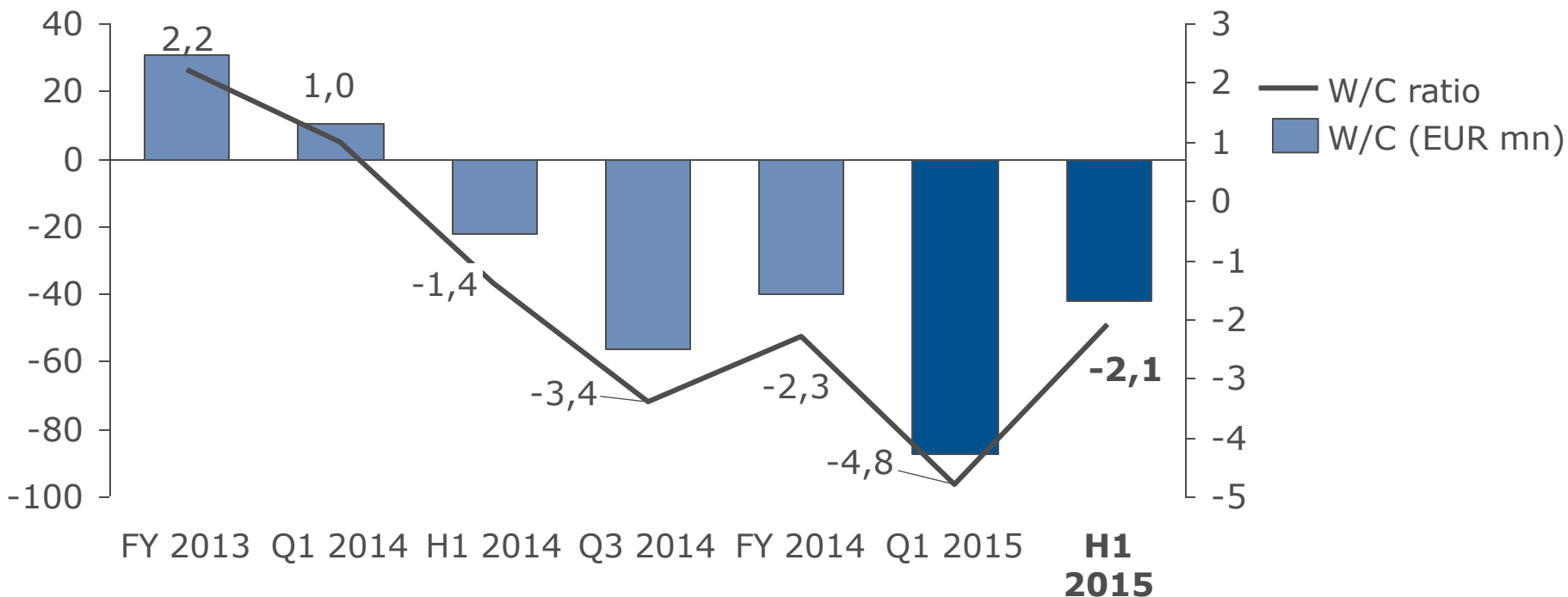
	in EUR mn
Cash flow from operating activities	73.4
Cash flow from investing activities	(31.5)
Free cash flow	41.9
Cash flow from financing activities	(-35.0)

Key figures cash flow statement H1 2014

	in EUR mn
Cash flow from operating activities	91.2
Cash flow from investing activities	(21.2)
Free cash flow	70.0
Cash flow from financing activities	(-152.2)

- **Decreased operating cash flow** because of higher operational performance and corresponding increase in trade payables/receivables
- **Investing activities** in H1 2015 mainly for capitalized product development and expansion of the blade center in Rostock – project almost completed
- **Cash flow from financing activities** results from investment in fixed-term deposits

Development of working capital 2013 – H1 2015



- **Working capital ratio** well below the target (<5%)
- Volatility reflects production and installation activity
- Continuing stringent **working capital management** with:
 - Optimised turnaround and order times
 - High customer prepayments

3. GROUP BALANCE SHEET H1 2015

In EUR millions

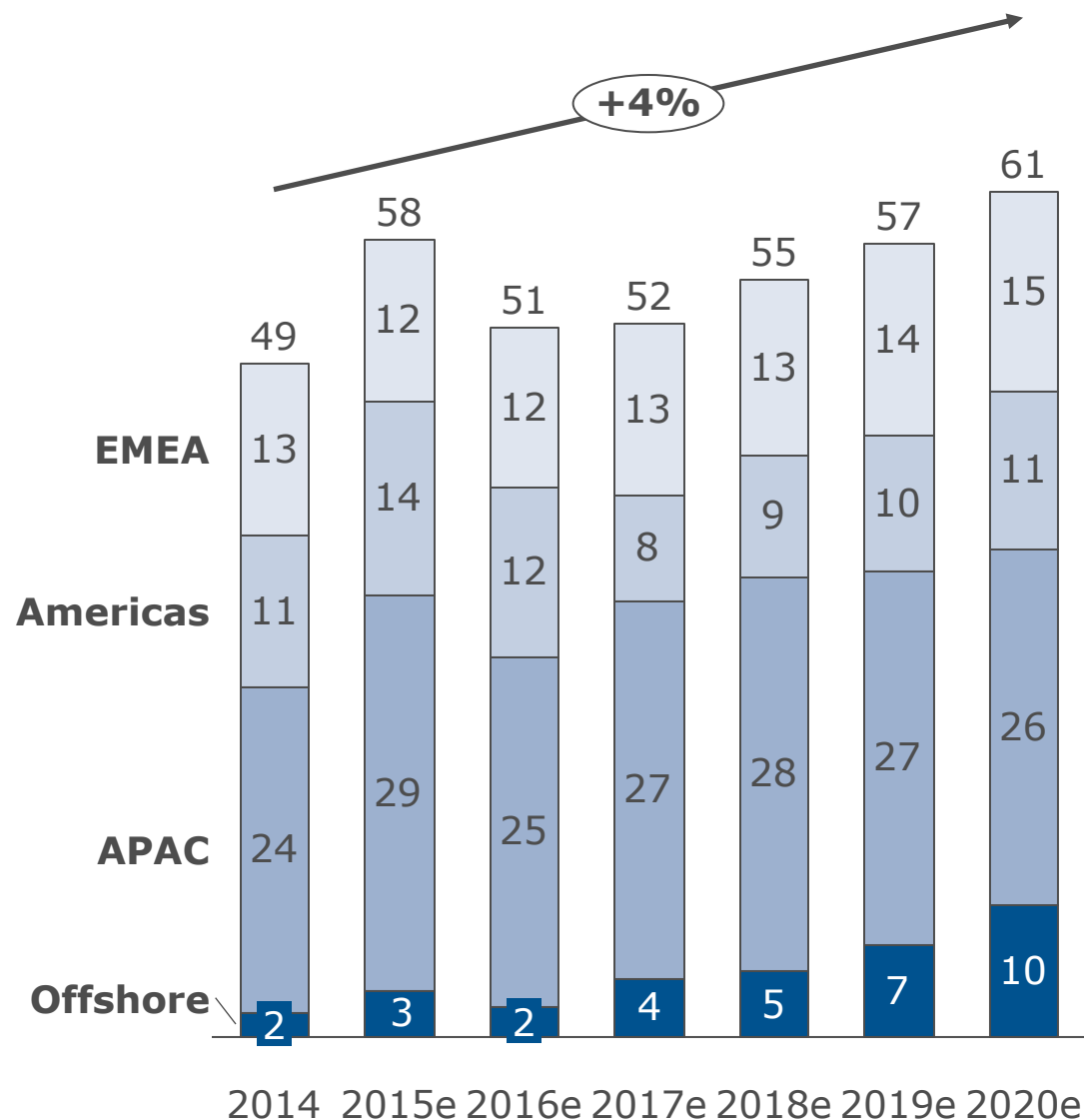
	H1 2015	FY 2014		H1 2015	FY 2014
Liquid funds & fixed-term deposits	433.2	388.4	Trade payables	314.5	177.5
Trade receivables and future receivables	268.6	185.5	Bond ¹	151.6	0
Net inventories	263.2	273.9	Other current liabilities	436.4	451.8
Other current assets	111.0	73.4			
Current Assets	1,076.0	921.2	Current liabilities	902.5	629.3
Property, plant, equipment	142.4	136.2	Bond ¹	0	156.2
Capitalized R&D expenses	106.1	106.1	Deferred tax liabilities	43.7	30.8
Deferred tax assets	51.2	44.8	Other non-current liabilities	26.9	27.6
Other non-current assets	31.1	31.6			
Non-current assets	330.8	318.7	Non-current liabilities	70.6	214.6
			Shareholders' equity	433.8	396.0
Total assets	1,406.8	1,239.9	Total liabilities	1,406.8	1,239.9

- **Balance sheet** strengthened:

- **Net liquidity** increased to EUR 282 mn (31.12.2014: 232.2 mn)
- **Bank borrowings** remain at zero – bond reclassified as current liability (maturity in 4/2016)
- **Total assets** up 13% to EUR 1.4bn; **equity ratio** 30.8 % (31.12.2014: 31.9 %) ¹ Bond incl. interest

- | | |
|---|--------------------------------|
| 1. Highlights | Lars Bondo Krogsgaard |
| 2. Operational progress and order intake | Lars Bondo Krogsgaard |
| 3. Financials H1 2015 | Bernard Schäferbarthold |
| 4. Market update and outlook | Lars Bondo Krogsgaard |
| 5. Appendix | |

4. DEMAND OUTLOOK IN GW PER REGION



2015/2016:

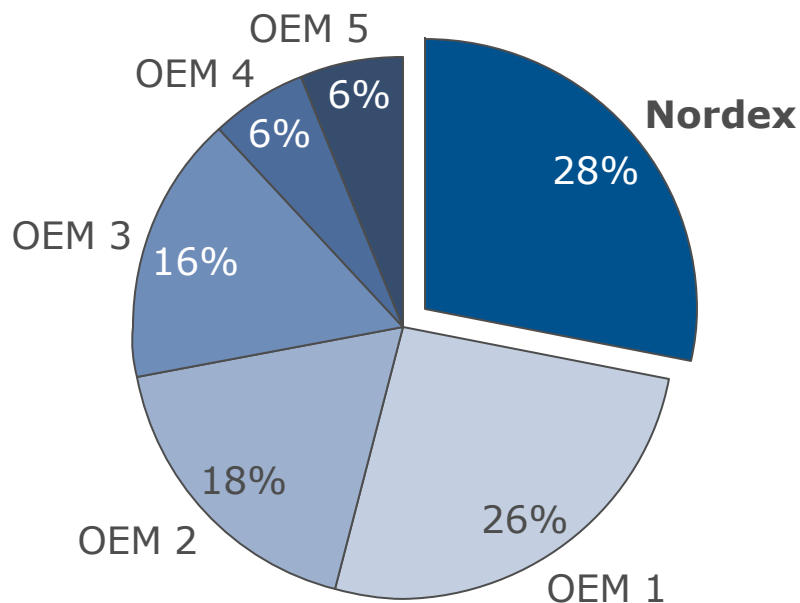
- **Global** onshore growth of ~16 % expected in 2015. Clean energy spending still at a high level
- 2016 dip mainly caused by China and the US

Through 2020:

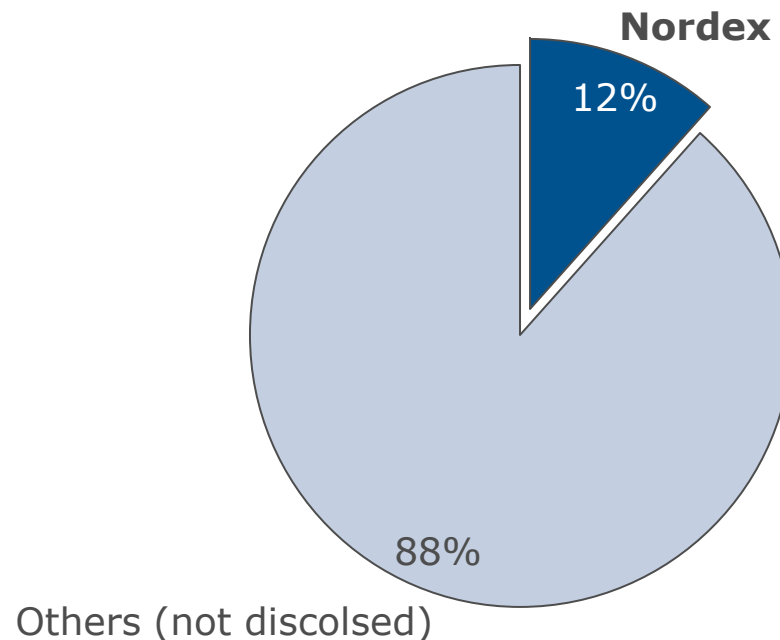
- **Germany:** continues on a high level (~3 GW p.a.)
- **Northern Europe:** Nordex core markets provide stable foundation for our business - gains in market share targeted in various focus markets
- **Southern Europe:** High demand for volume in Turkey and France
- **Eastern Europe:** Some recovery in EMEA East due to new regulations in Poland
- **Emerging Markets:** Ongoing growth opportunities in Africa (RSA, Egypt), Latin America (URU, Chile) and smaller markets in Asia (PAK etc.)

Source: MAKE Q2 outlook as of 6/2015

Installations France H1: 524 MW onshore






Installations Germany H1: ~1,200 MW onshore



- French market picking up – on the way back to a solid GW market
- Market leadership with 28 % in H1 2015 (based on grid-connections; FY 2015: 9.1%)
- Strong development pipeline

- Gains in market share: 11.8 % (H1 2014: 8.1%; FY 2014: 8.4 %)
- German market intact for 2015-17; EEG amendment and details on tender regime expected for late summer
- Current focus on selling N131/3000 – ongoing modification of WTG

Sources: FEE, VDMA

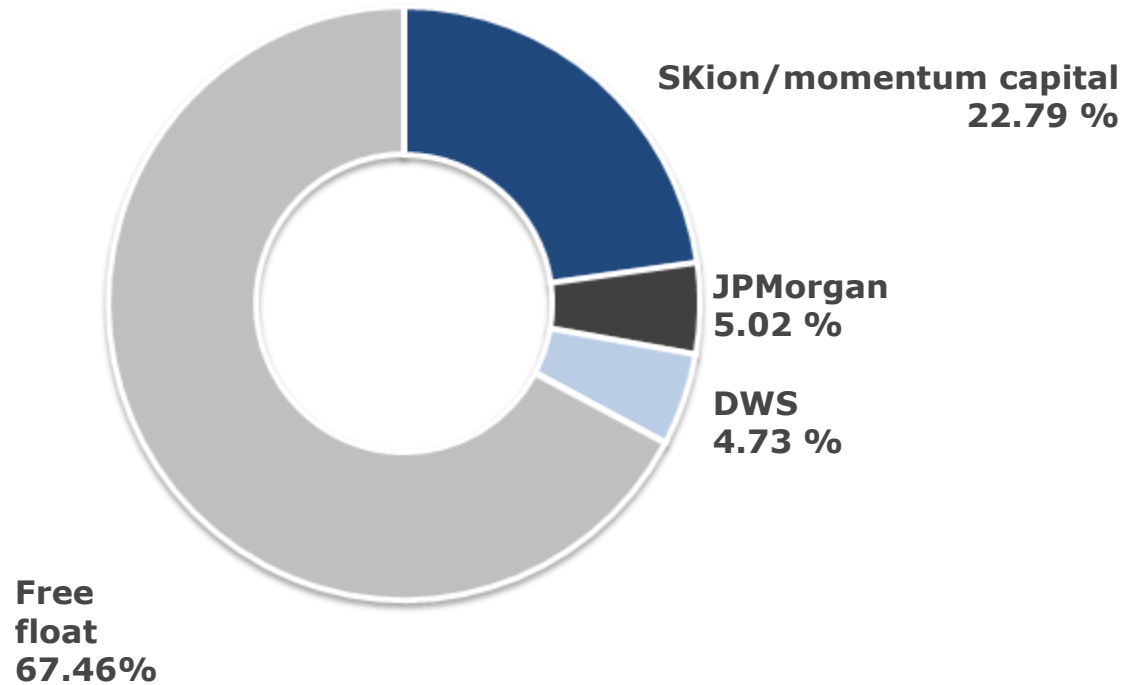
	2014A	2015 old	2015 update
Order intake	EUR 1.75 bn	EUR 1.8 – 2.0 bn	 EUR 2.1 – 2.3 bn
Sales	EUR 1.73 bn	EUR 1.9 – 2.1 bn	 EUR 2.0 – 2.2 bn
EBIT margin	4.5 %	5 – 6 %	5 – 6 %
Working capital ratio	- 2.3%	< 5%	<5 %
Investment	EUR 76.3 m	~ EUR 50 - 60 m	 ~EUR 60 – 65 m

- **Guidance update** triggered by strong order momentum and increase in activity level
- Large **installation volume** in H2

- **Date:** October 15
- **Venue:** Hotel Jumeirah 

Jumeirah™
STAY DIFFERENT
- **Address:** Thurn-und-Taxis-Platz 2, 60313 Frankfurt
- **Content:**
 - Strategy update
 - Update on strategic projects
 - Mid-term targets
- An invitation will follow at the beginning of September
- Please book your hotel rooms as soon as possible due to trade fair season (Book Fair 2015)



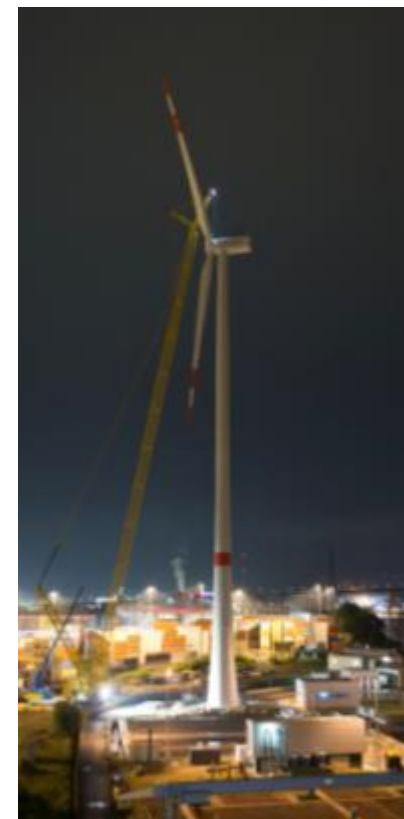


Based on 80.882.447 shares, as of July 2015

Date	Event
30 July	H1 2015 results and analyst call
2 September	HSBC Industrials Conference (London)
10 September	Commerzbank Sector Conference (Frankfurt)
21-22 September	Goldman Sachs & Berenberg German Corporate Conference (Munich)
15 October	Capital Markets Day (Frankfurt)
31 October	Börsentag (Hamburg)
12 November	Q3 2015 results and analyst call
17-20 November	EWEA fair (Paris)
3 December	HSBC Luxembourg Conference

This presentation was produced in July 2015 by Nordex SE solely for use as a source of general information regarding the economic circumstances and status of Nordex SE. It does not constitute an offer for the sale of securities or an invitation to buy or otherwise acquire securities in the Federal Republic of Germany or any other jurisdiction. In particular it is not intended to be an offer, an investment recommendation or a solicitation of an offer to anyone in the U.S., Canada, Japan and Australia or any other jurisdiction. This presentation is confidential. Any reproduction or distribution of this presentation, in whole or in part, without Nordex SE's prior written consent is expressly prohibited.

This presentation contains certain forward-looking statements relating to the business, financial performance and results of Nordex SE and/or the industry in which Nordex SE operates, these statements are generally identified by using phrases such "aim", "anticipate", "believe", "estimate", "expect", "forecast", "guidance", "intend", "objective", "plan", "predict", "project", and "will be" and similar expressions. Although we believe the expectations reflected in such forward-looking statements are based upon reliable assumptions, they are prepared as up-to-date and are subject to revision in the future. We undertake no responsibility to update any forward-looking statement. There is no assurance that our expectations will be attained or that any deviations may not be material. No representation or warranty can be given that the estimates, opinions or assumptions made in, or referenced by, this presentation will prove to be accurate.



THANK YOU FOR YOUR ATTENTION.

Nordex SE

Ralf Peters Head of Corporate Communications
Oliver Kayser Senior Manager Investor Relations

Langenhorner Chaussee 600, 22419 Hamburg, Germany
Phone: +49 (0)40 30030 1000
Fax: +49 (0)40 30030 1333
eMail: investor-relations@nordex-online.com

NDX1

ISIN: DE000A0D6554
WKN: A0D655

www.nordex-online.com

